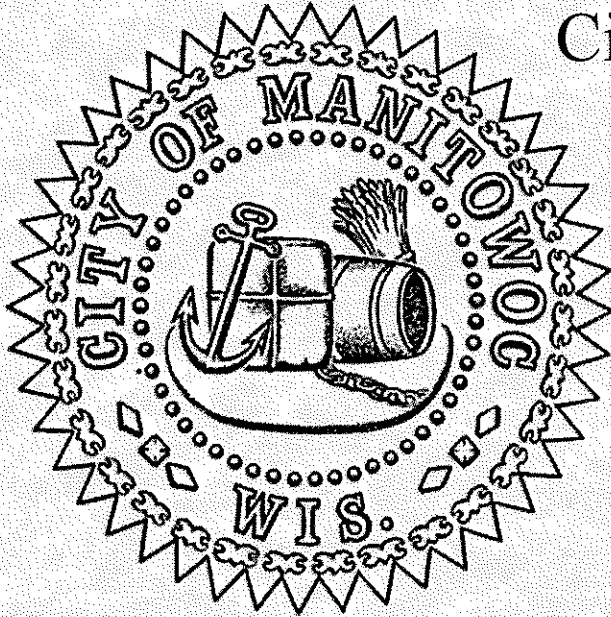


City of Manitowoc, WI



COMPREHENSIVE ANNUAL
FINANCIAL REPORT
INCLUDING AUDITORS' REPORTS

***FOR THE FISCAL YEAR ENDED
DECEMBER 31, 2019***

CITY OF MANITOWOC, WISCONSIN

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

INCLUDING AUDITORS' REPORTS

FOR THE FISCAL YEAR ENDED

DECEMBER 31,

2019

Prepared by Department of Finance

Steve Corbeille, Finance Director

Kim Lynch, Comptroller

City of Manitowoc, Wisconsin

DECEMBER 31, 2019

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DECEMBER 31, 2019

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DECEMBER 31, 2019

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CITY OF MANITOWOC
WISCONSIN, USA
www.manitowoc.org



July 24, 2020

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, 2019. This report was prepared by the City's Finance Department.

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 CliftonLarsonAllen, LLP, 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, 2019, 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 unmodified opinion that the City of Manitowoc's financial statements for the fiscal year ended December 31, 2019, 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 requires 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 2019 population of 33,772, the population of Manitowoc has increased .1% since the 2010 Census report of 33,736 and decreased .83% since the 2000 Census report of 34,053. The population and square mile statistics combine to produce a population density of 1,772 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 373 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 28th largest enrollment among the 426 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.

Behind the Statistical Section of this document, you will find narratives about every department that forms the City of Manitowoc's governmental structure. Some highlights found in this section will be the various forms of insurance the city has and how it is funded; the responsibilities of the City Clerk's office; the activities going on in the Mayor's office; the community development outlook regarding growth in residential, commercial and industrial areas; the statistics of the Public Safety divisions; the massive amounts of data compiled and tracked by the Department of Public Infrastructure regarding streets, sewers, parks, transportation, recreation; the happenings at the Rahr-West Art Museum; the activities at the Library; and some more narratives from our Wastewater Treatment Facility, and the schools located in the City of Manitowoc (includes Lakeshore Technical College).

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 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; Budget Exception Reporting; Capitalization Threshold; Major Equipment and Vehicle Acquisition; and Disposal of Surplus Equipment. Along with these policies, a Purchasing-Budget-Accounting Guidebook was adopted initially on November 18, 2014 and continues to be

updated. The Purchasing-Budget-Accounting Guidebook has been amended several times since inception and includes chapters on Uniform Grant Guidance, Internal Controls, Fraud Detection and Prevention, Continuing Disclosure Compliance and Investment policies.

Economic Information/Outlook. The City of Manitowoc is a growing community with an estimated 2019 population of 33,772 and a 2019 equalized valuation of \$2,032,365,000.

The City of Manitowoc has experienced economic stability via a skilled labor force and appears to be poised for growth in 2020. In 2019, the City's top employers with almost 1,000 employees or more are Lakeside Foods, Holy Family Memorial, a health care provider, and Manitowoc Public School District.

The unemployment rate for the City of Manitowoc in December 2019 was 3.7% up from 2.9% in December 2018. The state's December unemployment rate was 3.4%, with a U.S. unemployment rate of 3.5%.

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, 2018.

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 2018. 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, 2018

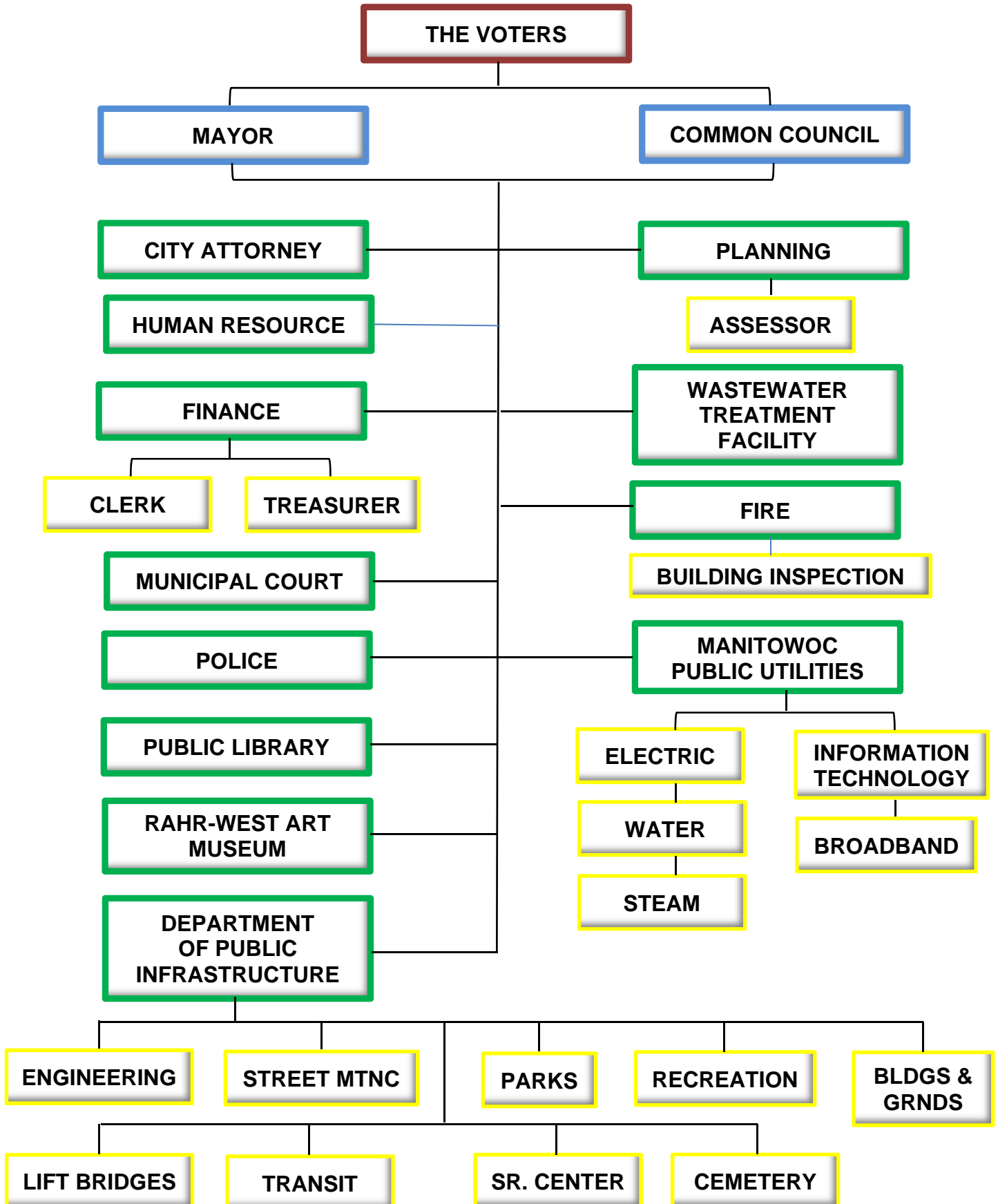
Christopher P. Morill

Executive Director/CEO

CITY OF MANITOWOC

TABLE OF ORGANIZATION

2019



CITY OF MANITOWOC, WISCONSIN

General Information

ELECTED OFFICIALS

December 31, 2019

		<u>Term Expires</u>
Mayor	Justin M. Nickels	April, 2021
Common Council		
President	Eric Sitkiewitz	April, 2020
Aldermanic District		
1	Brett Vanderkin	April, 2021
2	Scott McMeans	April, 2021
3	Jeremiah Novak	April, 2021
4	James N. Brey	April, 2022
5	John Brunner	April, 2022
6	Eric Sitkiewitz	April, 2022
7	Todd Lotz	April, 2020
8	Bill Schlei	April, 2022
9	Steven Czekala	April, 2022
10	Courtney Hansen	April, 2021

CITY OF MANITOWOC, WISCONSIN

General Information

Department Heads and Appointed Officials

December 31, 2019

		Length of Time in This Position	Length of Employment With City of Manitowoc
Finance Director/Treasurer	Steven A. Corbeille	7.67 years	7.67 years
City Clerk	Deborah Neuser	2.58 years	25.08 years
City Attorney	Kathleen McDaniel	5.75 years	11.00 years
Human Resources	Jessie Lillibridge	3.42 years	17.50 years
Municipal Judge	Steven R. Olson	11.67 years	11.67 years
Director of Public Infrastructure	Daniel Koski	6.50 years	6.50 years
Police Chief	Nick Reimer	4.00 years	23.42 years
Fire Chief	Todd Blaser	5.75 years	10.50 years
Community Development Director	Adam Tegen	.21 years	.21 years
Superintendent Wastewater Treatment Facility	Michael Jaeger	3.00 years	12.33 years
Director Rahr-West Art Museum	Jon G. Vadney	7.25 years	7.25 years
General Manager Public Utilities	Nilaksh J. Kothari	18.25 years	28.00 years
Director Public Library	Kristen Stoeger	3.08 years	3.08 years
Emergency Government Coordinator	Todd Blaser	5.25 years	10.50 years

CERTIFIED PUBLIC ACCOUNTANTS

Clifton Larson Allen LLP, Green Bay, Wisconsin

BOND COUNSEL

Quarles & Brady, Milwaukee, Wisconsin

FINANCIAL CONSULTANTS

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



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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers 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, 2019, 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.

OTHER MATTERS

Prior Year Comparative Information

We have previously audited the City's 2018 financial statements, and our report dated June 27, 2019, expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information from which the prior year summarized financial information was derived. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 15 through 27 and the schedules relating to pensions and other postemployment benefits on pages 82 through 84 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 schedules of expenditures of federal and state awards 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 and state awards 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 and the schedules of expenditures of federal and state awards 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.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended December 31, 2018, and have issued our report thereon dated June 27, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The general fund budgetary comparison information, combining nonmajor fund financial statements, and the capital asset schedules for the year ended December 31, 2018 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2018 financial statements. The general fund budgetary comparison information, combining nonmajor fund financial statements, and the capital asset schedules have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the general fund budgetary comparison information, combining nonmajor fund financial statements, and the capital asset schedules are fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2020 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 solely 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 effectiveness of the City's 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.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 29, 2020

**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, 2019. 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 4-7 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 \$348,154,750 (*net position*). Of this amount, \$82,571,721 (*unrestricted net position*) may be used to meet the government's ongoing obligations to citizens and creditors.
- The net position of governmental activities increased \$6,601,638 and business type activities increased by \$14,507,476 for a total increase in net position (6.5%) of \$21,109,114. The increase in governmental activities is mainly attributable to the repayments of long-term debt exceeding the issuance of long-term debt, capital outlay exceeding the depreciation expense and the effect of recording adjustments due to GASB Statement #68 related to pension liabilities. The increase in business activities is mainly attributable to positive operating results, contributions and the effect of recording adjustments due to GASB Statement #68.
- At the close of the current fiscal year, the City of Manitowoc's governmental funds and fiduciary funds reported combined ending fund balances of \$20,333,503 an increase of \$3,124,405 in comparison with the prior year. Only the general fund balance of \$5,642,771 is available for spending at the government's discretion due to deficits contained within the Streets capital project fund, Aquatic special revenue fund and 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 \$5,642,771, or 20.7% of total general fund expenditures of \$27,296,883 or 24.9% of general fund revenues of \$22,635,595.
- The City of Manitowoc's total debt decreased by \$6,391,340 during the current fiscal year. The factors in this decrease were the issuance of general obligation bonds/notes and refunding of \$9,775,000 and the retirement of outstanding general obligation bonds/notes and the results of refunding amounting to \$7,606,159. For the business-type activities, there was new revenue bond debt of \$227,223 issued for Wastewater and revenue bond debt paid of \$512,404. The Electric Utility paid off all revenue bonds/notes for a total of \$8,275,000 and no issuance of any other revenue bonds/notes. The Water Utility continues to carry no debt.



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 of 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 46 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 44 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major 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, workers compensation 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.

Required supplementary information. Information related to the organization's other post-employment benefit plan and the net pension liability (asset) of the Wisconsin Retirement System can be found immediately following the notes to the 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 non-major 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 required supplementary information and 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 \$348,154,750 at the close of the most recent fiscal year.

By far the largest portion of the City of Manitowoc's net position (68.9 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.

An additional portion of the City of Manitowoc's net position represents resources that are subject to external restrictions that are \$25,651,720 or 7.4 percent restricted on how they may be used. The remaining balance is unrestricted net position that is 23.7 percent or \$82,571,721 of net position that may be used to meet the government's ongoing obligations to citizens and creditors.

City of Manitowoc's Net Position

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 76,300,917	\$ 76,242,586	\$106,863,767	\$107,101,762	\$183,164,684	\$183,344,348
Capital assets	137,143,188	129,833,991	160,940,492	157,871,649	298,083,680	287,705,640
Total assets	213,444,105	206,076,577	267,804,259	264,973,411	481,248,364	471,049,988
Deferred Outflows of resources	13,918,653	7,925,221	5,061,627	2,904,270	18,980,280	10,829,491
Long-term liabilities outstanding	67,547,549	60,458,378	14,619,065	21,988,677	82,166,614	82,447,055
Other liabilities	30,958,863	30,307,905	11,335,841	11,513,155	42,294,704	41,821,060
Total liabilities	98,506,412	90,766,283	25,954,906	33,501,832	124,461,318	124,268,115
Deferred inflows of resources	24,677,105	25,657,912	2,935,471	4,907,816	27,612,576	30,565,728
Net position:						
Net investment in capital assets	89,071,265	86,087,963	150,860,044	137,184,269	239,931,309	223,272,232
Restricted	15,005,974	15,709,974	10,645,746	20,514,696	25,651,720	36,224,670
Unrestricted (Deficit)	102,002	(4,220,334)	82,469,719	71,769,068	82,571,721	67,548,734
Total net position	\$104,179,241	\$ 97,577,603	\$243,975,509	\$229,468,033	\$348,154,750	\$327,045,636

Governmental Activities

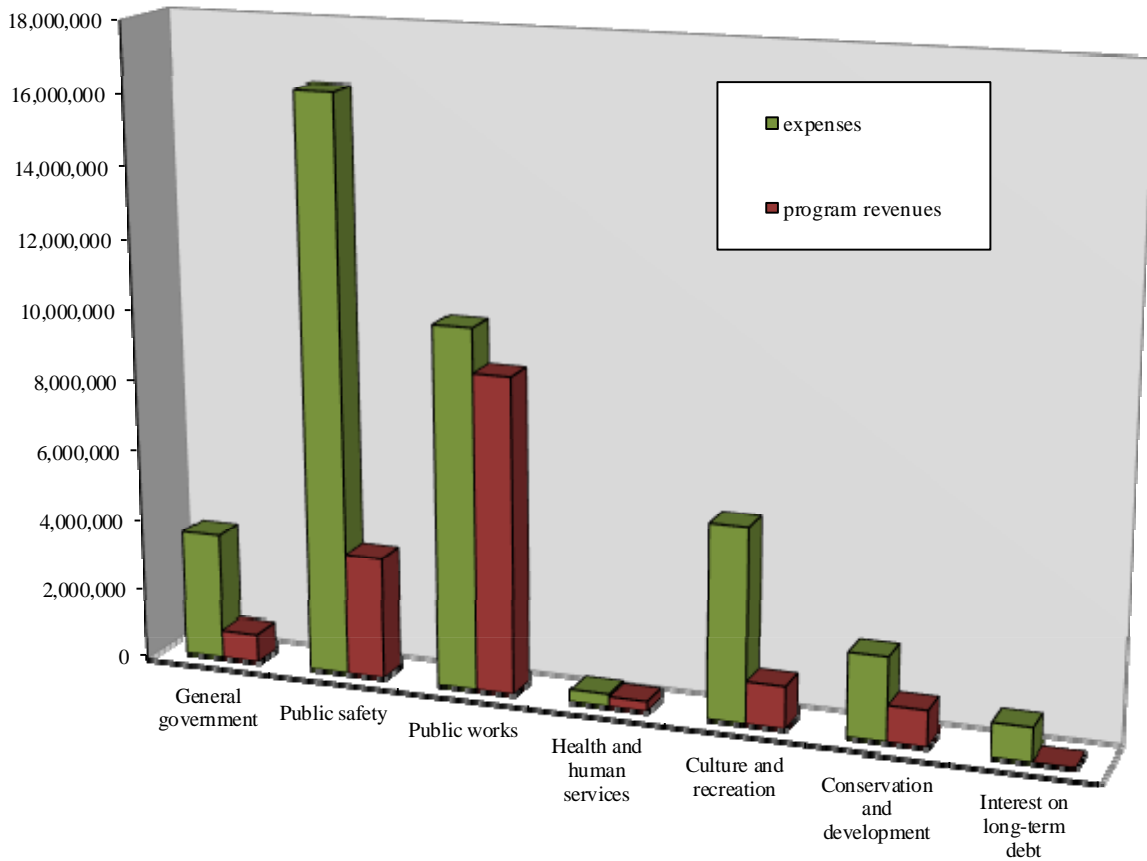
Property taxes decreased by \$51,801 (.3 percent) during the year. Property tax increases were levied for general purposes by \$170,262, and for special revenues by \$127,643. Property tax decreases were levied for capital projects (\$343,249) and for debt service (\$6,457).

The net position of governmental activities increased by \$6,601,638. This increase is mainly attributable to having a transfer for PILOT from the utility to cover the expenses that exceeded the revenues in the current fiscal year. Key elements of this increase are shown on the chart found on the following page.

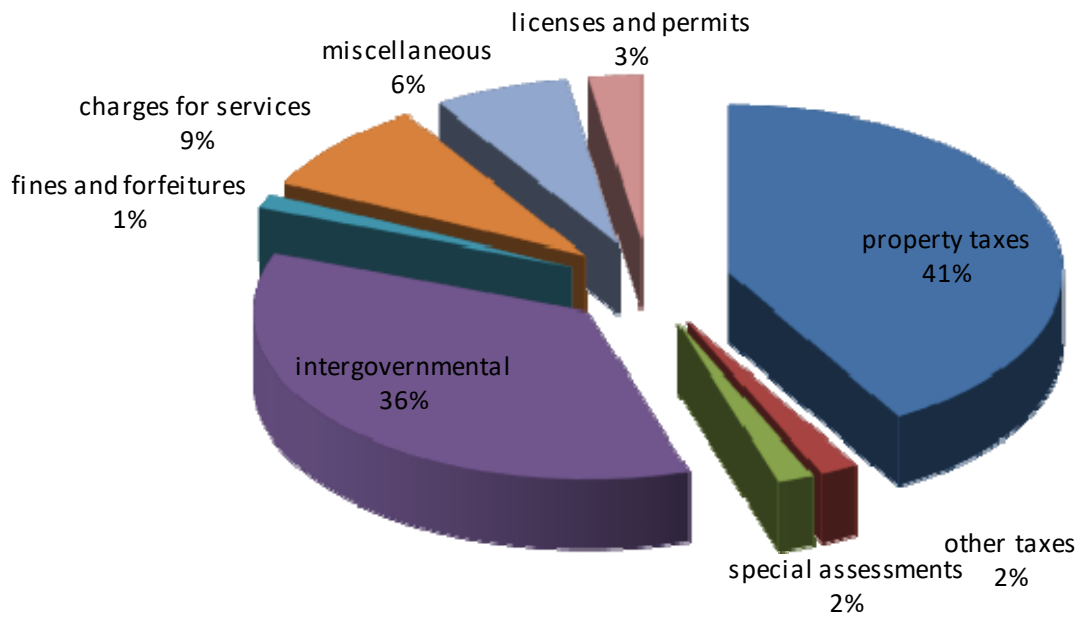
**City of Manitowoc's Statement of Activities
Changes in Net Position**

	Governmental activities		Business-type activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$6,991,293	\$6,399,100	\$79,782,693	\$82,565,957	\$86,773,986	\$88,965,057
Operating grants and contribution	\$3,801,434	\$6,278,000	\$1,524,845	\$1,442,798	\$5,326,279	\$7,720,798
Capital grants and contributions	\$2,830,939	\$159,009	\$3,186,453	\$201,761	\$6,017,392	\$360,770
General revenues:						
Property taxes	\$17,703,092	\$17,774,496			\$17,703,092	\$17,774,496
Other taxes	\$784,506	\$774,533			\$784,506	\$774,533
Grants and contributions not restricted to specific programs	\$8,463,167	\$6,203,045			\$8,463,167	\$6,203,045
Other	\$1,380,948	\$1,967,133	\$3,646,866	\$2,407,254	\$5,027,814	\$4,374,387
Total Revenues	\$41,955,379	\$39,555,316	\$88,140,857	\$86,617,770	\$130,096,236	\$126,173,086
Expenses:						
General government	\$3,600,822	\$3,667,667			\$3,600,822	\$3,667,667
Public safety	\$16,294,212	\$15,536,143			\$16,294,212	\$15,536,143
Public works	\$10,183,941	\$11,182,663			\$10,183,941	\$11,182,663
Health and human services	\$354,998	\$272,956			\$354,998	\$272,956
Culture and recreation	\$5,515,112	\$5,215,026			\$5,515,112	\$5,215,026
Conservation and development	\$2,403,600	\$1,249,704			\$2,403,600	\$1,249,704
Interest on long-term debt	\$923,199	\$1,570,770			\$923,199	\$1,570,770
Water			\$5,821,229	\$5,965,299	\$5,821,229	\$5,965,299
Electric			\$54,815,272	\$59,921,858	\$54,815,272	\$59,921,858
Steam			\$1,400,063	\$1,381,402	\$1,400,063	\$1,381,402
Broadband			\$113,630	\$134,898	\$113,630	\$134,898
Sewer			\$5,162,418	\$5,104,513	\$5,162,418	\$5,104,513
Transit			\$2,398,626	\$2,069,946	\$2,398,626	\$2,069,946
Total Expenses	\$39,275,884	\$38,694,929	\$69,711,238	\$74,577,916	\$108,987,122	\$113,272,845
Transfers	\$3,922,143	\$3,989,181	(\$3,922,143)	(\$3,989,181)	\$0	\$0
Change in net position	\$6,601,638	\$4,849,568	\$14,507,476	\$8,050,673	\$21,109,114	\$12,900,241
Net position - 1/1	\$97,577,603	\$92,728,035	\$229,468,033	\$221,417,360	\$327,045,636	\$314,145,395
Net position - 12/31	\$104,179,241	\$97,577,603	\$243,975,509	\$229,468,033	\$348,154,750	\$327,045,636

Expenses and Program Revenues - Government Activities



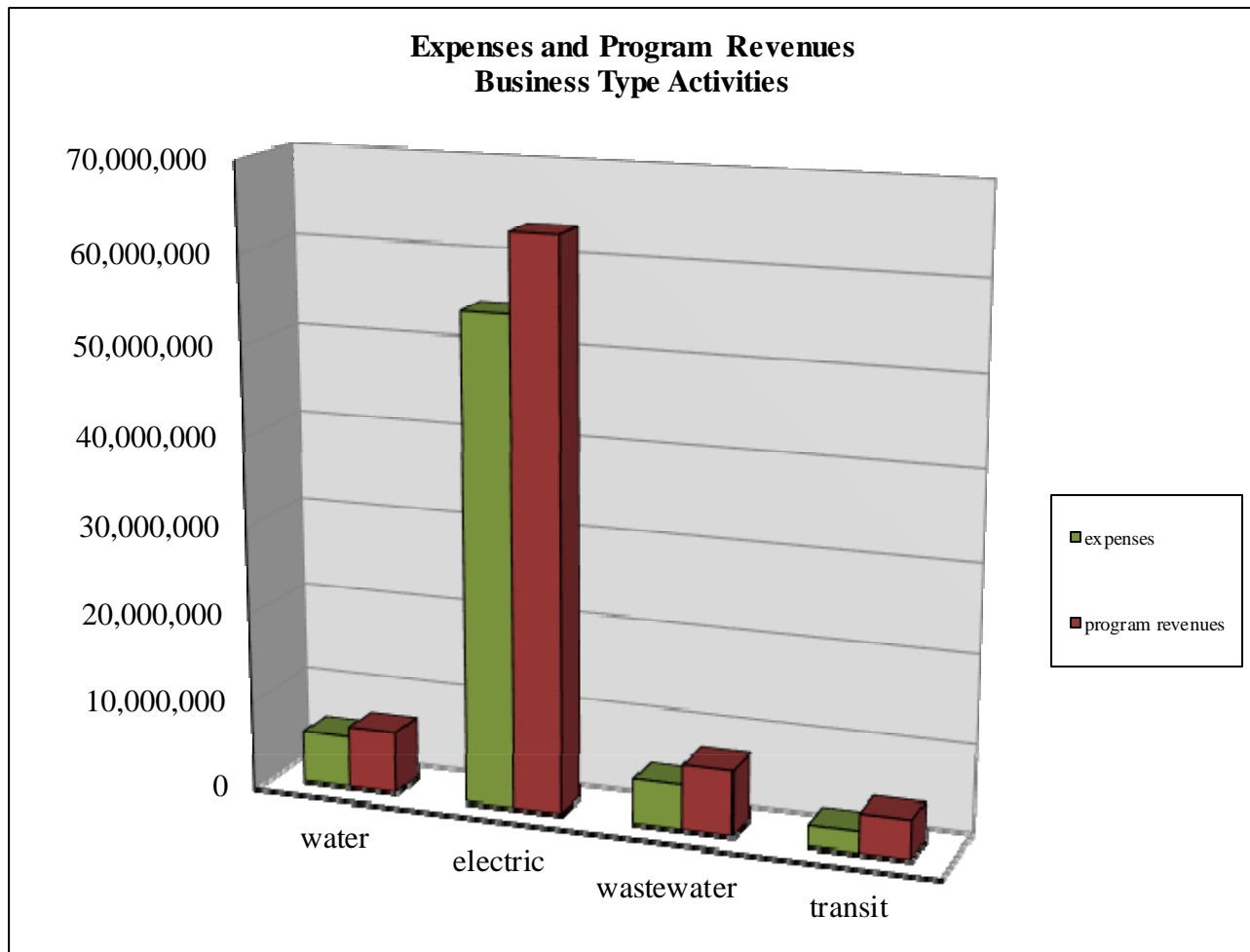
Revenues by Source - Governmental Funds



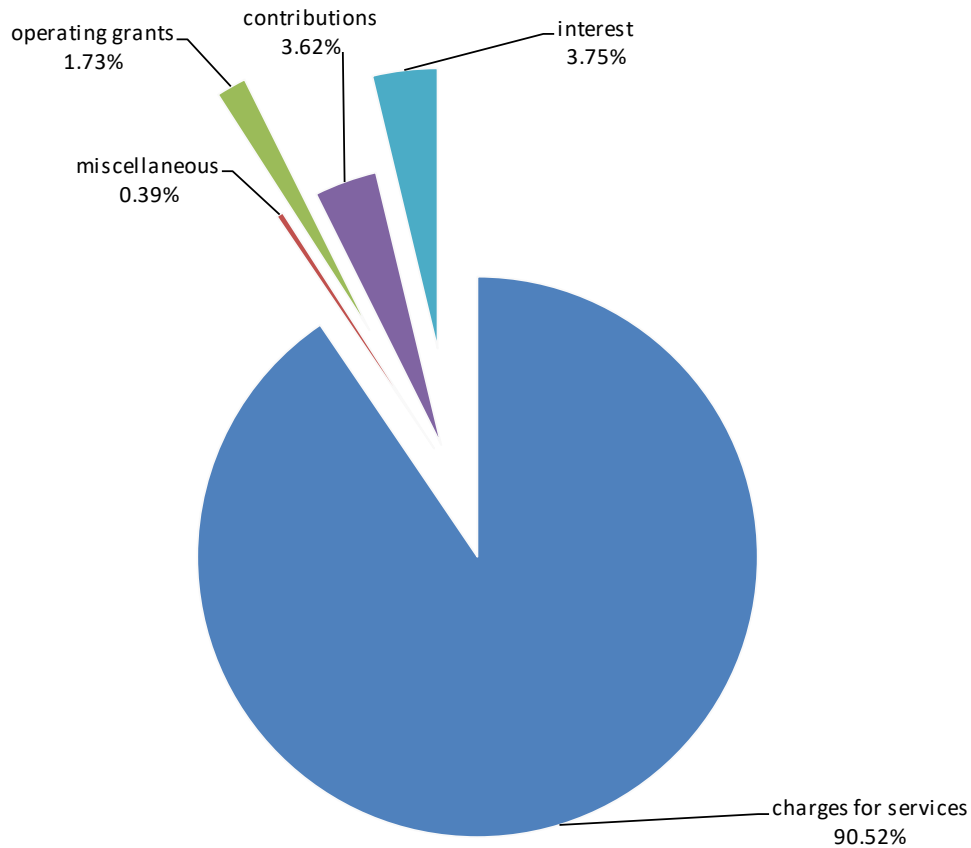
Business-type activities. Business-type activities increased the City of Manitowoc’s net position by \$14,507,476. Key elements of this increase are as follows.

- The Water Utility increased net position by \$651,351.
- The Electric Utility increased net position by \$8,341,927.
- The Steam Utility increased net position by \$465,839.
- The Broadband Utility increased net position by \$156,482.
- The Wastewater Treatment Plant increased net position by \$2,545,581.
- The Transit System increased net position by \$2,346,296.

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



Revenues by Source - Business Type Activities



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, 2019, the City's governmental funds reported combined ending fund balances of \$20,333,503, an increase of \$3,124,405 in comparison with the prior year. The breakdown of fund balance is: Non-spendable \$2,193,277; Restricted \$10,198,292; Committed \$1,046,718; Assigned \$3,423,421 and Unassigned \$3,471,795. The Non-spendable portion of fund balance includes Inventories and prepaid items and Notes and Inter-fund 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 \$5,642,771 while total fund balance was \$8,739,106. 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 (\$27,296,883). Unassigned fund balance represents 20.7 percent of total general fund expenditures, while total fund balance represents 32.0 percent of that same amount.

The fund balance of the City of Manitowoc's general fund decreased by (\$358,659) during the current fiscal year. The key factors in this increase are as follows:

- A key factor to the decrease was the purchase of the old CN Peninsula property for future taxable development.
- Some key factors to assist with covering the large expense for the land purchase was the new revenue source from the implementation of the wheel tax; the interest income was slightly higher; and building permits exceeded the budget by 18%.
- The intention of city leadership is to build the general fund balance back to comply with policy targeting an unassigned balance of 15-30% of general fund revenues. This is the fourth year the city has been in compliance with the general fund policy since before 2009. The intention is to continue to build that fund balance to a responsible level and maintain it within the city 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 special assessment revenues, 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 \$12,823,608
- Electric Utility \$56,116,934
- Steam Utility \$991,241
- Broadband Utility \$1,558,249
- Wastewater Treatment Plant \$10,430,909
- Transit System \$548,778

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 by \$684,743. The increased revenues were mostly from the wheel tax, permits, and interest income.

Actual expenditures were over the budget by (\$246,096). The most notable was the purchase of the CN Peninsula for future development.

Capital Asset and Debt Administration

Capital assets. The City of Manitowoc's investment in capital assets as of December 31, 2019, for its governmental activities amounted to \$137,143,188 and business type activities amounted to \$160,940,492 for total capital assets of \$298,083,680 (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 increased \$802,130
- Buildings and Improvements increased \$107,768
- Machinery and equipment net acquisitions \$6,466,447
- Infrastructure construction (streets and sewers), net acquisitions \$9,547,944
- Construction in progress decreased \$3,882,170 resulting in a zero balance

Business-Type Activities:

- Land decreased \$5,944
- Buildings and Improvements increased \$536,428
- Machinery and equipment increased \$2,872,437
- Infrastructure increased \$13,792,783
- Construction in progress decreased \$7,238,573

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

	Governmental activities		Business-type activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$8,072,648	\$7,270,518	\$2,647,696	\$2,653,640	\$10,720,344	\$9,924,158
Buildings and Improvements	\$15,432,965	\$15,925,598	\$25,078,497	\$25,451,045	\$40,511,462	\$41,376,643
Machinery and equipment	\$20,287,557	\$14,923,534	\$53,700,605	\$52,850,297	\$73,988,162	\$67,773,831
Infrastructure	\$93,350,018	\$87,832,171	\$73,827,184	\$63,991,584	\$167,177,202	\$151,823,755
Construction in progress	\$0	\$3,882,170	\$5,686,510	\$12,925,083	\$5,686,510	\$16,807,253
Total	\$137,143,188	\$129,833,991	\$160,940,492	\$157,871,649	\$298,083,680	\$287,705,640

Additional information on the City of Manitowoc's capital assets can be found in Note 3(C) 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 \$63,220,671. Of this amount, \$53,342,196 comprises of debt backed by the full faith and credit of the government. The remainder of the City of Manitowoc’s debt, \$9,878,475 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	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$25,855,000	\$27,205,000			\$25,855,000	\$27,205,000
General obligation notes	27,487,196	23,968,355			27,487,196	23,968,355
Revenue bonds			\$9,878,475	\$18,438,656	9,878,475	18,438,656
Total	\$53,342,196	\$51,173,355	\$9,878,475	\$18,438,656	\$63,220,671	\$69,612,011

The City of Manitowoc’s total debt decreased by \$6,391,340 during the current fiscal year.

The factors of this decrease were the issuance of general obligation bonds/notes of \$9,775,000 and the retirement of outstanding general obligation bonds/notes amounting to \$7,606,159 for a net increase of \$2,168,841.

On the business activity side, there was new debt of \$227,223 issued for Wastewater, and the retirement of \$512,404. The Electric Utility retired \$8,275,000.

During the current fiscal year, the government sold the following bond issues:

On September 9, 2019, \$6,900,000 of Bank Qualified General Obligation Promissory Notes at an interest rate of 1.6018%, callable on 2/1/2027.

The City of Manitowoc, on November 12, 2019, also refinanced \$2,375,000 with an interest rate of 1.7612% over the life of the refinancing.

On February 1, 2019 the City also issued a \$500,000 general obligation note with the Wisconsin Department of transportation at an interest rate of 2%.

The City of Manitowoc maintains an excellent financial rating for general obligation debt of “AA-” with a stable outlook from Standard & Poor’s Financial Services LLC (S & P).

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 \$101,618,250, which is significantly in excess of the City of Manitowoc’s net outstanding general obligation debt of \$49,980,009.

Additional information on the City of Manitowoc’s long-term debt can be found in Note 3(E) 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 2020 fiscal year.

- The unemployment rate for the City of Manitowoc is currently 3.7 percent, which is an increase from the rate of 2.9 percent a year ago.
- Wheel Tax was budgeted for a full year at \$530,000.
- Expanded contract with Assessor to bring city Assessment values to Full Value by 2021.
- 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 including market adjustments and step increases for non-represented employees.
- Established a Pay Plan Fund to make annual adjustments for progression through the city's pay plan sustainable as employees' progress toward their market rate.
- Contingency fund established within the general fund budget of \$125,000.
- Established a Fire Equipment Fund, which is projected to fund equipment for the department without borrowing, providing Ambulance revenues stay at current levels.
- Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness, impacts on cash flows and impacts on personnel costs. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

The City of Manitowoc has appropriated \$800,000 of the unassigned fund balance for spending in the 2020 fiscal year budget. The application of \$800,000 within the city's overall budget is predicted to not actually reduce our unassigned fund balance. The application of the unassigned fund balance would only occur if budgeted revenues and expenditures came in exactly according to the 2020 fiscal year budget. Historically the city returns approximately \$400,000 to \$750,000 back to the general fund each fiscal year. Therefore, it is management's opinion that we will maintain the city's unassigned general fund balance. The planned level of unassigned fund balance is set by policy at 15-30% of revenues. During 2019, the city remained compliant with our unassigned fund balance policy, with the unassigned fund balance of \$5,642,771 or 24.9% of general fund revenues. The city will maintain the unassigned fund balance within the targeted range.

Requests for Information

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

BASIC FINANCIAL STATEMENTS

City of Manitowoc, Wisconsin

STATEMENT OF NET POSITION

DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Totals	
			2019	2018
ASSETS				
Cash and investments	\$ 39,205,017	\$ 56,410,410	\$ 95,615,427	\$ 88,754,905
Receivables				
Taxes and special charges	21,919,332	316,059	22,235,391	21,146,416
Delinquent taxes	83,905	-	83,905	65,474
Accounts	1,523,941	7,493,076	9,017,017	11,396,772
Special assessments	1,092,681	-	1,092,681	1,118,432
Loans	5,457,184	1,099,211	6,556,395	6,182,881
Other	29,778	8,563	38,341	56,706
Internal balances	(98,877)	98,877	-	-
Due from other governments	5,033,581	280,445	5,314,026	5,483,668
Other assets	-	1,156,920	1,156,920	1,022,033
Inventories and prepaid items	608,550	4,080,370	4,688,920	4,567,822
Investment in CVMIC	1,111,426	-	1,111,426	1,111,426
Rate stabilization deposit	-	4,000,000	4,000,000	4,000,000
Investment in ATC	-	13,331,751	13,331,751	12,448,411
Nonutility property	-	1,125,704	1,125,704	1,126,410
Restricted assets				
Cash and investments	334,399	17,462,381	17,796,780	19,310,375
Net pension asset	-	-	-	5,552,617
Capital assets, nondepreciable	8,072,648	8,334,206	16,406,854	26,731,411
Capital assets, depreciable, net	129,070,540	152,606,286	281,676,826	260,974,229
Total assets	213,444,105	267,804,259	481,248,364	471,049,988
DEFERRED OUTFLOWS OF RESOURCES				
Loss on advance refunding	154,381	-	154,381	210,113
Pension related amounts	13,627,802	5,006,464	18,634,266	10,457,353
Other postemployment amounts	136,470	55,163	191,633	162,025
Total deferred outflows of resources	13,918,653	5,061,627	18,980,280	10,829,491
LIABILITIES				
Accounts payable	1,484,432	4,753,388	6,237,820	6,811,768
Accrued and other current liabilities	1,323,709	5,046,594	6,370,303	6,365,885
Due to other governments	27,456,964	858,812	28,315,776	27,266,226
Accrued interest payable	649,502	28,941	678,443	738,860
Special deposits	44,256	648,106	692,362	638,321
Long-term obligations				
Due within one year	9,158,364	1,140,508	10,298,872	15,098,819
Due in more than one year	52,257,471	11,199,159	63,456,630	65,626,307
Net pension liability	4,986,226	1,836,552	6,822,778	-
Other postemployment benefits	1,145,488	442,846	1,588,334	1,721,929
Total liabilities	98,506,412	25,954,906	124,461,318	124,268,115
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	17,563,211	316,059	17,879,270	17,995,941
Gain on debt refunding	-	-	-	1,609,215
Pension related amounts	6,869,025	2,530,031	9,399,056	10,931,529
Other postemployment related amounts	244,869	89,381	334,250	29,043
Total deferred inflows of resources	24,677,105	2,935,471	27,612,576	30,565,728
NET POSITION				
Net investment in capital assets	89,071,265	150,860,044	239,931,309	223,272,232
Restricted				
Capital improvements	-	10,645,746	10,645,746	16,304,826
Debt service	3,240,961	-	3,240,961	3,798,046
Loan programs	7,541,999	-	7,541,999	7,736,179
Pension benefits	-	-	-	5,552,617
Tax incremental districts	1,834,089	-	1,834,089	722,158
Transit	262,814	-	262,814	760,461
Housing program	1,230,374	-	1,230,374	465,036
Other	895,737	-	895,737	885,347
Unrestricted	102,002	82,469,719	82,571,721	67,548,734
Total net position	\$ 104,179,241	\$ 243,975,509	\$ 348,154,750	\$ 327,045,636

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, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ 3,600,822	\$ 413,498	\$ 388,112	\$ -
Public safety	16,294,212	3,275,776	184,257	-
Public works	10,183,941	1,492,682	2,507,197	2,830,939
Health and human services	354,998	279,349	1,765	-
Culture and recreation	5,515,112	872,393	341,713	-
Conservation and development	2,403,600	657,595	378,390	-
Interest and fiscal charges	923,199	-	-	-
Total governmental activities	39,275,884	6,991,293	3,801,434	2,830,939
BUSINESS-TYPE ACTIVITIES				
Water utility	5,821,229	6,818,191	-	148,657
Electric utility	54,815,272	63,071,959	-	351,956
Steam utility	1,400,063	1,916,078	-	-
Broadband utility	113,630	268,038	-	-
Wastewater treatment plant	5,162,418	7,506,503	-	-
Transit system	2,398,626	201,924	1,524,845	2,685,840
Total business-type activities	69,711,238	79,782,693	1,524,845	3,186,453
Total	\$ 108,987,122	\$ 86,773,986	\$ 5,326,279	\$ 6,017,392

General revenues

Taxes

- 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
- Other taxes

Federal and state grants and other contributions not restricted to specific functions

Interest and investment earnings

Miscellaneous

Gain on sale of asset

Transfers

Total general revenues and transfers

Change in net position

Net position - January 1

Net position - December 31

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

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Totals	
		2019	2018
\$ (2,799,212)	\$ -	\$ (2,799,212)	\$ (3,014,513)
(12,834,179)	-	(12,834,179)	(11,896,025)
(3,353,123)	-	(3,353,123)	(4,433,803)
(73,884)	-	(73,884)	44,625
(4,301,006)	-	(4,301,006)	(3,979,063)
(1,367,615)	-	(1,367,615)	(1,009,271)
(923,199)	-	(923,199)	(1,570,770)
(25,652,218)	-	(25,652,218)	(25,858,820)
-	1,145,619	1,145,619	959,399
-	8,608,643	8,608,643	6,424,994
-	516,015	516,015	499,358
-	154,408	154,408	107,622
-	2,344,085	2,344,085	2,090,902
-	2,013,983	2,013,983	(449,675)
-	14,782,753	14,782,753	9,632,600
(25,652,218)	14,782,753	(10,869,465)	(16,226,220)
7,054,167	283,519	7,337,686	7,167,424
6,079,557	-	6,079,557	6,086,014
1,823,352	-	1,823,352	1,695,709
2,746,016	-	2,746,016	3,089,265
784,506	-	784,506	774,533
8,463,167	-	8,463,167	6,203,045
829,734	3,303,403	4,133,137	2,787,066
551,214	48,794	600,008	1,323,405
-	11,150	11,150	-
3,922,143	(3,922,143)	-	-
32,253,856	(275,277)	31,978,579	29,126,461
6,601,638	14,507,476	21,109,114	12,900,241
97,577,603	229,468,033	327,045,636	314,145,395
\$ 104,179,241	\$ 243,975,509	\$ 348,154,750	\$ 327,045,636

City of Manitowoc, Wisconsin

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	General	Debt Service	Other Governmental Funds	Totals	
				2019	2018
ASSETS					
Cash and investments	\$ 23,842,901	\$ 3,125,507	\$ 10,491,393	\$ 37,459,801	\$ 32,240,182
Restricted cash and investments	-	-	334,399	334,399	242,957
Receivables					
Taxes and special charges	11,412,956	6,923,282	3,583,094	21,919,332	20,862,897
Delinquent taxes	83,905	-	-	83,905	65,474
Accounts	1,150,968	13,759	311,891	1,476,618	3,768,180
Special assessments	616,186	476,495	-	1,092,681	1,118,432
Loans	-	528,276	4,928,908	5,457,184	5,148,940
Other	29,778	-	-	29,778	53,664
Due from other funds	2,100,890	-	-	2,100,890	4,232,452
Due from other governments	4,949,943	-	83,638	5,033,581	5,210,698
Inventories and prepaid items	488,223	-	98,540	586,763	594,132
Total assets	\$ 44,675,750	\$ 11,067,319	\$ 19,831,863	\$ 75,574,932	\$ 73,538,008
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 604,382	\$ -	\$ 857,360	\$ 1,461,742	\$ 1,687,754
Accrued and other current liabilities	796,630	-	-	796,630	664,420
Due to other funds	-	-	2,100,890	2,100,890	4,232,452
Advance from other funds	-	-	98,877	98,877	121,692
Due to other governments	27,456,964	-	-	27,456,964	26,384,987
Special deposits	13,732	-	30,524	44,256	63,950
Total liabilities	28,871,708	-	3,087,651	31,959,359	33,155,255
Deferred inflows of resources					
Property taxes levied for subsequent year	7,056,835	6,923,282	3,583,094	17,563,211	17,712,422
Loans receivable	-	528,276	4,928,908	5,457,184	5,148,940
Special assessments	8,101	253,574	-	261,675	312,293
Total deferred inflows of resources	7,064,936	7,705,132	8,512,002	23,282,070	23,173,655
Fund balances					
Nonspendable	2,094,737	-	98,540	2,193,277	2,281,417
Restricted	-	3,362,187	6,836,105	10,198,292	7,217,426
Committed	-	-	1,046,718	1,046,718	1,077,917
Assigned	1,001,598	-	2,421,823	3,423,421	4,047,043
Unassigned	5,642,771	-	(2,170,976)	3,471,795	2,585,295
Total fund balances	8,739,106	3,362,187	8,232,210	20,333,503	17,209,098
Total liabilities, deferred inflows of resources, and fund balances	\$ 44,675,750	\$ 11,067,319	\$ 19,831,863	\$ 75,574,932	\$ 73,538,008

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

City of Manitowoc, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019**

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	<u>2019</u>	<u>2018</u>
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total fund balances as shown on previous page	\$ 20,333,503	\$ 17,209,098
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.	137,143,188	129,825,727
Long-term assets are not available; therefore, are not reported in the funds:		
Special assessments	261,675	312,293
Loans receivable	5,457,184	5,148,940
Net pension asset	-	4,025,178
Net position of the internal service funds are reported in the statement of net position as governmental activities	2,251,393	1,968,052
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Loss on advance refunding	154,381	210,113
Deferred outflows related to pensions	13,627,802	7,600,315
Deferred inflows related to pensions	(6,869,025)	(7,924,436)
Deferred outflows related to other postemployment benefits	136,470	114,793
Deferred inflows related to other postemployment benefits	(244,869)	(21,054)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(53,342,196)	(51,173,355)
Premium on debt	(1,634,428)	(1,309,800)
Capital leases	(447,134)	(533,611)
Compensated absences	(5,867,487)	(6,030,257)
Net pension liability	(4,986,226)	-
Other postemployment benefit	(1,145,488)	(1,237,823)
Accrued interest on long-term obligations	(649,502)	(606,570)
Net position of governmental activities as reported on the statement of net position (see page 28)	<u>\$ 104,179,241</u>	<u>\$ 97,577,603</u>

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, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	General	Debt Service	Other Governmental Funds	Totals	
				2019	2018
REVENUES					
Taxes	\$ 7,200,408	\$ 6,079,557	\$ 5,207,633	\$ 18,487,598	\$ 18,549,029
Special assessments	191,244	385,127	167,299	743,670	674,363
Intergovernmental	8,542,016	-	5,555,621	14,097,637	12,324,238
Licenses and permits	1,090,975	-	-	1,090,975	967,096
Fines and forfeits	589,911	-	-	589,911	570,184
Public charges for services	2,876,296	-	874,585	3,750,881	3,349,296
Intergovernmental charges for services	221,549	-	117,096	338,645	329,746
Interdepartmental charges for services	763,975	-	-	763,975	773,087
Miscellaneous	1,159,221	229,303	1,365,705	2,754,229	3,069,402
Total revenues	<u>22,635,595</u>	<u>6,693,987</u>	<u>13,287,939</u>	<u>42,617,521</u>	<u>40,606,441</u>
EXPENDITURES					
Current					
General government	3,160,116	-	195,102	3,355,218	3,088,388
Public safety	14,915,824	-	389,923	15,305,747	14,918,131
Public works	5,819,202	-	10,450,579	16,269,781	15,323,225
Health and human services	311,366	-	23,100	334,466	295,279
Culture and recreation	1,836,448	-	3,916,860	5,753,308	5,019,190
Conservation and development	1,253,927	-	2,254,524	3,508,451	1,134,974
Debt service					
Principal	-	6,879,000	727,159	7,606,159	7,046,439
Interest and fiscal charges	-	1,433,872	101,383	1,535,255	1,639,144
Total expenditures	<u>27,296,883</u>	<u>8,312,872</u>	<u>18,058,630</u>	<u>53,668,385</u>	<u>48,464,770</u>
Excess of revenues under expenditures	<u>(4,661,288)</u>	<u>(1,618,885)</u>	<u>(4,770,691)</u>	<u>(11,050,864)</u>	<u>(7,858,329)</u>
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	2,375,000	7,400,000	9,775,000	15,735,000
Capital lease issued	-	-	-	-	285,322
Premium on debt issued	-	478,126	-	478,126	423,208
Payment to current noteholder	-	-	-	-	(7,700,000)
Transfers in	4,302,629	405,761	2,168,925	6,877,315	7,806,926
Transfers out	-	-	(2,955,172)	(2,955,172)	(3,817,745)
Total other financing sources (uses)	<u>4,302,629</u>	<u>3,258,887</u>	<u>6,613,753</u>	<u>14,175,269</u>	<u>12,732,711</u>
Net change in fund balances	<u>(358,659)</u>	<u>1,640,002</u>	<u>1,843,062</u>	<u>3,124,405</u>	<u>4,874,382</u>
Fund balances - January 1	<u>9,097,765</u>	<u>1,722,185</u>	<u>6,389,148</u>	<u>17,209,098</u>	<u>12,334,716</u>
Fund balances - December 31	<u>\$ 8,739,106</u>	<u>\$ 3,362,187</u>	<u>\$ 8,232,210</u>	<u>\$ 20,333,503</u>	<u>\$ 17,209,098</u>

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, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	<u>2019</u>	<u>2018</u>
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net change in fund balances as shown on previous page	\$ 3,124,405	\$ 4,874,382
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	14,139,720	10,148,819
Depreciation expense reported in the statement of activities	(6,736,697)	(6,703,762)
Net book value of disposals	(85,562)	(151,640)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the statement of activities when earned.	257,626	(577,759)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Long-term debt issued	(9,775,000)	(15,735,000)
Capital leases issued	-	(285,322)
Premium on debt issued	(478,126)	(423,208)
Principal repaid	7,606,159	14,691,748
Capital lease principal paid	86,477	54,691
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 the governmental funds:		
Accrued interest on long-term debt	(42,932)	36,583
Amortization of premiums, discounts and loss on advance refunding	97,766	79,445
Compensated absences	162,770	(254,119)
Net pension asset	(4,025,178)	4,025,178
Net pension liability	(4,986,226)	1,111,325
Deferred outflows of resources related to pensions	6,027,487	(1,178,032)
Deferred inflows of resources related to pensions	1,055,411	(4,429,417)
Other postemployment benefits	92,335	(186,094)
Deferred outflows of resources related to other postemployment benefits	21,677	92,793
Deferred inflows of resources related to other postemployment benefits	(223,815)	(21,054)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.	283,341	(319,989)
Change in net position of governmental activities as reported in the statement of activities (see pages 29 - 30)	<u>\$ 6,601,638</u>	<u>\$ 4,849,568</u>

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, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
REVENUES					
Taxes	\$ 7,195,167	\$ 7,195,167	\$ 7,200,408	\$ 5,241	\$ 7,106,740
Special assessments	156,000	156,000	191,244	35,244	215,009
Intergovernmental	8,418,777	8,418,777	8,542,016	123,239	8,063,162
Licenses and permits	921,552	921,552	1,090,975	169,423	967,096
Fines and forfeits	569,900	569,900	589,911	20,011	564,696
Public charges for services	2,731,320	2,731,320	2,876,296	144,976	2,944,710
Intergovernmental charges for services	209,644	209,644	221,549	11,905	212,649
Interdepartmental charges for services	688,586	688,586	763,975	75,389	773,087
Miscellaneous	1,059,907	1,059,907	1,159,221	99,314	1,172,633
Total revenues	<u>21,950,852</u>	<u>21,950,852</u>	<u>22,635,595</u>	<u>684,743</u>	<u>22,019,782</u>
EXPENDITURES					
Current					
General government	3,744,823	3,768,408	3,160,116	608,292	3,004,312
Public safety	14,848,901	14,927,848	14,915,824	12,024	14,768,367
Public works	6,868,605	6,881,042	5,819,202	1,061,840	5,661,086
Health and human services	58,660	65,750	311,366	(245,616)	289,479
Culture and recreation	903,062	907,893	1,836,448	(928,555)	1,634,948
Conservation and development	496,847	499,847	1,253,927	(754,080)	375,956
Debt service					
Principal	-	-	-	-	54,691
Interest and fiscal charges	-	-	-	-	2,974
Total expenditures	<u>26,920,898</u>	<u>27,050,788</u>	<u>27,296,883</u>	<u>(246,095)</u>	<u>25,791,813</u>
Excess of revenues under expenditures	<u>(4,970,046)</u>	<u>(5,099,936)</u>	<u>(4,661,288)</u>	<u>438,648</u>	<u>(3,772,031)</u>
OTHER FINANCING SOURCES (USES)					
Capital lease issued	-	-	-	-	285,322
Transfers in	4,338,105	4,338,105	4,302,629	(35,476)	4,272,565
Transfers out	-	-	-	-	(96,318)
Total other financing sources (uses)	<u>4,338,105</u>	<u>4,338,105</u>	<u>4,302,629</u>	<u>(35,476)</u>	<u>4,461,569</u>
Net change in fund balance	<u>(631,941)</u>	<u>(761,831)</u>	<u>(358,659)</u>	<u>403,172</u>	<u>689,538</u>
Fund balance - January 1	<u>9,097,765</u>	<u>9,097,765</u>	<u>9,097,765</u>	<u>-</u>	<u>8,408,227</u>
Fund balance - December 31	<u>\$ 8,465,824</u>	<u>\$ 8,335,934</u>	<u>\$ 8,739,106</u>	<u>\$ 403,172</u>	<u>\$ 9,097,765</u>

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, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Electric Utility	Wastewater Treatment Plant	Nonmajor Funds
ASSETS				
Current assets				
Cash and investments	\$ 6,068,016	\$ 37,352,923	\$ 10,008,018	\$ 2,981,453
Receivables				
Taxes and special charges	-	-	-	316,059
Customer accounts	1,198,054	5,119,144	823,647	352,231
Other	1,972	3,205	-	3,386
Due from other funds	-	-	-	-
Advance to other funds	98,877	-	-	-
Due from other governments	-	-	-	280,445
Inventories and prepaid items	281,034	3,457,753	-	341,583
Total current assets	7,647,953	45,933,025	10,831,665	4,275,157
Noncurrent assets				
Restricted assets				
Cash and investments	6,816,635	-	10,645,746	-
Deposit with CVMIC	-	-	-	-
Total noncurrent assets	6,816,635	-	10,645,746	-
Other assets				
Advance to other funds	-	585,883	-	-
Loans receivable	-	1,099,211	-	-
Investment in ATC	-	13,331,751	-	-
Rate stabilization deposit	-	4,000,000	-	-
Nonutility property	480,175	645,529	-	-
Other assets	254,839	902,081	-	-
Net pension asset	-	-	-	-
Total other assets	735,014	20,564,455	-	-
Capital assets				
Nondepreciable	322,166	7,349,727	330,600	331,713
Depreciable, net	45,108,784	77,815,673	21,976,656	7,705,173
Total capital assets	45,430,950	85,165,400	22,307,256	8,036,886
Total assets	60,630,552	151,662,880	43,784,667	12,312,043
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	654,005	3,361,031	485,776	505,652
Other postemployment related amounts	7,798	37,776	4,669	4,920
Total deferred outflows of resources	661,803	3,398,807	490,445	510,572

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 56,410,410	\$ 54,716,412	\$ 1,745,216	\$ 1,798,311
316,059	283,519	-	-
7,493,076	7,585,304	47,323	43,288
8,563	3,042	-	-
-	426,785	-	-
98,877	-	-	-
280,445	272,970	-	-
4,080,370	3,971,604	635	2,086
<u>68,687,800</u>	<u>67,259,636</u>	<u>1,793,174</u>	<u>1,843,685</u>
17,462,381	19,067,418	-	-
-	-	1,111,426	1,111,426
<u>17,462,381</u>	<u>19,067,418</u>	<u>1,111,426</u>	<u>1,111,426</u>
585,883	707,574	-	-
1,099,211	1,033,941	-	-
13,331,751	12,448,411	-	-
4,000,000	4,000,000	-	-
1,125,704	1,126,410	-	-
1,156,920	943,600	21,152	78,433
-	1,527,439	-	-
<u>21,299,469</u>	<u>21,787,375</u>	<u>21,152</u>	<u>78,433</u>
8,334,206	15,578,723	-	8,264
152,606,286	142,292,926	-	-
<u>160,940,492</u>	<u>157,871,649</u>	<u>-</u>	<u>8,264</u>
<u>268,390,142</u>	<u>265,986,078</u>	<u>2,925,752</u>	<u>3,041,808</u>
5,006,464	2,857,038	-	-
55,163	47,232	-	-
<u>5,061,627</u>	<u>2,904,270</u>	<u>-</u>	<u>-</u>

City of Manitowoc, Wisconsin

STATEMENT OF NET POSITION PROPRIETARY FUNDS

DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Electric Utility	Wastewater Treatment Plant	Nonmajor Funds
LIABILITIES				
Current liabilities				
Accounts payable	\$ 156,679	\$ 4,183,064	\$ 340,839	\$ 72,806
Accrued and other current liabilities	951,489	3,994,001	-	101,104
Insurance claims payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other governments	858,812	-	-	-
Special deposits	772	647,334	-	-
Current portion of long-term obligations	80,000	450,606	584,530	25,372
Accrued interest payable	-	-	28,941	-
Total current liabilities	<u>2,047,752</u>	<u>9,275,005</u>	<u>954,310</u>	<u>199,282</u>
Long-term obligations, less current portion				
Advance from other funds	-	-	-	585,883
Revenue bonds	-	-	9,293,945	-
Debt premium	-	-	-	-
Compensated absences	423,162	1,211,147	175,557	95,348
Land contract	-	-	-	-
Net pension liability	239,797	1,232,349	177,774	186,632
Other postemployment benefits	64,772	303,079	36,698	38,297
Total long-term liabilities	<u>727,731</u>	<u>2,746,575</u>	<u>9,683,974</u>	<u>906,160</u>
Total liabilities	<u>2,775,483</u>	<u>12,021,580</u>	<u>10,638,284</u>	<u>1,105,442</u>
DEFERRED INFLOWS OF RESOURCES				
Special charges on subsequent year tax roll	-	-	-	316,059
Gain on debt refunding	-	-	-	-
Pension related amounts	330,344	1,697,682	244,901	257,104
Other postemployment related amounts	11,970	60,091	8,464	8,856
Total deferred inflows of resources	<u>342,314</u>	<u>1,757,773</u>	<u>253,365</u>	<u>582,019</u>
NET POSITION				
Net investment in capital assets	45,350,950	85,165,400	12,306,808	8,036,886
Restricted				
Capital improvements	-	-	10,645,746	-
Debt service	-	-	-	-
Pension benefits	-	-	-	-
Unrestricted	<u>12,823,608</u>	<u>56,116,934</u>	<u>10,430,909</u>	<u>3,098,268</u>
Total net position	<u>\$ 58,174,558</u>	<u>\$ 141,282,334</u>	<u>\$ 33,383,463</u>	<u>\$ 11,135,154</u>

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 4,753,388	\$ 5,100,242	\$ 22,690	\$ 23,772
5,046,594	4,825,013	37,714	25,176
-	-	489,365	851,276
-	426,785	-	-
858,812	881,239	-	-
648,106	574,371	-	-
1,140,508	5,406,183	-	-
28,941	132,290	-	-
<u>12,476,349</u>	<u>17,346,123</u>	<u>549,769</u>	<u>900,224</u>
585,883	585,882	-	-
9,293,945	13,773,538	-	-
-	463,509	-	-
1,905,214	1,781,341	124,590	173,532
-	80,000	-	-
1,836,552	-	-	-
442,846	484,106	-	-
<u>14,064,440</u>	<u>17,168,376</u>	<u>124,590</u>	<u>173,532</u>
<u>26,540,789</u>	<u>34,514,499</u>	<u>674,359</u>	<u>1,073,756</u>
316,059	283,519	-	-
-	1,609,215	-	-
2,530,031	3,007,093	-	-
89,381	7,989	-	-
<u>2,935,471</u>	<u>4,907,816</u>	<u>-</u>	<u>-</u>
150,860,044	137,184,269	-	8,264
10,645,746	16,304,826	-	-
-	2,682,431	-	-
-	1,527,439	-	-
<u>82,469,719</u>	<u>71,769,068</u>	<u>2,251,393</u>	<u>1,959,788</u>
<u>\$ 243,975,509</u>	<u>\$ 229,468,033</u>	<u>\$ 2,251,393</u>	<u>\$ 1,968,052</u>

City of Manitowoc, Wisconsin

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Electric Utility	Wastewater Treatment Plant	Nonmajor Funds
OPERATING REVENUES				
Charges for services	\$ 6,809,182	\$ 62,965,205	\$ 7,506,503	\$ 2,118,002
Other	-	-	-	268,038
Total operating revenues	6,809,182	62,965,205	7,506,503	2,386,040
OPERATING EXPENSES				
Operation and maintenance	3,667,754	50,445,060	3,862,391	3,396,463
Depreciation	2,070,925	5,678,088	1,141,948	491,230
Taxes	82,512	388,760	-	3,756
Total operating expenses	5,821,191	56,511,908	5,004,339	3,891,449
Operating income (loss)	987,991	6,453,297	2,502,164	(1,505,409)
NONOPERATING REVENUES (EXPENSES)				
General property taxes	-	-	-	283,519
Interest income	418,923	2,605,425	226,986	52,069
Merchandising and jobbing	9,009	106,754	-	(4,715)
Nonoperating grants	-	-	-	1,524,845
Gain on disposal of capital assets	11,150	-	-	(13,000)
Interest and fiscal charges	(38)	(186,781)	(158,079)	(22,187)
Amortization of debt discount/premium	-	81,022	-	818
Amortization of gain on debt refunding	-	1,803,101	-	18,214
Other nonoperating revenues (expenses)	-	(706)	-	48,794
Total nonoperating revenues (expenses)	439,044	4,408,815	68,907	1,888,357
Income (loss) before contributions and transfers	1,427,035	10,862,112	2,571,071	382,948
Capital contributions	148,657	351,956	-	2,685,840
Transfers out	(924,341)	(2,872,141)	(25,490)	(100,171)
Change in net position	651,351	8,341,927	2,545,581	2,968,617
Net position - January 1	57,523,207	132,940,407	30,837,882	8,166,537
Net position - December 31	<u>\$ 58,174,558</u>	<u>\$ 141,282,334</u>	<u>\$ 33,383,463</u>	<u>\$ 11,135,154</u>

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 79,398,892	\$ 82,212,984	\$ 5,383,265	\$ 4,968,570
268,038	242,520	849	-
<u>79,666,930</u>	<u>82,455,504</u>	<u>5,384,114</u>	<u>4,968,570</u>
61,371,668	65,113,603	5,068,665	5,259,068
9,382,191	8,754,840	-	-
475,028	351,012	32,183	29,516
<u>71,228,887</u>	<u>74,219,455</u>	<u>5,100,848</u>	<u>5,288,584</u>
<u>8,438,043</u>	<u>8,236,049</u>	<u>283,266</u>	<u>(320,014)</u>
283,519	263,916	-	-
3,303,403	2,048,830	75	25
111,048	110,453	-	-
1,524,845	1,442,798	-	-
(1,850)	990	-	-
(367,085)	(640,796)	-	-
81,840	133,347	-	-
1,821,315	149,694	-	-
48,088	92,812	-	-
<u>6,805,123</u>	<u>3,602,044</u>	<u>75</u>	<u>25</u>
15,243,166	11,838,093	283,341	(319,989)
3,186,453	201,761	-	-
(3,922,143)	(3,989,181)	-	-
<u>14,507,476</u>	<u>8,050,673</u>	<u>283,341</u>	<u>(319,989)</u>
<u>229,468,033</u>	<u>221,417,360</u>	<u>1,968,052</u>	<u>2,288,041</u>
<u>\$ 243,975,509</u>	<u>\$ 229,468,033</u>	<u>\$ 2,251,393</u>	<u>\$ 1,968,052</u>

City of Manitowoc, Wisconsin

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Electric Utility	Wastewater Treatment Plant	Nonmajor Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 6,859,552	\$ 63,247,215	\$ 7,359,248	\$ 2,447,217
Cash received from other	-	-	-	-
Cash paid for employee wages and benefits	(977,851)	(2,658,730)	(1,121,790)	(1,319,382)
Cash paid to suppliers	(2,723,888)	(47,662,713)	(3,049,801)	(2,025,900)
Net cash provided (used) by operating activities	<u>3,157,813</u>	<u>12,925,772</u>	<u>3,187,657</u>	<u>(898,065)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
General property taxes	-	-	-	283,519
Nonoperating grant	-	-	-	1,524,845
Nonoperating revenues	-	-	-	48,794
Economic development loan payments received	-	56,421	-	-
Received on advances to other funds	-	426,785	-	-
Transfer in (out)	(916,039)	(2,925,679)	(25,490)	(28,827)
Net cash provided (used) by noncapital financing activities	<u>(916,039)</u>	<u>(2,442,473)</u>	<u>(25,490)</u>	<u>1,828,331</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(1,910,979)	(6,697,778)	(894,607)	(2,787,436)
Capital contributions	148,657	351,956	-	2,685,840
Sale of capital assets	19,581	62,017	-	(13,000)
Cost of removal of capital assets	(184,128)	(201,876)	-	(3,888)
Interfund advance received (paid)	-	1	-	(426,784)
Long-term debt proceeds	-	-	227,223	-
Principal paid on long-term debt	(96,000)	(3,712,500)	(512,404)	(37,500)
Payment to bond escrow agent	-	(4,628,912)	-	(46,757)
Payment of fees related to escrow	-	(18,711)	-	(189)
Interest paid on long-term debt	(38)	(266,140)	(181,267)	(22,989)
Net cash provided (used) by capital and related financing activities	<u>(2,022,907)</u>	<u>(15,111,943)</u>	<u>(1,361,055)</u>	<u>(652,703)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	418,923	2,605,425	226,986	52,069
Cash paid to ATC LLC	-	(883,340)	-	-
Net cash provided by investing activities	<u>418,923</u>	<u>1,722,085</u>	<u>226,986</u>	<u>52,069</u>
Change in cash and cash equivalents	637,790	(2,906,559)	2,028,098	329,632
Cash and cash equivalents - January 1	<u>12,246,861</u>	<u>40,259,482</u>	<u>18,625,666</u>	<u>2,651,821</u>
Cash and cash equivalents - December 31	<u>\$ 12,884,651</u>	<u>\$ 37,352,923</u>	<u>\$ 20,653,764</u>	<u>\$ 2,981,453</u>

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 79,913,232	\$ 83,409,990	\$ 5,379,230	\$ 4,954,764
-	-	849	-
(6,077,753)	(6,239,361)	(597,793)	(528,121)
(55,462,302)	(60,534,500)	(4,843,720)	(4,516,466)
<u>18,373,177</u>	<u>16,636,129</u>	<u>(61,434)</u>	<u>(89,823)</u>
283,519	263,916	-	-
1,524,845	1,442,798	-	-
48,794	93,518	-	-
56,421	32,201	-	-
426,785	(404,198)	-	-
(3,896,035)	(3,962,679)	-	-
<u>(1,555,671)</u>	<u>(2,534,444)</u>	<u>-</u>	<u>-</u>
(12,290,800)	(8,940,618)	8,264	2,486
3,186,453	201,761	-	-
68,598	33,473	-	-
(389,892)	(344,614)	-	-
(426,783)	426,784	-	-
227,223	4,845,899	-	-
(4,358,404)	(4,960,826)	-	-
(4,675,669)	-	-	-
(18,900)	-	-	-
(470,434)	(643,090)	-	-
<u>(19,148,608)</u>	<u>(9,381,231)</u>	<u>8,264</u>	<u>2,486</u>
3,303,403	2,045,788	75	25
(883,340)	(803,546)	-	-
<u>2,420,063</u>	<u>1,242,242</u>	<u>75</u>	<u>25</u>
88,961	5,962,696	(53,095)	(87,312)
<u>73,783,830</u>	<u>67,821,134</u>	<u>1,798,311</u>	<u>1,885,623</u>
<u>\$ 73,872,791</u>	<u>\$ 73,783,830</u>	<u>\$ 1,745,216</u>	<u>\$ 1,798,311</u>

City of Manitowoc, Wisconsin

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Electric Utility	Wastewater Treatment Plant	Nonmajor Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 987,991	\$ 6,453,297	\$ 2,502,164	\$ (1,505,409)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	2,070,925	5,678,088	1,141,948	491,230
Depreciation charged to operating accounts	93,811	77,185	-	(11,080)
Change in WRS pension liability/asset	435,621	2,254,988	325,083	348,327
Change in WRS deferred outflows	(280,797)	(1,449,581)	(209,326)	(209,727)
Change in WRS deferred inflows	(55,178)	(315,604)	(45,108)	(61,129)
Change in OPEB liability	(4,330)	(26,792)	(4,185)	(5,981)
Change in OPEB deferred outflows	(1,175)	(5,493)	(695)	(563)
Change in OPEB deferred inflows	10,946	54,742	7,694	7,967
Merchandising and jobbing	9,009	106,754	-	(4,715)
Miscellaneous	-	(706)	-	-
Effects of changes in operating assets and liabilities				
Accounts receivables	63,638	101,671	(147,255)	68,652
Due from other governments	(98,877)	-	-	(7,475)
Inventories and prepaid items	(3,027)	(325,016)	-	5,957
Accounts payable	(90,242)	169,455	(418,088)	(7,979)
Accrued and other current liabilities	5,374	76,567	-	-
Due to other governments	(22,427)	-	-	-
Due from other funds	-	-	-	-
Special deposits	150	73,585	-	-
Other assets	-	-	-	-
Compensated absences	36,401	2,632	35,425	(6,140)
Net cash provided (used) by operating activities	<u>\$ 3,157,813</u>	<u>\$ 12,925,772</u>	<u>\$ 3,187,657</u>	<u>\$ (898,065)</u>
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ 6,068,016	\$ 37,352,923	\$ 10,008,018	\$ 2,981,453
Cash and cash equivalents in restricted assets	<u>6,816,635</u>	<u>-</u>	<u>10,645,746</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 12,884,651</u>	<u>\$ 37,352,923</u>	<u>\$ 20,653,764</u>	<u>\$ 2,981,453</u>
Noncash capital and related financing activities				
None				

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 8,438,043	\$ 8,236,049	\$ 283,266	\$ (320,014)
9,382,191	8,754,840	-	-
159,916	278,690	-	-
3,364,019	1,961,005	-	-
(2,149,431)	(513,344)	-	-
(477,019)	(1,251,757)	-	-
(41,288)	98,257	-	-
(7,926)	(66,026)	-	-
81,349	7,989	-	-
111,048	110,453	-	-
(706)	(706)	-	-
86,706	744,056	(4,035)	(13,806)
(106,352)	2,796	-	-
(322,086)	(1,281,905)	58,732	57,212
(346,854)	(505,530)	(1,082)	(5,353)
81,941	(10,838)	(349,373)	260,727
(22,427)	17,673	-	-
-	-	-	-
73,735	83,908	-	-
-	-	-	(78,433)
68,318	(29,481)	(48,942)	9,844
<u>\$ 18,373,177</u>	<u>\$ 16,636,129</u>	<u>\$ (61,434)</u>	<u>\$ (89,823)</u>
\$ 56,410,410	\$ 54,716,412	\$ 1,745,216	\$ 1,798,311
17,462,381	19,067,418	-	-
<u>\$ 73,872,791</u>	<u>\$ 73,783,830</u>	<u>\$ 1,745,216</u>	<u>\$ 1,798,311</u>

City of Manitowoc, Wisconsin

STATEMENT OF NET POSITION

FIDUCIARY FUND

DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Poor Relief	
	2019	2018
ASSETS		
Cash and investments	\$ 13,936	\$ 14,123
NET POSITION		
Restricted	\$ 13,936	\$ 14,123

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

City of Manitowoc, Wisconsin

STATEMENT OF CHANGES IN NET POSITION FIDUCIARY FUND

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Poor Relief	
	2019	2018
ADDITIONS		
Other local sources	\$ 313	\$ 269
DEDUCTIONS		
Trust fund disbursements	500	500
Change in net position	(187)	(231)
Net position - January 1	14,123	14,354
Net position - December 31	<u>\$ 13,936</u>	<u>\$ 14,123</u>

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, 2019

NOTE 1: 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:

A. REPORTING ENTITY

The City 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 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.

B. 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 major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

General Fund

This is the City's primary 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 government funds.

The City reports the following major enterprise funds:

Water Utility Fund

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

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Electric Utility Fund

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

Wastewater Treatment Plant Fund

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

Additionally, the City 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, workers comp 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.

C. 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 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 intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, 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 functions 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.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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 proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs 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.

D. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSITION OR FUND BALANCE

1. 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 price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. 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 from date of acquisition are considered to be cash equivalents.

2. Property Taxes and Special Charges/Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. 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 and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City. Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.

In addition to its levy, the City also levies and collects taxes for the Manitowoc School District, Manitowoc County, and Lakeshore Technical College. Collections and remittances of taxes for other entities are accounted for in the general fund.

3. Accounts Receivable

Accounts receivable are recorded at gross amounts 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.

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Installments placed on the 2019 tax roll are recognized as revenue in 2020. Special assessments are subject to collection procedures.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

5. Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. 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. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

6. 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 and business-type activities.

7. Inventories

Inventories are recorded at cost, which approximates market, using the first-in, 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 classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are expensed in the periods benefitted.

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

9. 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 a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Governmental	Business-type
	Activities	Activities
	Years	
Buildings and improvements	50	25 - 100
Machinery and equipment	5 - 20	3 - 10
Infrastructure	50 - 100	N/A

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

10. **Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or 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.

11. **Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

12. **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. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

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.

13. **Pensions**

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

14. **Other Postemployment Benefits Other Than Pensions (OPEB)**

Single-employer Defined Postemployment Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Other Postemployment Benefit Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. 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.

15. 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 City 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 City Council using the same action that was used to create them.
- ▶ **Assigned fund balance.** Amounts that are constrained for specific purposes by action of City management. The Common Council, through adoption of the fund balance policy, has authorized the Finance Director to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- ▶ **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

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

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 and unspent capital related debt proceeds.
- ▶ **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.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

E. 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.

F. PRIOR YEAR INFORMATION

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the City's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

G. RECLASSIFICATIONS

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance or changes in fund balance.

NOTE 2: STEWARDSHIP AND COMPLIANCE

A. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. 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.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds except for farmer's market, commercial revolving loan, housing revolving loan, CDBG, HCRI revolving loan, industrial revolving loan, Manitowoc Calumet Library, Mani International Relations Assoc., Rahr West Museum, police programs, park land dedications, senior center, external flame, centennial, park and rec donations, Lakeshore holiday parade, EPA grant, housing programs special revenue funds, cemetery improvements, car ferry dock facilities, and tax incremental district nos. 19, 20 and 21 capital project funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. 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.
3. During the year, formal budgetary integration is employed as a management control device for all governmental funds adopting a budget. Amendments to the budget during the year are initially reviewed by managements 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 relations to the original appropriation.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each department of the City. Expenditures cannot legally exceed appropriations at this level.
5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2019.

B. DEFICIT FUND EQUITY

The following funds had a deficit fund balance as of December 31, 2019:

Funds	Deficit Fund Balance
Aquatic center	\$ 52,560
Streets	460,660
Tax Incremental District No. 12	20,393
Tax Incremental District No. 16	1,556,742
Tax Incremental District No. 19	54,794
Tax Incremental District No. 20	13,539
Tax Incremental District No. 21	12,288

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.

C. 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 2019 and 2020 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2019 budget was 0.92%. The actual limit for the City for the 2020 budget was 0.84%. 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.

NOTE 3: DETAILED NOTES ON ALL FUNDS

A. 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 on 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, 2019

The carrying amount of the City's cash and investments totaled \$113,426,143 on December 31, 2019 as summarized below:

Petty cash and cash on hand	\$ 10,084
Deposits with financial institutions	38,633,923
Investments	
U.S. Treasury notes	11,788,761
Government National Mortgage Association	71,080
Federal National Mortgage Association	4,262,770
Federal Home Loan Bank	6,873,051
Federal Home Loan Mortgage Corporation	956,656
Federal Farm Credit Bureau	3,901,508
Freddie mac	931,407
Fannie mae	119,903
Bankers acceptances	1,172,097
Corporate bonds	21,442,601
Commercial paper	86,708
Negotiable certificates of deposit	97,149
State and municipal bonds	1,781,297
Money market mutual funds	1,202,474
Repurchase agreements	8,429,404
Beneficial interest in investments held by Lakeshore Community Foundation	317,965
Wisconsin local government investment pool	11,347,305
	<u>\$ 113,426,143</u>

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	\$ 95,615,427
Restricted cash and investments	17,796,780
Fiduciary fund statement of net position	
Cash and investments	13,936
	<u>\$ 113,426,143</u>

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2019:

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
U.S. Treasury notes	\$ -	\$ 11,788,761	\$ -
Government National Mortgage Association	-	71,080	-
Federal National Mortgage Association	-	4,262,770	-
Federal Home Loan Bank	-	6,873,051	-
Federal Home Loan Mortgage Corporation	-	956,656	-
Federal Farm Credit Bureau	-	3,901,508	-
Freddie mac	-	931,407	-
Fannie mae	-	119,903	-
Bankers acceptances	-	1,172,097	-
Corporate bonds	-	21,442,601	-
Commercial paper	-	86,708	-
Negotiable certificates of deposit	-	97,149	-
State and municipal bonds	-	1,781,297	-
Money market mutual funds	-	1,202,474	-
Beneficial interest in investments held by Lakeshore Community Foundation	-	317,965	-
	<u>\$ -</u>	<u>\$ 55,005,427</u>	<u>\$ -</u>

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

Investment Type	Valuation Method
U.S. Treasury notes	Institutional quotes - evaluations based on various market and industry inputs
Corporate obligation, bankers acceptances, commercial paper, negotiable certificates of deposits, mutual funds, state and municipal bonds, and Small Business Administration	Institutional quotes - evaluations based on various market and industry inputs
Beneficial interest in investments held by Lakeshore Community Foundation	Net asset value
U.S. Government agencies	Mortgage backed securities pricing - evaluations based on various market and industry inputs

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

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. The City does not have an additional custodial credit policy.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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. This coverage has been considered in determining custodial credit risk.

As of December 31, 2019, \$33,830,106 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$13,937,981 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name.

On December 31, 2019, the City held repurchase agreement investments of \$8,429,404 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 investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure				Not Rated
		AAA	AA	A		
U.S. Treasury notes	\$ 11,788,761	\$ 11,788,761	\$ -	\$ -	\$ -	\$ -
Government National Mortgage Assoc.	71,080	-	71,080	-	-	-
Federal National Mortgage Association	4,262,770	-	4,262,770	-	-	-
Federal Home Loan Bank	6,873,051	-	6,873,051	-	-	-
Federal Home Loan Mortgage Corporation	956,656	-	956,656	-	-	-
Federal Farm Credit Bureau	3,901,508	-	3,901,508	-	-	-
Freddie mac	931,407	-	931,407	-	-	-
Fannie mae	119,903	-	119,903	-	-	-
Bankers acceptances	1,172,097	-	-	-	-	1,172,097
Corporate bonds	21,442,601	-	2,369,949	18,037,438	1,035,214	-
Commercial paper	86,708	-	-	-	86,708	-
Negotiable certificates of deposit	97,149	-	-	-	-	97,149
State and municipal bonds	1,781,297	-	-	1,781,297	-	-
Money market mutual funds	1,202,474	-	-	-	-	1,202,474
Beneficial interest in investments held by						
Lakeshore Community Foundation	317,965	-	-	-	-	317,965
Wi. local government investment pool	11,347,305	-	-	-	-	11,347,305
Totals	\$ 66,352,732	\$ 11,788,761	\$ 19,486,324	\$ 19,818,735	\$ 1,121,922	\$ 14,136,990

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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 are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal National Mortgage Association	Federal agency security	\$ 4,262,770	5.70%
Federal Home Loan Bank	Federal agency security	6,873,051	9.19%
Federal Farm Credit Bureau	Federal agency security	3,901,508	5.22%

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 will attempt to match its investments with anticipated cash flow liquidity requirements. Unless matched to a specific cash flow, the City will not invest in securities maturing more than five years from the date of purchase. Reserve funds may be invested in securities exceeding five 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 seven years. Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be made continuously invested in readily available funds such as Local Government Investment Pools (LGIP), 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	\$ 11,788,761	\$ 9,403,074	\$ 1,011,633	\$ 753,241	\$ 620,813
Government National Mortgage Assoc.	71,080	-	-	-	71,080
Federal National Mortgage Association	4,262,770	1,199,309	2,279,069	784,392	-
Federal Home Loan Bank	6,873,051	150,005	1,229,142	3,774,270	1,719,634
Federal Home Loan Mortgage Corporation	956,656	499,588	-	36,949	420,119
Federal Farm Credit Bureau	3,901,508	274,663	-	1,500,642	2,126,203
Freddie mac	931,407	-	101,027	361,389	468,991
Fannie mae	119,903	-	119,903	-	-
Bankers acceptances	1,172,097	1,172,097	-	-	-
Corporate bonds	21,442,601	501,196	5,224,393	9,848,346	5,868,666
Commercial paper	86,708	-	-	-	86,708
Negotiable certificates of deposit	97,149	97,149	-	-	-
State and municipal bonds	1,781,297	867,629	270,980	642,688	-
Money market mutual funds	1,202,474	1,202,474	-	-	-
Repurchase agreements	8,429,404	8,429,404	-	-	-
Beneficial interest in investments held by Lakeshore Community Foundation	317,965	317,965	-	-	-
Wi. local government investment pool	11,347,305	11,347,305	-	-	-
Totals	\$ 74,782,136	\$ 35,461,858	\$ 10,236,147	\$ 17,701,917	\$ 11,382,214

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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	\$ 71,080
Federal National Mortgage Association	4,262,770
Federal Home Loan Bank	6,873,051
Federal Home Loan Mortgage Corporation	956,656
Federal Farm Credit Bureau	3,901,508
Freddie mac	931,407
Fannie mae	119,903
	<u>\$ 17,116,375</u>

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin Local Government Investment Pool of \$11,347,305 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2019, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

Beneficial Interest in Assets Held by Lakeshore Community Foundation

Beneficial interest in assets held by Lakeshore Community Foundation represents amounts held at Lakeshore Community Foundation, Inc. (the "Foundation"). These amounts are legal assets of the Foundation with the restriction that the Foundation makes distributions to the City as needed. The agreement governing the assets includes a variance power allowing the Foundation to modify the restrictions on distributions from the funds.

B. RESTRICTED ASSETS

Restricted assets on December 31, 2019 consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Special Revenue Funds		
Police programs	\$ 317,965	Future projects or improvements
Centennial	16,434	Future projects or improvements
Total Special Revenue Funds	<u>334,399</u>	
Enterprise Funds		
Water utility	6,816,635	Future projects or improvements
Wastewater treatment plant	10,645,746	Future projects or improvements
Total Enterprise Funds	<u>17,462,381</u>	
Total	<u>\$ 17,796,780</u>	

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

C. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 7,270,518	\$ 802,130	\$ -	\$ 8,072,648
Construction in progress	3,882,170	2,414,776	6,296,946	-
Total capital assets, nondepreciable	<u>11,152,688</u>	<u>3,216,906</u>	<u>6,296,946</u>	<u>8,072,648</u>
Capital assets, depreciable:				
Buildings and improvements	29,478,238	107,768	-	29,586,006
Machinery and equipment	31,851,062	7,564,048	1,097,601	38,317,509
Infrastructure	176,422,952	9,547,944	-	185,970,896
Subtotals	<u>237,752,252</u>	<u>17,219,760</u>	<u>1,097,601</u>	<u>253,874,411</u>
Less accumulated depreciation for:				
Buildings and improvements	13,552,640	600,401	-	14,153,041
Machinery and equipment	16,927,529	2,106,198	1,003,775	18,029,952
Infrastructure	88,590,780	4,030,098	-	92,620,878
Subtotals	<u>119,070,949</u>	<u>6,736,697</u>	<u>1,003,775</u>	<u>124,803,871</u>
Total capital assets, depreciable, net	<u>118,681,303</u>	<u>10,483,063</u>	<u>93,826</u>	<u>129,070,540</u>
Governmental activities capital assets, net	<u>\$ 129,833,991</u>	<u>\$ 13,699,969</u>	<u>\$ 6,390,772</u>	137,143,188
Less: Capital related debt				<u>48,071,923</u>
Net investment in capital assets				<u>\$ 89,071,265</u>
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 2,653,640	\$ -	\$ 5,944	\$ 2,647,696
Construction in progress	12,925,083	5,018,131	12,256,704	5,686,510
Total capital assets, nondepreciable	<u>15,578,723</u>	<u>5,018,131</u>	<u>12,262,648</u>	<u>8,334,206</u>
Capital assets, depreciable:				
Buildings and improvements	59,070,006	621,217	84,789	59,606,434
Machinery and equipment	93,980,680	3,287,314	414,877	96,853,117
Infrastructure	141,322,150	15,667,108	1,874,325	155,114,933
Subtotals	<u>294,372,836</u>	<u>19,575,639</u>	<u>2,373,991</u>	<u>311,574,484</u>
Less accumulated depreciation for:				
Buildings and improvements	33,618,961	996,267	87,291	34,527,937
Machinery and equipment	41,130,383	2,801,742	779,613	43,152,512
Infrastructure	77,330,566	5,868,079	1,910,896	81,287,749
Subtotals	<u>152,079,910</u>	<u>9,666,088</u>	<u>2,777,800</u>	<u>158,968,198</u>
Total capital assets, depreciable, net	<u>142,292,926</u>	<u>9,909,551</u>	<u>(403,809)</u>	<u>152,606,286</u>
Business-type activities capital assets, net	<u>\$ 157,871,649</u>	<u>\$ 14,927,682</u>	<u>\$ 11,858,839</u>	160,940,492
Less: Capital related debt				<u>10,080,448</u>
Net investment in capital assets				<u>\$ 150,860,044</u>

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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

Governmental activities	
General government	\$ 244,564
Public safety	572,529
Public works	4,984,380
Health and human services	67,313
Culture and recreation	845,404
Conservation and development	22,507
Total depreciation expense - governmental activities	<u>\$ 6,736,697</u>
Business-type activities	
Water utility	\$ 2,070,925
Electric utility	5,678,088
Steam utility	150,400
Broadband utility	60,528
Wastewater treatment plant	1,141,948
Transit system	280,302
Total depreciation expense - business-type activities	<u>9,382,191</u>
Depreciation charged to operating accounts	159,916
Salvage charged to accumulated depreciation	123,981
Total increase in accumulated depreciation	<u>\$ 9,666,088</u>

D. 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, 2019 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary cash advances to finance operating cash deficits		
Governmental funds		
General	\$ 2,100,890	\$ -
Nonmajor	-	2,100,890
Proprietary funds		
Electric utility	585,883	-
Steam utility	-	585,883
Subtotal	<u>2,686,773</u>	<u>2,686,773</u>
Long-term advances between funds		
Governmental fund		
Capital equipment	-	98,877
Proprietary fund		
Water utility	98,877	-
Subtotal	<u>98,877</u>	<u>98,877</u>
Totals	<u>\$ 2,785,650</u>	<u>\$ 2,785,650</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, 2019

Interfund transfers for the year ended December 31, 2019 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 4,302,629	\$ -
Debt Service	405,761	-
Nonmajor governmental funds	2,168,925	2,955,172
Water utility	-	924,341
Electric utility	-	2,872,141
Steam utility	-	75,865
Broadband utility	-	24,306
Wastewater Treatment Plant	-	25,490
	<u>\$ 6,877,315</u>	<u>\$ 6,877,315</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.

E. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2019:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
General obligation debt					
Bonds	\$ 27,205,000	\$ 2,375,000	\$ 4,155,000	\$ 25,425,000	\$ 2,595,000
Notes	23,789,355	7,400,000	3,272,159	27,917,196	4,473,156
State trust fund loans	179,000	-	179,000	-	-
Total general obligation debt	<u>51,173,355</u>	<u>9,775,000</u>	<u>7,606,159</u>	<u>53,342,196</u>	<u>7,068,156</u>
Debt premium	1,309,800	478,126	153,498	1,634,428	-
Capital leases	533,611	-	86,477	447,134	90,208
Compensated absences	<u>6,203,789</u>	<u>142,836</u>	<u>354,548</u>	<u>5,992,077</u>	<u>2,000,000</u>
Governmental activities Long-term obligations	<u>\$ 59,220,555</u>	<u>\$ 10,395,962</u>	<u>\$ 8,200,682</u>	<u>\$ 61,415,835</u>	<u>\$ 9,158,364</u>
Business-type activities:					
Revenue bonds	\$ 18,438,656	\$ 227,223	\$ 8,787,404	\$ 9,878,475	\$ 584,530
Debt premium	463,509	-	463,509	-	-
Land contract	176,000	-	96,000	80,000	80,000
Compensated absences	<u>2,426,406</u>	<u>19,376</u>	<u>64,590</u>	<u>2,381,192</u>	<u>475,978</u>
Business-type activities Long-term obligations	<u>\$ 21,504,571</u>	<u>\$ 246,599</u>	<u>\$ 9,411,503</u>	<u>\$ 12,339,667</u>	<u>\$ 1,140,508</u>

Total interest paid during the year on long-term debt totaled \$2,005,689.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/19</u>
Capital improvement bond	2/16/10	2025	2.8 - 5.1%	5,850,000	\$ 2,855,000
Refunding bond	2/16/10	2021	3 - 4%	10,615,000	445,000
Capital improvement bond	4/25/11	2026	2.5 - 3.65%	3,280,000	1,870,000
Capital improvement note	4/25/11	2021	2.1 - 3.25%	1,605,000	205,000
Refunding bond	11/28/11	2023	2.15 - 3.95%	6,690,000	3,355,000
Capital improvement note	6/11/12	2022	2 - 3%	7,655,000	1,015,000
Capital improvement note	5/17/13	2023	2 - 2.5%	9,995,000	3,385,000
Capital improvement note	3/24/14	2022	2 - 3%	3,965,000	1,475,000
Capital improvement note	4/6/15	2025	3 - 4%	2,500,000	1,995,000
Refunding bond	12/21/15	2026	1.1 - 3.95%	7,010,000	5,795,000
Capital improvement note	5/9/16	2026	2%	7,600,000	7,270,000
Environmental remediation note	12/14/16	2026	1.54%	282,444	202,196
Capital improvement note	5/15/17	2027	2 - 3%	5,230,000	4,195,000
Refunding note	11/16/17	2027	1.78 - 2.5%	775,000	775,000
Refunding bond	11/5/18	2038	4 - 5%	8,730,000	8,730,000
WI Dept of Transportation Note	2/1/19	2039	2%	500,000	500,000
Promissory Note	9/9/19	2038	2 - 3%	6,900,000	6,900,000
Refunding Bond	11/12/19	2038	4.45 - 5.1%	2,375,000	2,375,000

Total outstanding general obligation debt

\$53,342,196

Annual principal and interest maturities of the outstanding general obligation debt of \$53,342,196 on December 31, 2019 are detailed below:

<u>Year Ended</u> <u>December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 7,068,156	\$ 1,486,768	\$ 8,554,924
2021	6,793,992	1,332,486	8,126,478
2022	6,844,844	1,139,086	7,983,930
2023	6,500,710	1,803,778	8,304,488
2024	5,981,591	746,973	6,728,564
2025 - 2029	15,673,230	1,817,272	17,490,502
2030 - 2034	2,315,543	644,449	2,959,992
2035 - 2039	2,164,130	348,368	2,512,498
	<u>\$53,342,196</u>	<u>\$ 9,319,180</u>	<u>\$62,661,376</u>

For governmental activities, the other long-term liabilities are generally funded by the General Fund.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2019 was \$51,638,241 as follows:

Equalized valuation of the City		\$ 2,032,365,000
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		<u>101,618,250</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 53,342,196	
Less: Amounts available for financing general obligation debt		
Debt Service Fund	<u>3,362,187</u>	
Net outstanding general obligation debt applicable to debt limitation		49,980,009
Legal margin for new debt		<u><u>\$ 51,638,241</u></u>

Current Refunding

During 2019, the City currently refunded a general obligation bond issue from 2010. The City issued \$2,375,000 of general obligation refunding bonds to call the refunded debt. This current refunding was undertaken to refinance and extend the timing of when the principal and interest payments are due. Total debt service payments over the next 11 years were reduced by \$103,060 and the economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) is \$174,274.

Revenue Bonds

Revenue bonds outstanding on December 31, 2019 totaled \$9,878,475 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
State of Wisconsin clean water fund loan	12/23/02	2022	2.92%	\$ 1,772,798	\$ 336,860
State of Wisconsin clean water fund loan	5/12/10	2030	2.20%	1,000,000	603,262
State of Wisconsin clean water fund loan	12/13/17	2037	1.76%	9,069,537	<u>8,938,353</u>
Total outstanding revenue bonds					<u><u>\$ 9,878,475</u></u>

Annual principal and interest maturities of the outstanding revenue bonds of \$9,878,475 on December 31, 2019 are detailed below:

Year Ended	Business-type Activities		
	Principal	Interest	Total
December 31, 2020	\$ 584,530	\$ 169,810	\$ 754,340
2021	596,297	158,151	754,448
2022	608,312	146,246	754,558
2023	501,679	135,822	637,501
2024	510,739	126,925	637,664
2025 - 2029	2,695,460	495,407	3,190,867
2030 - 2034	2,690,236	258,614	2,948,850
2035 - 2037	1,691,223	43,610	1,734,833
	<u>\$ 9,878,475</u>	<u>\$ 1,534,585</u>	<u>\$ 11,413,060</u>

Land Contract

On December 1, 2015, the City 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 having been made in 2015. Payments totaling \$96,000 were made in 2019 and final payments totaling \$80,000 will be made in 2020.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Utility Revenues Pledged

The City has pledged future wastewater customer revenues, net of specific operating expenses, to repay wastewater system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. A summary of net customer revenues and remaining principal and interest due on revenue bonds follows:

	Wastewater Treatment Plant
Net Customer Revenues	
Operating revenues	\$ 7,506,503
Less: Operating expenses	5,004,339
Net Customer Revenues	<u>\$ 2,502,164</u>
Debt Service	
Principal	\$ 512,404
Interest	181,267
Total Debt Service	<u>\$ 693,671</u>
Remaining principal and interest	<u>\$ 11,413,060</u>

Capital Lease

The City is obligated under various leases accounted for as capital leases that were used to finance the acquisition of capital assets. The cost of the capital assets under the capital leases are \$652,466 and the related accumulated depreciation is \$323,735 as of December 31, 2019.

The following is a schedule of the minimum lease payments under the lease agreements and the present values of the minimum lease payments at December 31, 2019:

<u>Year Ending</u>	Governmental Activities
2020	\$ 106,806
2021	107,015
2022	166,949
2023	107,710
Subtotal	<u>488,480</u>
Less: Amount representing interest	41,346
Present value of future minimum lease payments	<u>\$ 447,134</u>

F. 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, 2019, there were a number of Industrial Revenue Bonds outstanding, with an undeterminable aggregate principal amount payable.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

G. PENSION PLAN

1. 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.

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

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 executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

2. 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, 2019

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
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
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

3. 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. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ending December 31, 2019, the WRS recognized \$2,099,758 in contributions from the City.

Contribution rates for the reporting period are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (including teachers, executives and elected officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

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

At December 31, 2019, the City reported a liability of \$6,822,778 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.19177567%, which was an increase of 0.00476336% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$2,529,814.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 5,313,911	\$ 9,393,082
Net differences between projected and actual earnings on pension plan investments	9,964,199	-
Changes in assumptions	1,150,070	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	106,328	5,974
Employer contributions subsequent to the measurement date	2,099,758	-
Total	<u>\$ 18,634,266</u>	<u>\$ 9,399,056</u>

\$2,099,758 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 liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2020	\$ 2,617,473
2021	661,061
2022	1,127,959
2023	2,728,959
Total	<u>\$ 7,135,452</u>

5. Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was rolled forward to December 31, 2018 and was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date:	December 31, 2017
Measurement date of net pension asset:	December 31, 2018
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Value
Long-term expected rate of return:	7.0%
Discount rate:	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

* No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 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 2018 using experience from 2015 - 2017. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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:

	Current Asset Allocation %	Long-term Expected Nominal Rate of Return %	Long-term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Global equities	49%	8.1%	5.5%
Fixed income	24.5%	4.0%	1.5%
Inflation sensitive assets	15.5%	3.8%	1.3%
Real estate	9%	6.5%	3.9%
Private equity/debt	8%	9.4%	6.7%
Multi-asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.6%	5.0%
International equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

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

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

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.00% and a long-term bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members 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 liability to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.0 percent, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 27,114,431	\$ 6,822,778	\$ (8,265,641)

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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

6. Payables to the Pension Plan

At December 31, 2019, the City reported a payable of \$302,715 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2019.

H. OTHER POSTEMPLOYMENT BENEFITS

The City reports OPEB related balances at December 31, 2019 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Local Retiree Life Insurance Fund (LRLIF)	\$ 1,105,191	\$ 164,956	\$ 305,354
Single-employer defined OPEB plan	483,143	26,677	28,896
Total pension liability	<u>\$ 1,588,334</u>	<u>\$ 191,633</u>	<u>\$ 334,250</u>

1. Single-employer Defined Postemployment Benefit Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the City. Eligible retired employees have access to group medical coverage through the City's group plan until they reach the age of 65. The retired employee contributes 100% of the premium for family coverage and 100% of the premium for single coverage.

Benefits Provided

The City provides medical coverage (including prescription drugs) for retired employees through the medical plan.

Employees Covered by Benefit Terms

At December 31, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Active employees	296
	<u>299</u>

Contributions

Retired plan members and beneficiaries currently receiving benefits are required to contribute 100% towards the cost of insurance premiums based on the employee group and their retirement date.

Total OPEB Liability

The City's Total OPEB Liability was determined by an actuarial valuation as of January 1, 2018 and was rolled forward to a measurement date of December 31, 2018.

Actuarial Assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Salary increases:	
Inflation	3.00%
Seniority/Merit	0.4%-3.0%
Discount Rate:	3.44%
Healthcare cost trend rates:	5.9% decreasing to an ultimate rate of 3.90% after 62 years

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Mortality rates are the same as those used on the Wisconsin 2018 Mortality table.

The actuarial assumptions used in the January 1, 2018 valuation were based on the “Wisconsin Retirement System 2012 - 2014 Experience Study”.

Discount Rate. The discount rate used to measure the total OPEB liability was 4.10%, which is based on the Bond Buyer GO 20-year index as of the week of the measurement date. No assets have been accumulated in an irrevocable trust, so the Bond Buyer GO 20-year Bond Index has been applied to all periods.

Changes in the Total OPEB Liability

	Total OPEB Liability (a)
Balance at January 1, 2019	\$ 475,781
Changes for the year:	
Service cost	35,427
Interest on total OPEB liability	17,359
Effect of assumptions changes or inputs	(32,151)
Benefit payments	(13,273)
Net changes	7,362
Balance at December 31, 2019	\$ 483,143

Sensitivity of the total OPEB Liability to changes in the discount rate. The following presents the Total OPEB Liability of the City, as well as what the City’s Total OPEB Liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.10%) or 1-percentage-point higher (5.10%) than the current rate:

	1% Decrease to Discount Rate (3.10%)	Current Discount Rate (4.10%)	1% Increase to Discount Rate (5.10%)
Total OPEB liability	\$ 532,574	\$ 483,143	\$ 437,930

Sensitivity of the total OPEB Liability to changes in the healthcare cost trend rates. The following presents the Total OPEB Liability of the City, as well as what the City’s Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (6.5% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Total OPEB liability	\$ 419,528	\$ 483,143	\$ 559,415

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the City recognized OPEB expense of \$51,105. At December 31, 2019, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 12,412	\$ 28,896
City contributions subsequent to the measurement date	14,265	-
Total	\$ 26,677	\$ 28,896

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

\$14,265 reported as deferred outflows of resources related to OPEB resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in other postemployment benefits expense as follows:

Year Ended December 31,	Expense
2020	\$ 1,681
2021	1,681
2022	1,681
2023	1,681
2024	1,681
Thereafter	8,079
Total	<u>\$ 16,484</u>

Payable to the OPEB Plan

At December 31, 2019, the City reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

2. Local Retiree Life Insurance Fund

Plan Description

The LRLIF is a cost sharing, multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides postemployment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position

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

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions

The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are listed below:

Life Insurance Employee Contribution Rates For the Year Ended December 31, 2018	
Attained Age	Basic
Under 30	\$0.05
30 - 34	0.06
35 - 39	0.07
40 - 44	0.08
45 - 49	0.12
50 - 54	0.22
55 - 59	0.39
60 - 64	0.49
65 - 69	0.57

During the reporting period, the LRLIF recognized \$8,252 in contributions from the employer.

OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019, the City reported a liability of \$1,105,191 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.428313%, which was an increase of 0.014115% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$113,418.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 56,066
Net differences between projected and actual earnings on OPEB plan investments	26,412	-
Changes in assumptions	105,452	239,562
Changes in proportion and differences between employer contributions and proportionate share of contributions	33,091	9,726
Total	\$ 164,955	\$ 305,354

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Expense
2020	\$ (18,128)
2020	(18,128)
202	(18,128)
2023	(21,838)
2024	(25,659)
Thereafter	(38,518)
Total	<u>\$ (140,399)</u>

Actuarial assumptions. The total OPEB liability in the January 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
Inflation:	4.10%
Salary increases:	5.00%
Discount rate:	4.22%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Long-term expected return on plan assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securian, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Asset Class	Index	Target Allocation	Long-term Expected Geometric Real Rate of Return %
U.S. Government Bonds	Barclays Government	1%	1.44%
U.S. Credit Bonds	Barclays Credit	40%	2.69%
U.S. Long Credit Bonds	Barclays Long Credit	4%	3.01%
U.S. Mortgages	Barclays MBS	54%	2.25%
U.S. Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-term expected rate of return			5.00%

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Single discount rate. A single discount rate of 4.22% was used to measure the total OPEB liability. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the City's proportionate share of net OPEB liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 4.22%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22%) or 1-percentage-point higher (5.22%) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
City's proportionate share of the net OPEB liability	\$ 1,572,209	\$ 1,105,191	\$ 744,995

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

Payable to the OPEB Plan

At December 31, 2019, the City reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

I. FUND EQUITY

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2019, nonspendable fund balance was as follows:

General Fund	
Nonspendable	
Inventories and prepaid items	\$ 488,223
Long-term accounts and interfund receivables	1,606,514
Total General Fund nonspendable fund balance	<u>2,094,737</u>
Capital Project Funds	
Nonspendable	
Inventories and prepaid items	<u>98,540</u>
Total nonspendable fund balance	<u>\$ 2,193,277</u>

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2019, restricted fund balance was as follows:

Special Revenue Funds

Restricted for	
Future loans	\$ 2,613,091
Transit capital	262,814
Police programs	363,125
Parkland dedications	84,231
Eternal flame	42,545
Centennial	16,434
Park & Rec donations	155,061
Lakeshore holiday parade	5,550
EPA grant	228,791
Housing programs	1,230,374
Tax incremental district number 7	22,285
	<u>5,024,301</u>

Debt Service Fund

Restricted for	
Debt service	<u>3,362,187</u>

Capital Improvements Fund

Restricted for	
Tax incremental district development	<u>1,811,804</u>

Total restricted fund balance \$ 10,198,292

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2019 fund balance was committed as follows:

Committed for:

Special Revenue Funds	
Room tax	\$ 470,105
Manitowoc Calumet Library	12,217
Library	253,696
Mani International Relations Assoc	4,856
Rahr West Museum	196,718
Sanitary and Storm Sewers	46,585
Senior Center	62,541
	<u>1,046,718</u>

Total committed fund balance \$ 1,046,718

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2019, fund balance was assigned as follows:

Assigned for:

General Fund	
Fire safety equipment	\$ 532,399
Legal defense fund	87,988
Fuel handling surcharge	36,868
Marina Fund	50,000
Car Ferry Fund	25,000
Economic Development Marketing	93,120
Tree fund	7,211
Winter maintenance fund	100,000
Yacht club facilities	17,672
Subsequent year's expenditures	51,340
Subtotal	<u>1,001,598</u>

Capital Projects funds

Assigned for	
Capital equipment	387,433
Environmental remediation	1,086,686
Cemetery improvements	22,913
Buildings and other improvements	924,791
Subtotal	<u>2,421,823</u>

Total assigned fund balance	<u><u>\$ 3,423,421</u></u>
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Net Position

The City reports restricted net position for other purposes at December 31, 2019 as follows:

Governmental activities

Restricted for	
Police programs	\$ 363,125
Parkland dedications	84,231
Eternal flame	42,545
Centennial	16,434
Park & Rec donations	155,061
Lakeshore holiday parade	5,550
EPA grant	228,791
Total governmental activities restricted net position - other	<u><u>\$ 895,737</u></u>

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

NOTE 4: OTHER INFORMATION

A. TAX INCREMENTAL FINANCING DISTRICTS

The City has established separate capital projects funds for Tax Incremental District (TID) Nos. 9 through 21. A special revenue fund records transactions for TID No. 7. The TIDs 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 the Districts were “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. The Statutes allow eligible project costs to be incurred up to five years prior to the maximum termination date.

The intent of the City is to recover any unreimbursed project costs from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 9	2022
TID No. 10	2030
TID No. 12	2032
TID No. 16	2030
TID No. 17	2034
TID No. 18	2035
TID No. 19	2044
TID No. 20	2039
TID No. 21	2038

B. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. The City has chosen to retain a portion of the risks through a self-insurance program and also purchased insurance to transfer other risks to outside parties. The City completes an annual review of its insurance coverage to ensure adequate coverage. A description of the County’s risk management programs is presented below:

Property and Liability Insurance

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 a 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 to 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.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

In addition to the above, the City has established separate internal service funds for the following risk management programs:

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 a 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, 2019, the health self-insurance internal service fund had established a reserve of \$811,711 for future unreported claims.

The claims liability of \$192,995 reported in the fund at December 31, 2019 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 are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2019	\$ 416,724	\$ 3,907,277	\$ 4,131,006	\$ 192,995
2018	477,685	3,949,373	4,010,334	416,724

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 service to its members. The transit system pays premiums to TMI for its liability coverage. The actuary for TMI determines charges to its members for the expected losses and loss adjustment expenses on which premiums are based.

Other Risk Management Programs

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

C. CONTINGENCIES

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 the 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.

City of Manitowoc, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2019

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.

D. SUBSEQUENT EVENTS

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness, impacts on cash flows and impacts on personnel costs. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

In January of 2020, the City authorized the issuance of \$9,905,000 promissory note anticipation notes. On May 5, 2020 the City issued \$9,860,000 of general obligation refunding bonds. The proceeds of the general obligation refunding bonds were utilized to pay of the note anticipation notes. On May 5, 2020, the City also issued general obligation promissory notes of \$2,000,000.

**REQUIRED SUPPLEMENTARY
INFORMATION**

City of Manitowoc, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

<u>Plan Year Ending</u>	<u>Proportion of the Net Pension Liability (Asset)</u>	<u>Proportionate Share of the Net Pension Liability (Asset)</u>	<u>Covered Payroll (plan year)</u>	<u>Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)</u>
12/31/14	0.19429740%	\$ (4,772,477)	\$ 21,308,496	22.40%	102.74%
12/31/15	0.18927241%	3,075,641	20,761,308	14.81%	98.20%
12/31/16	0.18743241%	1,544,891	21,019,901	7.35%	99.12%
12/31/17	0.18701231%	(5,552,617)	21,532,538	25.79%	102.93%
12/31/18	0.19177567%	6,822,778	22,706,973	30.05%	96.45%

SCHEDULE OF CONTRIBUTIONS WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll (fiscal year)</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/15	\$ 1,904,213	\$ 1,904,213	\$ -	\$ 20,761,308	9.17%
12/31/16	1,758,047	1,758,047	-	21,019,901	8.36%
12/31/17	1,963,668	1,963,668	-	21,532,538	9.12%
12/31/18	2,077,887	2,077,887	-	22,706,973	9.15%
12/31/19	2,099,758	2,099,758	-	23,480,447	8.94%

See notes to required supplementary information.

City of Manitowoc, Wisconsin

SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS *

	<u>2019</u>	<u>2018</u>
Total OPEB liability		
Service cost	\$ 35,427	\$ 31,945
Interest	17,359	17,166
Change of assumptions	(32,151)	15,560
Benefit payments	<u>(13,273)</u>	<u>(22,000)</u>
Net change in total OPEB liability	7,362	42,671
Total OPEB liability - beginning	<u>475,781</u>	<u>433,110</u>
Total OPEB liability - ending	<u>\$ 483,143</u>	<u>\$ 475,781</u>
Covered-employee payroll	\$ 21,681,000	\$ 22,706,973
City's total OPEB liability as a percentage of covered-employee payroll	2.23%	2.10%

* The amounts presented for each fiscal year were determined as of the current fiscal year end. Amounts for prior years were not available.

See notes to required supplementary information.

City of Manitowoc, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) LOCAL RETIREE LIFE INSURANCE FUND LAST 10 FISCAL YEARS

<u>Plan Fiscal Year Ending</u>	<u>Proportion of the Net OPEB Liability (Asset)</u>	<u>Proportionate Share of the Net OPEB Liability (Asset)</u>	<u>Covered-Employee Payroll</u>	<u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u>
12/31/17	0.41419800%	\$ 1,246,148	\$ 21,532,538	5.79%	44.81%
12/31/18	0.42831300%	1,105,191	21,681,000	5.10%	48.69%

SCHEDULE OF CONTRIBUTIONS LOCAL RETIREE LIFE INSURANCE FUND LAST 10 FISCAL YEARS

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered-Employee Payroll</u>	<u>Contributions as a Percentage of Covered-Employee Payroll</u>
12/31/18	\$ 8,701	\$ 8,701	\$ -	\$ 21,681,000	0.04%
12/31/19	8,252	8,252	-	22,706,973	0.04%

See notes to required supplementary information.

City of Manitowoc, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2019

A. OTHER POST EMPLOYMENT BENEFIT (OPEB) PLANS

The City implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the fiscal year ended December 31, 2019. The City maintains the following two OPEB plans:

Single-employer Defined Postemployment Benefit Plan

Demographic assumptions have been updated based upon the most recent WRS experience study. The expected claims and medical trend rates were changed to reflect anticipated experience under the most recent Getzen model application. The overall impact of the new assumptions is a decrease in the benefit obligations.

No assets have been accumulated in an irrevocable trust, so the Plan's discount rate applied to all periods is based on a 20-year, tax-exempt general obligation municipal bond index.

Local Retiree Life Insurance Fund (LRLIF)

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

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

B. WISCONSIN RETIREMENT SYSTEM

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

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

**SUPPLEMENTARY
INFORMATION**

City of Manitowoc, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
Taxes					
General property	\$ 7,054,167	\$ 7,054,167	\$ 7,054,167	\$ -	\$ 6,903,508
Tax roll over run	-	-	7	7	(2)
Omitted taxes	-	-	-	-	48,936
Mobile home	36,000	36,000	32,596	(3,404)	33,863
Payments in lieu of taxes	45,000	45,000	48,411	3,411	46,336
Interest on taxes	60,000	60,000	65,227	5,227	66,753
Other taxes	-	-	-	-	7,346
Total taxes	<u>7,195,167</u>	<u>7,195,167</u>	<u>7,200,408</u>	<u>5,241</u>	<u>7,106,740</u>
Special assessments					
Seal coating	-	-	6,277	6,277	49,502
Dust pallatives	1,000	1,000	-	(1,000)	1,307
Weed cutting	45,000	45,000	59,476	14,476	56,125
Snow removal	110,000	110,000	125,491	15,491	108,075
Total special assessments	<u>156,000</u>	<u>156,000</u>	<u>191,244</u>	<u>35,244</u>	<u>215,009</u>
Intergovernmental					
Shared taxes from state	5,482,132	5,482,132	5,482,806	674	5,403,376
Expenditure restraint payment	453,878	453,878	453,878	-	437,922
Tax exempt computer aid	217,300	217,300	217,778	478	92,674
Municipal services	38,100	38,100	60,471	22,371	57,346
Fire insurance tax	75,000	75,000	85,824	10,824	77,927
Highway aids	1,698,721	1,698,721	1,805,500	106,779	1,451,273
Connecting street aid	230,383	230,383	230,383	-	230,541
Lift bridge aid	191,343	191,343	136,593	(54,750)	188,500
Highway safety grants	15,000	15,000	9,575	(5,425)	12,048
Public safety grants	7,800	7,800	14,557	6,757	8,782
Other grants	9,120	9,120	44,651	35,531	102,773
Total intergovernmental	<u>8,418,777</u>	<u>8,418,777</u>	<u>8,542,016</u>	<u>123,239</u>	<u>8,063,162</u>
Licenses and permits					
Licenses					
Liquor and malt beverages	59,100	59,100	63,984	4,884	59,953
Operators	22,500	22,500	22,765	265	21,455
Cigarettes	4,000	4,000	3,925	(75)	3,783
Bowling alley	250	250	290	40	230
Adult entertainment	2,000	2,000	2,000	-	2,000
Mobile home park	375	375	563	188	300
Taxicab	600	600	600	-	480
Taxicab drivers	350	350	650	300	400
Ambulance and hearse	150	150	-	(150)	150
Garbage collectors	900	900	1,020	120	1,170
Theater	500	500	588	88	450
Bicycle	182	182	134	(48)	238
Dog and cat	24,120	24,120	23,062	(1,058)	22,323

City of Manitowoc, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
Licenses (continued)					
Amusement	100	100	400	300	100
Direct sellers	500	500	1,190	690	910
Christmas tree dealers	200	200	-	(200)	225
Pawn broker	750	750	520	(230)	355
Change of agent/transfer	50	50	90	40	80
Cable television	300,000	300,000	318,004	18,004	317,376
Chicken license fee	100	100	140	40	100
Permits					
Sidewalk cafe	-	-	225	225	-
Building	240,000	240,000	234,071	(5,929)	226,945
Sign	3,250	3,250	4,059	809	3,903
Electrical	94,000	94,000	168,590	74,590	118,590
Plumbing	100,000	100,000	143,380	43,380	98,760
Heating	42,000	42,000	64,956	22,956	51,693
Zoning board of appeals	300	300	400	100	700
Housing code	-	-	-	-	35
Well operation	1,250	1,250	1,250	-	250
Alarm ordinance	250	250	345	95	345
Sprinkler system	4,000	4,000	5,305	1,305	5,820
Street opening	15,000	15,000	19,360	4,360	21,400
Driveway/sidewalk	1,700	1,700	2,050	350	1,670
Storm water	3,000	3,000	7,009	4,009	4,857
Fire department permits	75	75	50	(25)	50
Total licenses and permits	921,552	921,552	1,090,975	169,423	967,096
Fines and forfeits					
Parking violations	175,000	175,000	145,091	(29,909)	154,460
Municipal court fines	390,650	390,650	444,040	53,390	409,176
Late fees dog licenses	750	750	780	30	1,060
Other	3,500	3,500	-	(3,500)	-
Total fines and forfeits	569,900	569,900	589,911	20,011	564,696
Public charges for services					
Clerk	15,000	15,000	15,112	112	14,718
Treasurer	60,000	60,000	58,767	(1,233)	56,456
Attorney	22,979	22,979	19,623	(3,356)	21,655
Engineer	-	-	12,748	12,748	-
GIS land record management	200	200	15	(185)	40
Planning	6,550	6,550	6,701	151	6,550
Police department	6,885	6,885	7,578	693	6,768
Police service fees	8,000	8,000	7,389	(611)	5,036
Fire department fees	6,160	6,160	4,624	(1,536)	5,907
Impounded vehicles	450	450	-	(450)	-
Rescue squad	2,053,314	2,053,314	2,072,441	19,127	2,236,318
Inspection and zoning fees	200	200	200	-	200
Sealer	14,775	14,775	14,561	(214)	13,732
Museum	32,500	32,500	23,600	(8,900)	15,065
Recreation building	20,000	20,000	18,344	(1,656)	20,611

City of Manitowoc, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
Public charges for services (continued)					
Recreation team sports	18,000	18,000	19,883	1,883	18,829
Recreation program fees	33,000	33,000	49,148	16,148	40,852
Recreation rentals	42,000	42,000	48,874	6,874	50,256
Recreation concessions	500	500	1,311	811	1,545
Recreation other	13,650	13,650	24,982	11,332	19,101
Special events	4,000	4,000	4,882	882	5,755
Senior citizens	20,000	20,000	24,026	4,026	20,976
Street permit repairs	125,000	125,000	168,951	43,951	136,885
Columbarium sales	9,400	9,400	21,783	12,383	24,077
Sale of cemetery lots	50,100	50,100	80,699	30,599	60,811
Foundations	12,000	12,000	17,686	5,686	11,314
Burial fees	155,157	155,157	152,368	(2,789)	149,346
Transportation	1,500	1,500	-	(1,500)	1,907
Total public charges for services	<u>2,731,320</u>	<u>2,731,320</u>	<u>2,876,296</u>	<u>144,976</u>	<u>2,944,710</u>
Intergovernmental charges for services					
Counties and municipalities	22,000	22,000	23,646	1,646	30,619
City administrative fees	61,350	61,350	62,329	979	55,670
Schools and special districts	1,500	1,500	1,842	342	1,566
Police school liaison	124,794	124,794	133,732	8,938	124,794
Total intergovernmental charges for services	<u>209,644</u>	<u>209,644</u>	<u>221,549</u>	<u>11,905</u>	<u>212,649</u>
Interdepartmental charges for services					
TIF administration fees	3,000	3,000	-	(3,000)	2,194
City equipment rental	-	-	273	273	465
Street department labor	122,586	122,586	204,454	81,868	208,097
DPW materials	563,000	563,000	559,248	(3,752)	562,331
Total interdepartmental charges for services	<u>688,586</u>	<u>688,586</u>	<u>763,975</u>	<u>75,389</u>	<u>773,087</u>
Miscellaneous					
Interest on investments	304,242	304,242	574,166	269,924	632,122
Rent	46,500	46,500	98,031	51,531	57,383
Sale of general capital assets	38,000	38,000	69,441	31,441	152,712
Sale of salvage and waste products	1,550	1,550	5,565	4,015	1,591
Marina lease	155,000	155,000	206,609	51,609	160,758
Carferry lease	42,000	42,000	42,000	-	42,000
Other leases	50,000	50,000	54,720	4,720	54,710
Sale of photo copies	50	50	913	863	816
Donations	17,565	17,565	47,463	29,898	39,813
Other	405,000	405,000	60,313	(344,687)	30,728
Total miscellaneous	<u>1,059,907</u>	<u>1,059,907</u>	<u>1,159,221</u>	<u>99,314</u>	<u>1,172,633</u>
Total revenues	<u>\$ 21,950,853</u>	<u>\$ 21,950,853</u>	<u>\$ 22,635,595</u>	<u>\$ 684,742</u>	<u>\$ 22,019,782</u>

City of Manitowoc, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
General government					
Council	\$ 63,160	\$ 63,160	\$ 54,733	\$ 8,427	\$ 55,344
Mayor	186,197	186,197	181,278	4,919	170,369
Clerk	328,759	328,759	321,284	7,475	296,118
Elections	39,180	39,180	32,447	6,733	73,647
Postage	35,000	35,000	37,207	(2,207)	41,573
Board of review	1,070	1,070	207	863	225
Assessor	158,450	158,450	155,580	2,870	151,967
Finance	249,189	249,189	246,430	2,759	234,462
Treasurer	146,350	146,350	147,046	(696)	136,585
Data processing	549,760	549,760	591,211	(41,451)	526,308
Payroll	106,039	106,039	112,525	(6,486)	161,859
Attorney	374,573	374,573	355,675	18,898	401,194
Cable television	1,045	1,045	1,045	-	1,045
Personnel	202,838	226,423	185,771	40,652	169,332
Municipal court	107,511	107,511	105,723	1,788	103,029
Duplicating	25,000	25,000	27,326	(2,326)	30,054
City Hall	81,525	81,525	171,809	(90,284)	212,919
Buildings and grounds shop	4,725	4,725	17,636	(12,911)	14,148
Property insurance	95,010	95,010	90,850	4,160	86,730
Other insurance	118,442	118,442	160,289	(41,847)	137,404
Miscellaneous	871,000	871,000	164,044	706,956	-
Total general government	<u>3,744,823</u>	<u>3,768,408</u>	<u>3,160,116</u>	<u>608,292</u>	<u>3,004,312</u>
Public safety					
Police department	8,062,917	8,092,791	8,056,483	36,308	7,884,650
Fire department	6,279,745	6,328,517	6,378,074	(49,557)	6,460,869
Inspection	503,440	503,740	474,955	28,785	419,840
Civil defense	2,800	2,800	6,312	(3,512)	3,008
Total public safety	<u>14,848,902</u>	<u>14,927,848</u>	<u>14,915,824</u>	<u>12,024</u>	<u>14,768,367</u>
Public works					
Engineering	976,256	980,053	1,119,866	(139,813)	1,084,280
Streets administration	11,175	11,175	10,890	285	11,774
Street repairs	3,349,646	3,349,646	1,100,129	2,249,517	1,058,131
Seal coating	150,000	150,000	140,730	9,270	99,579
8th street bridge	153,989	153,989	119,070	34,919	145,439
10th street bridge	28,754	28,754	21,638	7,116	30,729
Other bridges	7,000	7,000	111	6,889	242
Curb and walks	5,430	5,430	9,771	(4,341)	5,934
Snow and ice removal	310,550	310,550	1,399,593	(1,089,043)	885,695
Traffic control	55,035	55,035	177,749	(122,714)	230,654
Street lighting	745,879	745,879	743,505	2,374	756,824
Docks and harbors	38,670	38,670	54,881	(16,211)	31,654
Gravel pit	-	-	2,305	(2,305)	3,023
Solid waste disposal	4,925	4,925	5,946	(1,021)	4,848
Sanitary sewers	-	-	7,699	(7,699)	37,328
Storm sewers	162,150	170,790	713,188	(542,398)	630,216

City of Manitowoc, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget		Actual	Variance	2018 Actual
	Original	Final		Final Budget - Positive (Negative)	
Public works (continued)					
Interdepartmental charges	-	-	14,334	(14,334)	11,703
Other	869,146	869,146	177,797	691,349	633,033
Total public works	<u>6,868,605</u>	<u>6,881,042</u>	<u>5,819,202</u>	<u>1,061,840</u>	<u>5,661,086</u>
Health and human services					
Evergreen cemetery	<u>58,660</u>	<u>65,750</u>	<u>311,366</u>	<u>(245,616)</u>	<u>289,479</u>
Culture and recreation					
Rahr west museum	350,274	350,274	374,946	(24,672)	368,553
Marine band	15,000	15,000	15,000	-	15,000
Civic orchestra	7,200	7,200	7,200	-	7,200
Recreation administrative	3,860	3,860	2,030	1,830	1,945
Recreation buildings and grounds	350,825	350,825	1,046,006	(695,181)	863,032
Recreation programs	45,128	48,178	73,768	(25,590)	69,717
Senior center	44,050	44,635	80,650	(36,015)	78,012
July 4th picnic/fireworks	-	-	-	-	140
Special events	83,225	84,421	235,871	(151,450)	230,577
Decorations	3,500	3,500	977	2,523	772
Total culture and recreation	<u>903,062</u>	<u>907,893</u>	<u>1,836,448</u>	<u>(928,555)</u>	<u>1,634,948</u>
Conservation and development					
Planning and zoning	461,272	464,272	1,251,936	(787,664)	371,665
Community development authority	<u>35,575</u>	<u>35,575</u>	<u>1,991</u>	<u>33,584</u>	<u>4,291</u>
Total conservation and development	<u>496,847</u>	<u>499,847</u>	<u>1,253,927</u>	<u>(754,080)</u>	<u>375,956</u>
Debt service					
Principal	-	-	-	-	54,691
Interest	-	-	-	-	2,974
Total debt service	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,665</u>
Total expenditures	<u>\$ 26,920,899</u>	<u>\$ 27,050,788</u>	<u>\$ 27,296,883</u>	<u>\$ (246,095)</u>	<u>\$ 25,791,813</u>

City of Manitowoc, Wisconsin

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>Room Tax</u>	<u>Farmer's Market</u>	<u>Mandatory Recycling</u>	<u>TID 7</u>	<u>Commercial Revolving Loan</u>
ASSETS					
Cash and investments	\$ 470,229	\$ -	\$ -	\$ 22,285	\$ 405,246
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes and special charges	-	-	-	-	-
Accounts	-	-	117,096	-	-
Loans	-	-	-	-	377,108
Due from other governments	-	-	-	-	-
Inventories and prepaid items	-	-	-	-	-
	<u>470,229</u>	<u>-</u>	<u>117,096</u>	<u>22,285</u>	<u>782,354</u>
Total assets	<u>\$ 470,229</u>	<u>\$ -</u>	<u>\$ 117,096</u>	<u>\$ 22,285</u>	<u>\$ 782,354</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 124	\$ -	\$ 12,000	\$ -	\$ 218
Due to other funds	-	-	105,096	-	-
Advance from other funds	-	-	-	-	-
Special deposits	-	-	-	-	-
	<u>124</u>	<u>-</u>	<u>117,096</u>	<u>-</u>	<u>218</u>
Total liabilities	<u>124</u>	<u>-</u>	<u>117,096</u>	<u>-</u>	<u>218</u>
Deferred inflows of resources					
Property taxes levied for subsequent year	-	-	-	-	-
Loans receivable	-	-	-	-	377,108
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>377,108</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>377,108</u>
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	22,285	405,028
Committed	470,105	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
	<u>470,105</u>	<u>-</u>	<u>-</u>	<u>22,285</u>	<u>405,028</u>
Total fund balances	<u>470,105</u>	<u>-</u>	<u>-</u>	<u>22,285</u>	<u>405,028</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 470,229</u>	<u>\$ -</u>	<u>\$ 117,096</u>	<u>\$ 22,285</u>	<u>\$ 782,354</u>

Special Revenue

Transit Capital Grant	Housing Revolving Loan	CDBG	HCRI Revolving Loan	Industrial Revolving Loan	Manitowoc Calumet Library	Library	Mani International Relations Assoc
\$ 187,353	\$ 299,197	\$ 37,142	\$ 52,421	\$ 1,819,624	\$ 12,258	\$ 285,213	\$ 3,111
-	-	-	-	-	-	-	-
-	-	-	-	-	-	1,745,832	-
-	-	2,877	-	-	-	-	1,745
-	2,362,957	-	119,079	2,069,764	-	-	-
83,638	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 270,991</u>	<u>\$ 2,662,154</u>	<u>\$ 40,019</u>	<u>\$ 171,500</u>	<u>\$ 3,889,388</u>	<u>\$ 12,258</u>	<u>\$ 2,031,045</u>	<u>\$ 4,856</u>
\$ 8,177	\$ -	\$ 2,877	\$ -	\$ 321	\$ 41	\$ 31,517	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>8,177</u>	<u>-</u>	<u>2,877</u>	<u>-</u>	<u>321</u>	<u>41</u>	<u>31,517</u>	<u>-</u>
-	-	-	-	-	-	1,745,832	-
-	2,362,957	-	119,079	2,069,764	-	-	-
-	2,362,957	-	119,079	2,069,764	-	1,745,832	-
-	-	-	-	-	-	-	-
262,814	299,197	37,142	52,421	1,819,303	-	-	-
-	-	-	-	-	12,217	253,696	4,856
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>262,814</u>	<u>299,197</u>	<u>37,142</u>	<u>52,421</u>	<u>1,819,303</u>	<u>12,217</u>	<u>253,696</u>	<u>4,856</u>
<u>\$ 270,991</u>	<u>\$ 2,662,154</u>	<u>\$ 40,019</u>	<u>\$ 171,500</u>	<u>\$ 3,889,388</u>	<u>\$ 12,258</u>	<u>\$ 2,031,045</u>	<u>\$ 4,856</u>

City of Manitowoc, Wisconsin

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>Rahr West Museum</u>	<u>Police Programs</u>	<u>Parkland Dedications</u>	<u>Aquatic Center</u>	<u>Senior Center</u>
ASSETS					
Cash and investments	\$ 197,873	\$ 77,913	\$ 84,231	\$ -	\$ 66,078
Restricted cash and investments	-	317,965	-	-	-
Receivables					
Taxes and special charges	-	-	-	132,920	-
Accounts	-	-	-	-	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories and prepaid items	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 197,873</u>	<u>\$ 395,878</u>	<u>\$ 84,231</u>	<u>\$ 132,920</u>	<u>\$ 66,078</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,155	\$ 2,229	\$ -	\$ 710	\$ 3,537
Due to other funds	-	-	-	51,850	-
Advance from other funds	-	-	-	-	-
Special deposits	-	30,524	-	-	-
	<u>-</u>	<u>30,524</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>1,155</u>	<u>32,753</u>	<u>-</u>	<u>52,560</u>	<u>3,537</u>
Deferred inflows of resources					
Property taxes levied for subsequent year	-	-	-	132,920	-
Loans receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>132,920</u>	<u>-</u>
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	363,125	84,231	-	-
Committed	196,718	-	-	-	62,541
Assigned	-	-	-	-	-
Unassigned	-	-	-	(52,560)	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(52,560)</u>	<u>-</u>
Total fund balances	<u>196,718</u>	<u>363,125</u>	<u>84,231</u>	<u>(52,560)</u>	<u>62,541</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 197,873</u>	<u>\$ 395,878</u>	<u>\$ 84,231</u>	<u>\$ 132,920</u>	<u>\$ 66,078</u>

Special Revenue						Capital Projects	
Eternal Flame	Centennial	Park & Rec Donations	Lakeshore Holiday Parade	EPA Grant	Housing Programs	Sanitary and Storm Sewers	Streets
\$ 42,828	\$ -	\$ 159,746	\$ 5,768	\$ 228,791	\$ 1,239,829	\$ 129,009	\$ -
-	16,434	-	-	-	-	-	-
-	-	-	-	-	-	-	210,060
-	-	-	-	-	-	-	1,231
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 42,828</u>	<u>\$ 16,434</u>	<u>\$ 159,746</u>	<u>\$ 5,768</u>	<u>\$ 228,791</u>	<u>\$ 1,239,829</u>	<u>\$ 129,009</u>	<u>\$ 211,291</u>
\$ 283	\$ -	\$ 4,685	\$ 218	\$ -	\$ 9,455	\$ 82,424	\$ 173,482
-	-	-	-	-	-	-	288,409
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>283</u>	<u>-</u>	<u>4,685</u>	<u>218</u>	<u>-</u>	<u>9,455</u>	<u>82,424</u>	<u>461,891</u>
-	-	-	-	-	-	-	210,060
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	210,060
-	-	-	-	-	-	-	-
42,545	16,434	155,061	5,550	228,791	1,230,374	-	-
-	-	-	-	-	-	46,585	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(460,660)
<u>42,545</u>	<u>16,434</u>	<u>155,061</u>	<u>5,550</u>	<u>228,791</u>	<u>1,230,374</u>	<u>46,585</u>	<u>(460,660)</u>
<u>\$ 42,828</u>	<u>\$ 16,434</u>	<u>\$ 159,746</u>	<u>\$ 5,768</u>	<u>\$ 228,791</u>	<u>\$ 1,239,829</u>	<u>\$ 129,009</u>	<u>\$ 211,291</u>

City of Manitowoc, Wisconsin

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>Capital Equipment</u>	<u>Environment Remediation</u>	<u>Cemetery Improvements</u>	<u>Buildings and Other Improvements</u>	<u>Car Ferry Dock Facilities</u>
ASSETS					
Cash and investments	\$ 636,780	\$ 1,189,528	\$ 22,561	\$ 860,582	\$ -
Restricted cash and investments	-	-	-	-	-
Receivables					
Taxes and special charges	-	-	-	184,000	-
Accounts	-	-	352	188,590	-
Loans	-	-	-	-	-
Due from other governments	-	-	-	-	-
Inventories and prepaid items	98,540	-	-	-	-
	<u>98,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 735,320</u>	<u>\$ 1,189,528</u>	<u>\$ 22,913</u>	<u>\$ 1,233,172</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 150,470	\$ 102,842	\$ -	\$ 124,381	\$ -
Due to other funds	-	-	-	-	-
Advance from other funds	98,877	-	-	-	-
Special deposits	-	-	-	-	-
	<u>249,347</u>	<u>102,842</u>	<u>-</u>	<u>124,381</u>	<u>-</u>
Total liabilities	<u>249,347</u>	<u>102,842</u>	<u>-</u>	<u>124,381</u>	<u>-</u>
Deferred inflows of resources					
Property taxes levied for subsequent year	-	-	-	184,000	-
Loans receivable	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,000</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>184,000</u>	<u>-</u>
Fund balances					
Nonspendable	98,540	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	387,433	1,086,686	22,913	924,791	-
Unassigned	-	-	-	-	-
	<u>485,973</u>	<u>1,086,686</u>	<u>22,913</u>	<u>924,791</u>	<u>-</u>
Total fund balances	<u>485,973</u>	<u>1,086,686</u>	<u>22,913</u>	<u>924,791</u>	<u>-</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 735,320</u>	<u>\$ 1,189,528</u>	<u>\$ 22,913</u>	<u>\$ 1,233,172</u>	<u>\$ -</u>

Capital Projects

TID 9	TID 10	TID 11	TID 12	TID 14	TID 15	TID 16	TID 17
\$ 353,425	\$ 207,647	\$ 33,279	\$ -	\$ 34,036	\$ 125,602	\$ -	\$ 390,791
-	-	-	-	-	-	-	-
326,060	131,960	-	167,261	-	-	331,416	221,866
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 679,485</u>	<u>\$ 339,607</u>	<u>\$ 33,279</u>	<u>\$ 167,261</u>	<u>\$ 34,036</u>	<u>\$ 125,602</u>	<u>\$ 331,416</u>	<u>\$ 612,657</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	20,393	-	-	1,556,742	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	20,393	-	-	1,556,742	-
326,060	131,960	-	167,261	-	-	331,416	221,866
-	-	-	-	-	-	-	-
<u>326,060</u>	<u>131,960</u>	<u>-</u>	<u>167,261</u>	<u>-</u>	<u>-</u>	<u>331,416</u>	<u>221,866</u>
-	-	-	-	-	-	-	-
353,425	207,647	33,279	-	34,036	125,602	-	390,791
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	(20,393)	-	-	(1,556,742)	-
<u>353,425</u>	<u>207,647</u>	<u>33,279</u>	<u>(20,393)</u>	<u>34,036</u>	<u>125,602</u>	<u>(1,556,742)</u>	<u>390,791</u>
<u>\$ 679,485</u>	<u>\$ 339,607</u>	<u>\$ 33,279</u>	<u>\$ 167,261</u>	<u>\$ 34,036</u>	<u>\$ 125,602</u>	<u>\$ 331,416</u>	<u>\$ 612,657</u>

City of Manitowoc, Wisconsin

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Capital Projects				Totals	
	TID 18	TID 19	TID 20	TID 21	2019	2018
ASSETS						
Cash and investments	\$ 811,017	\$ -	\$ -	\$ -	\$ 10,491,393	\$ 9,100,854
Restricted cash and investments	-	-	-	-	334,399	242,957
Receivables						
Taxes and special charges	-	120,850	2,946	7,923	3,583,094	4,577,117
Accounts	-	-	-	-	311,891	2,359,688
Loans	-	-	-	-	4,928,908	5,045,095
Due from other governments	-	-	-	-	83,638	246,191
Inventories and prepaid items	-	-	-	-	98,540	121,692
Total assets	<u>\$ 811,017</u>	<u>\$ 120,850</u>	<u>\$ 2,946</u>	<u>\$ 7,923</u>	<u>\$ 19,831,863</u>	<u>\$ 21,693,594</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 143,993	\$ -	\$ -	\$ 2,221	\$ 857,360	\$ 1,287,742
Due to other funds	-	54,794	13,539	10,067	2,100,890	4,232,452
Advance from other funds	-	-	-	-	98,877	121,692
Special deposits	-	-	-	-	30,524	40,348
Total liabilities	<u>143,993</u>	<u>54,794</u>	<u>13,539</u>	<u>12,288</u>	<u>3,087,651</u>	<u>5,682,234</u>
Deferred inflows of resources						
Property taxes levied for subsequent ye	-	120,850	2,946	7,923	3,583,094	4,577,117
Loans receivable	-	-	-	-	4,928,908	5,045,095
Total deferred inflows of resources	<u>-</u>	<u>120,850</u>	<u>2,946</u>	<u>7,923</u>	<u>8,512,002</u>	<u>9,622,212</u>
Fund balances						
Nonspendable	-	-	-	-	98,540	121,692
Restricted	667,024	-	-	-	6,836,105	5,495,241
Committed	-	-	-	-	1,046,718	1,077,917
Assigned	-	-	-	-	2,421,823	2,414,166
Unassigned	-	(54,794)	(13,539)	(12,288)	(2,170,976)	(2,719,868)
Total fund balances	<u>667,024</u>	<u>(54,794)</u>	<u>(13,539)</u>	<u>(12,288)</u>	<u>8,232,210</u>	<u>6,389,148</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 811,017</u>	<u>\$ 120,850</u>	<u>\$ 2,946</u>	<u>\$ 7,923</u>	<u>\$ 19,831,863</u>	<u>\$ 21,693,594</u>

City of Manitowoc, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Room Tax	Farmer's Market	Mandatory Recycling	TID 7	Commercial Revolving Loan	Transit Capital Grant
REVENUES						
Taxes	\$ 638,265	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	216,271	-	-	2,141,167
Fines and forfeits	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-
Intergovernmental charges for services	-	-	117,096	-	-	-
Miscellaneous	8,597	-	-	-	11,018	-
Total revenues	646,862	-	333,367	-	11,018	2,141,167
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	148,286	-	-	2,694,034
Health and human services	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Conservation and development	464,954	-	-	-	372,287	-
Debt service						
Principal	-	-	-	20,000	-	-
Interest and fiscal charges	-	-	-	750	-	-
Total expenditures	464,954	-	148,286	20,750	372,287	2,694,034
Excess of revenues over (under) expenditures	181,908	-	185,081	(20,750)	(361,269)	(552,867)
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	55,220
Transfers in	-	-	-	113	-	-
Transfers out	(144,914)	(34,936)	(185,081)	(113)	-	-
Total other financing sources (uses)	(144,914)	(34,936)	(185,081)	-	-	55,220
Net change in fund balances	36,994	(34,936)	-	(20,750)	(361,269)	(497,647)
Fund balances - January 1	433,111	34,936	-	43,035	766,297	760,461
Fund balances - December 31	\$ 470,105	\$ -	\$ -	\$ 22,285	\$ 405,028	\$ 262,814

Special Revenue							
Housing Revolving Loan	CDBG	HCRI Revolving Loan	Industrial Revolving Loan	Manitowoc Calumet Library	Library	Mani International Relations Assoc	Rahr West Museum
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,714,852	\$ -	\$ -
-	-	-	-	-	-	-	-
-	241,937	-	-	-	433,337	-	-
-	-	-	-	-	46,532	-	-
-	-	-	-	-	-	-	-
98,327	125,537	3,869	472,780	8,184	182,792	1,765	81,902
98,327	367,474	3,869	472,780	8,184	2,377,513	1,765	81,902
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
193,560	360,123	-	1,646	1,437	2,365,458	-	84,661
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
193,560	360,123	-	1,646	1,437	2,365,458	-	84,661
(95,233)	7,351	3,869	471,134	6,747	12,055	1,765	(2,759)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	(40,445)	-	-
-	-	-	-	-	(40,445)	-	-
(95,233)	7,351	3,869	471,134	6,747	(28,390)	1,765	(2,759)
394,430	29,791	48,552	1,348,169	5,470	282,086	3,091	199,477
<u>\$ 299,197</u>	<u>\$ 37,142</u>	<u>\$ 52,421</u>	<u>\$ 1,819,303</u>	<u>\$ 12,217</u>	<u>\$ 253,696</u>	<u>\$ 4,856</u>	<u>\$ 196,718</u>

City of Manitowoc, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Special Revenue					
	Police Programs	Parkland Dedications	Aquatic Center	Senior Center	Eternal Flame	Centennial
REVENUES						
Taxes	\$ -	\$ -	\$ 108,500	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Fines and forfeits	-	-	-	-	-	-
Public charges for services	-	-	147,990	47,710	-	-
Intergovernmental charges for services	-	-	-	-	-	-
Miscellaneous	99,226	1,999	1,344	54,259	41,236	1,202
Total revenues	99,226	1,999	257,834	101,969	41,236	1,202
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	20,647	-	-	-	-	-
Public works	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-
Culture and recreation	-	17,333	333,688	135,880	25,231	-
Conservation and development	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total expenditures	20,647	17,333	333,688	135,880	25,231	-
Excess of revenues over (under) expenditures	78,579	(15,334)	(75,854)	(33,911)	16,005	1,202
OTHER FINANCING SOURCES (USES)						
Long-term debt issued	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-
Net change in fund balances	78,579	(15,334)	(75,854)	(33,911)	16,005	1,202
Fund balances - January 1	284,546	99,565	23,294	96,452	26,540	15,232
Fund balances - December 31	\$ 363,125	\$ 84,231	\$ (52,560)	\$ 62,541	\$ 42,545	\$ 16,434

								Capital Projects	
Park & Rec Donations	Lakeshore Holiday Parade	EPA Grant	Housing Programs	Sanitary and Storm Sewers	Streets	Capital Equipment	Environment Remediation		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202,824	\$ -	\$ -	\$ -	
-	-	-	164,299	-	3,000	-	-	-	
-	-	3,100	-	-	-	-	-	-	
-	-	-	-	-	621,291	-	-	-	
-	-	-	-	-	-	-	-	-	
15,815	14,688	4,988	-	1,579	24,246	1,020	-	-	
<u>15,815</u>	<u>14,688</u>	<u>8,088</u>	<u>164,299</u>	<u>1,579</u>	<u>851,361</u>	<u>1,020</u>	<u>-</u>	<u>-</u>	
-	-	-	-	-	-	182,262	-	-	
-	-	-	-	-	-	357,546	-	-	
-	-	-	-	423,639	3,737,930	192,428	309,508	-	
-	-	-	-	-	-	-	-	-	
94,025	11,528	-	-	-	-	128,269	-	-	
-	-	3,100	398,961	-	-	-	-	-	
-	-	-	-	-	-	-	-	27,159	
-	-	-	-	-	-	-	-	3,323	
<u>94,025</u>	<u>11,528</u>	<u>3,100</u>	<u>398,961</u>	<u>423,639</u>	<u>3,737,930</u>	<u>860,505</u>	<u>339,990</u>	<u>-</u>	
<u>(78,210)</u>	<u>3,160</u>	<u>4,988</u>	<u>(234,662)</u>	<u>(422,060)</u>	<u>(2,886,569)</u>	<u>(859,485)</u>	<u>(339,990)</u>	<u>-</u>	
-	-	-	-	147,830	3,412,500	762,150	600,000	-	
-	-	-	1,000,000	195,275	608,247	-	-	-	
-	-	-	-	-	(520,886)	(319,103)	(92,769)	-	
-	-	-	1,000,000	343,105	3,499,861	443,047	507,231	-	
(78,210)	3,160	4,988	765,338	(78,955)	613,292	(416,438)	167,241	-	
233,271	2,390	223,803	465,036	125,540	(1,073,952)	902,411	919,445	-	
<u>\$ 155,061</u>	<u>\$ 5,550</u>	<u>\$ 228,791</u>	<u>\$ 1,230,374</u>	<u>\$ 46,585</u>	<u>\$ (460,660)</u>	<u>\$ 485,973</u>	<u>\$ 1,086,686</u>	<u>\$ -</u>	

City of Manitowoc, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Cemetery Improvements	Buildings and Other Improvements	Car Ferry Dock Facilities	TID 9	TID 10
REVENUES					
Taxes	\$ -	\$ 184,000	\$ -	\$ 143,120	\$ 134,410
Special assessments	-	-	-	-	-
Intergovernmental	-	125,944	2,286,798	5,766	2,916
Fines and forfeits	-	-	-	-	-
Public charges for services	11,062	-	-	-	-
Intergovernmental charges for services	-	-	-	-	-
Miscellaneous	-	37,500	71,832	-	-
Total revenues	11,062	347,444	2,358,630	148,886	137,326
EXPENDITURES					
Current					
General government	-	12,840	-	-	-
Public safety	-	11,730	-	-	-
Public works	-	382,185	2,423,040	1,993	-
Health and human services	23,100	-	-	-	-
Culture and recreation	-	718,375	-	-	-
Conservation and development	-	33,270	-	150	1,027
Debt service					
Principal	-	-	-	20,000	40,000
Interest and fiscal charges	-	-	-	850	2,325
Total expenditures	23,100	1,158,400	2,423,040	22,993	43,352
Excess of revenues over (under) expenditures	(12,038)	(810,956)	(64,410)	125,893	93,974
OTHER FINANCING SOURCES (USES)					
Long-term debt issued	-	922,300	500,000	-	-
Transfers in	2,238	363,052	-	-	-
Transfers out	(2,238)	(28,585)	(510,121)	-	-
Total other financing sources (uses)	-	1,256,767	(10,121)	-	-
Net change in fund balances	(12,038)	445,811	(74,531)	125,893	93,974
Fund balances - January 1	34,951	478,980	74,531	227,532	113,673
Fund balances - December 31	\$ 22,913	\$ 924,791	\$ -	\$ 353,425	\$ 207,647

Capital Projects

TID 11	TID 12	TID 14	TID 15	TID 16	TID 17	TID 18	TID 19
\$ -	\$ 209,287	\$ -	\$ 1,319,004	\$ 318,647	\$ 215,720	\$ -	\$ 19,004
-	-	-	-	-	-	-	-
-	3,006	2,700	37,530	33,492	15,224	6,433	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	212,293	2,700	1,356,534	352,139	230,944	6,433	19,004
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	137,536	-
-	-	-	-	-	-	-	-
-	-	-	-	-	975	-	-
-	633	2,501	130,550	150	151	212,878	56,771
50,000	205,000	5,000	60,000	230,000	70,000	-	-
2,250	10,370	1,000	3,175	70,540	6,800	-	-
52,250	216,003	8,501	193,725	300,690	77,926	350,414	56,771
(52,250)	(3,710)	(5,801)	1,162,809	51,449	153,018	(343,981)	(37,767)
-	-	-	-	-	-	1,000,000	-
-	-	-	-	-	-	-	-
-	-	-	(1,075,981)	-	-	-	-
-	-	-	(1,075,981)	-	-	1,000,000	-
(52,250)	(3,710)	(5,801)	86,828	51,449	153,018	656,019	(37,767)
85,529	(16,683)	39,837	38,774	(1,608,191)	237,773	11,005	(17,027)
\$ 33,279	\$ (20,393)	\$ 34,036	\$ 125,602	\$ (1,556,742)	\$ 390,791	\$ 667,024	\$ (54,794)

City of Manitowoc, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Capital Projects		Totals	
	TID 20	TID 21	2019	2018
REVENUES				
Taxes	\$ -	\$ -	\$ 5,207,633	\$ 5,356,275
Special assessments	-	-	167,299	80,200
Intergovernmental	-	-	5,555,621	4,261,076
Fines and forfeits	-	-	-	5,488
Public charges for services	-	-	874,585	404,586
Intergovernmental charges for services	-	-	117,096	117,097
Miscellaneous	-	-	1,365,705	1,781,481
Total revenues	-	-	13,287,939	12,006,203
EXPENDITURES				
Current				
General government	-	-	195,102	84,076
Public safety	-	-	389,923	149,764
Public works	-	-	10,450,579	9,662,139
Health and human services	-	-	23,100	5,800
Culture and recreation	-	-	3,916,860	3,384,242
Conservation and development	12,460	9,352	2,254,524	759,018
Debt service				
Principal	-	-	727,159	1,476,748
Interest and fiscal charges	-	-	101,383	126,077
Total expenditures	12,460	9,352	18,058,630	15,647,864
Excess of revenues over (under) expenditures	(12,460)	(9,352)	(4,770,691)	(3,641,661)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	7,400,000	7,005,000
Transfers in	-	-	2,168,925	3,471,089
Transfers out	-	-	(2,955,172)	(3,721,427)
Total other financing sources (uses)	-	-	6,613,753	6,754,662
Net change in fund balances	(12,460)	(9,352)	1,843,062	3,113,001
Fund balances - January 1	(1,079)	(2,936)	6,389,148	3,276,147
Fund balances - December 31	<u>\$ (13,539)</u>	<u>\$ (12,288)</u>	<u>\$ 8,232,210</u>	<u>\$ 6,389,148</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF NET POSITION NONMAJOR PROPRIETARY FUNDS DECEMBER 31, 2019

	<u>Steam Utility</u>	<u>Broadband Utility</u>	<u>Transit System</u>	<u>Total</u>
ASSETS				
Current assets				
Cash and investments	\$ 1,344,385	\$ 1,464,945	\$ 172,123	\$ 2,981,453
Receivables				
Taxes and special charges	-	-	316,059	316,059
Customer accounts	312,319	-	39,912	352,231
Other	1,667	1,719	-	3,386
Due from other governments	-	-	280,445	280,445
Inventories and prepaid items	22,866	116,038	202,679	341,583
Total current assets	<u>1,681,237</u>	<u>1,582,702</u>	<u>1,011,218</u>	<u>4,275,157</u>
Capital assets				
Nondepreciable	54,068	187,645	90,000	331,713
Depreciable, net	3,061,711	706,741	3,936,721	7,705,173
Total capital assets	<u>3,115,779</u>	<u>894,386</u>	<u>4,026,721</u>	<u>8,036,886</u>
Total assets	<u>4,797,016</u>	<u>2,477,088</u>	<u>5,037,939</u>	<u>12,312,043</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	-	-	505,652	505,652
Other postemployment related amounts	71	-	4,849	4,920
Total deferred outflows of resources	<u>71</u>	<u>-</u>	<u>510,501</u>	<u>510,572</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2019

	Steam Utility	Broadband Utility	Transit System	Total
LIABILITIES				
Current liabilities				
Accounts payable	\$ 27,363	\$ 147	\$ 45,296	\$ 72,806
Accrued and other current liabilities	75,865	24,306	933	101,104
Current portion of long-term obligations	-	-	25,372	25,372
Total current liabilities	<u>103,228</u>	<u>24,453</u>	<u>71,601</u>	<u>199,282</u>
Long-term obligations, less current portion				
Advance from other funds	585,883	-	-	585,883
Compensated absences	-	-	95,348	95,348
Net pension liability	-	-	186,632	186,632
Other postemployment benefits	913	-	37,384	38,297
Total long-term liabilities	<u>586,796</u>	<u>-</u>	<u>319,364</u>	<u>906,160</u>
Total liabilities	<u>690,024</u>	<u>24,453</u>	<u>390,965</u>	<u>1,105,442</u>
DEFERRED INFLOWS OF RESOURCES				
Special charges on subsequent year tax roll				
	-	-	316,059	316,059
Pension related amounts	-	-	257,104	257,104
Other postemployment related amounts	43	-	8,813	8,856
Total deferred inflows of resources	<u>43</u>	<u>-</u>	<u>581,976</u>	<u>582,019</u>
NET POSITION				
Net investment in capital assets	3,115,779	894,386	4,026,721	8,036,886
Unrestricted	991,241	1,558,249	548,778	3,098,268
Total net position	<u>\$ 4,107,020</u>	<u>\$ 2,452,635</u>	<u>\$ 4,575,499</u>	<u>\$ 11,135,154</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Steam Utility</u>	<u>Broadband Utility</u>	<u>Transit System</u>	<u>Total</u>
OPERATING REVENUES				
Charges for services	\$ 1,916,078	\$ -	\$ 201,924	\$ 2,118,002
Other	-	268,038	-	268,038
Total operating revenues	<u>1,916,078</u>	<u>268,038</u>	<u>201,924</u>	<u>2,386,040</u>
OPERATING EXPENSES				
Operation and maintenance	1,242,752	48,387	2,105,324	3,396,463
Depreciation	150,400	60,528	280,302	491,230
Taxes	3,756	-	-	3,756
Total operating expenses	<u>1,396,908</u>	<u>108,915</u>	<u>2,385,626</u>	<u>3,891,449</u>
Operating income (loss)	<u>519,170</u>	<u>159,123</u>	<u>(2,183,702)</u>	<u>(1,505,409)</u>
NONOPERATING REVENUES (EXPENSES)				
General property taxes	-	-	283,519	283,519
Interest income	25,689	26,380	-	52,069
Merchandising and jobbing	-	(4,715)	-	(4,715)
Nonoperating grants	-	-	1,524,845	1,524,845
Gain on disposal of capital assets	-	-	(13,000)	(13,000)
Interest and fiscal charges	(22,187)	-	-	(22,187)
Amortization of debt discount/premium	818	-	-	818
Amortization of gain on debt refunding	18,214	-	-	18,214
Other nonoperating revenues (expenses)	-	-	48,794	48,794
Total nonoperating revenues (expenses)	<u>22,534</u>	<u>21,665</u>	<u>1,844,158</u>	<u>1,888,357</u>
Income (loss) before contributions and transfers	541,704	180,788	(339,544)	382,948
Capital contributions	-	-	2,685,840	2,685,840
Transfers out	<u>(75,865)</u>	<u>(24,306)</u>	<u>-</u>	<u>(100,171)</u>
Change in net position	465,839	156,482	2,346,296	2,968,617
Net position - January 1	<u>3,641,181</u>	<u>2,296,153</u>	<u>2,229,203</u>	<u>8,166,537</u>
Net position - December 31	<u>\$ 4,107,020</u>	<u>\$ 2,452,635</u>	<u>\$ 4,575,499</u>	<u>\$ 11,135,154</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Steam Utility</u>	<u>Broadband Utility</u>	<u>Transit System</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 1,894,749	\$ 289,641	\$ 262,827	\$ 2,447,217
Cash paid for employee wages and benefits	(39,161)	-	(1,280,221)	(1,319,382)
Cash paid to suppliers	(1,189,567)	(62,194)	(774,139)	(2,025,900)
Net cash provided (used) by operating activities	<u>666,021</u>	<u>227,447</u>	<u>(1,791,533)</u>	<u>(898,065)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
General property taxes	-	-	283,519	283,519
Nonoperating grant	-	-	1,524,845	1,524,845
Nonoperating revenues	-	-	48,794	48,794
Transfer out	(3,750)	(25,077)	-	(28,827)
Net cash provided (used) by noncapital financing activities	<u>(3,750)</u>	<u>(25,077)</u>	<u>1,857,158</u>	<u>1,828,331</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(20,227)	(102,649)	(2,664,560)	(2,787,436)
Capital contributions	-	-	2,685,840	2,685,840
Sale of capital assets	-	-	(13,000)	(13,000)
Cost of removal of capital assets	-	(3,888)	-	(3,888)
Interfund advance received (paid)	(426,784)	-	-	(426,784)
Principal paid on long-term debt	(37,500)	-	-	(37,500)
Payment to bond escrow agent	(46,757)	-	-	(46,757)
Payment of fees related to escrow	(189)	-	-	(189)
Interest paid on long-term debt	(22,989)	-	-	(22,989)
Net cash provided (used) by capital and related financing activities	<u>(554,446)</u>	<u>(106,537)</u>	<u>8,280</u>	<u>(652,703)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>25,689</u>	<u>26,380</u>	<u>-</u>	<u>52,069</u>
Change in cash and cash equivalents	133,514	122,213	73,905	329,632
Cash and cash equivalents - January 1	<u>1,210,871</u>	<u>1,342,732</u>	<u>98,218</u>	<u>2,651,821</u>
Cash and cash equivalents - December 31	<u><u>\$ 1,344,385</u></u>	<u><u>\$ 1,464,945</u></u>	<u><u>\$ 172,123</u></u>	<u><u>\$ 2,981,453</u></u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF CASH FLOWS NONMAJOR PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Steam Utility</u>	<u>Broadband Utility</u>	<u>Transit System</u>	<u>Totals</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 519,170	\$ 159,123	\$ (2,183,702)	\$ (1,505,409)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	150,400	60,528	280,302	491,230
Depreciation charged to operating accounts	(2,199)	(8,881)	-	(11,080)
Change in WRS pension liability / asset	28	-	348,299	348,327
Change in WRS deferred outflows	(5)	-	(209,722)	(209,727)
Change in WRS deferred inflows	43	-	(61,172)	(61,129)
Change in OPEB liability	-	-	(5,981)	(5,981)
Change in OPEB deferred outflows	-	-	(563)	(563)
Change in OPEB deferred inflows	-	-	7,967	7,967
Merchandising and jobbing	-	(4,715)	-	(4,715)
Change in operating assets and liabilities				
Accounts receivables	(21,329)	21,603	68,378	68,652
Due from other governments	-	-	(7,475)	(7,475)
Inventories and prepaid items	(2,609)	9,604	(1,038)	5,957
Accounts payable	22,522	(9,815)	(20,686)	(7,979)
Compensated absences	-	-	(6,140)	(6,140)
Net cash provided (used) by operating activities	<u>\$ 666,021</u>	<u>\$ 227,447</u>	<u>\$ (1,791,533)</u>	<u>\$ (898,065)</u>
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ 1,344,385	\$ 1,464,945	\$ 172,123	\$ 2,981,453
Noncash capital and related financing activities				
None				

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 600,000	\$ 600,000	\$ 638,265	\$ 38,265
Miscellaneous	-	-	8,597	8,597
Total revenues	600,000	600,000	646,862	46,862
EXPENDITURES				
Current				
Conservation and development	451,280	451,280	464,954	(13,674)
Excess of revenues over expenditures	148,720	148,720	181,908	33,188
OTHER FINANCING USES				
Transfers out	(148,720)	(148,720)	(144,914)	3,806
Net change in fund balance	-	-	36,994	36,994
Fund balance - January 1	433,111	433,111	433,111	-
Fund balance - December 31	<u>\$ 433,111</u>	<u>\$ 433,111</u>	<u>\$ 470,105</u>	<u>\$ 36,994</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 216,000	\$ 216,000	\$ 216,271	\$ 271
Intergovernmental charges for services	117,096	117,096	117,096	-
Total revenues	333,096	333,096	333,367	271
EXPENDITURES				
Current				
Public works	144,000	144,000	148,286	(4,286)
Excess of revenues over expenditures	189,096	189,096	185,081	(4,015)
OTHER FINANCING USES				
Transfers out	(189,096)	(189,096)	(185,081)	4,015
Net change in fund balance	-	-	-	-
Fund balance - January 1	-	-	-	-
Fund balance - December 31	<u>\$ -</u>	<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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service				
Principal	20,000	20,000	20,000	-
Interest and fiscal charges	750	750	750	-
Total expenditures	20,750	20,750	20,750	-
Net change in fund balance	(20,750)	(20,750)	(20,750)	-
Fund balance - January 1	43,035	43,035	43,035	-
Fund balance - December 31	\$ 22,285	\$ 22,285	\$ 22,285	\$ -

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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,141,167	\$ 2,141,167
EXPENDITURES				
Current				
Public works	55,220	55,220	2,694,034	(2,638,814)
Deficiency of revenues under expenditures	(55,220)	(55,220)	(552,867)	(497,647)
OTHER FINANCING SOURCES				
Long-term debt issued	55,220	55,220	55,220	-
Net change in fund balance	-	-	(497,647)	(497,647)
Fund balance - January 1	760,461	760,461	760,461	-
Fund balance - December 31	<u>\$ 760,461</u>	<u>\$ 760,461</u>	<u>\$ 262,814</u>	<u>\$ (497,647)</u>

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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,714,852	\$ 1,714,852	\$ 1,714,852	\$ -
Intergovernmental	433,336	433,336	433,337	1
Public charges for services	40,000	40,000	46,532	6,532
Miscellaneous	2,000	286,779	182,792	(103,987)
Total revenues	<u>2,190,188</u>	<u>2,474,967</u>	<u>2,377,513</u>	<u>(97,454)</u>
EXPENDITURES				
Current				
Culture and recreation	<u>2,189,743</u>	<u>2,474,522</u>	<u>2,365,458</u>	<u>109,064</u>
Excess of revenues over expenditures	<u>445</u>	<u>445</u>	<u>12,055</u>	<u>11,610</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	40,000	40,000	-	(40,000)
Transfers out	<u>(40,445)</u>	<u>(40,445)</u>	<u>(40,445)</u>	<u>-</u>
Total other financing sources (uses)	<u>(445)</u>	<u>(445)</u>	<u>(40,445)</u>	<u>(40,000)</u>
Net change in fund balance	-	-	(28,390)	(28,390)
Fund balance - January 1	<u>282,086</u>	<u>282,086</u>	<u>282,086</u>	<u>-</u>
Fund balance - December 31	<u>\$ 282,086</u>	<u>\$ 282,086</u>	<u>\$ 253,696</u>	<u>\$ (28,390)</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 108,500	\$ 108,500	\$ 108,500	\$ -
Public charges for services	158,500	158,500	147,990	(10,510)
Miscellaneous	-	-	1,344	1,344
Total revenues	<u>267,000</u>	<u>267,000</u>	<u>257,834</u>	<u>(9,166)</u>
EXPENDITURES				
Current				
Culture and recreation	<u>275,175</u>	<u>275,175</u>	<u>333,688</u>	<u>(58,513)</u>
Net change in fund balance	(8,175)	(8,175)	(75,854)	(67,679)
Fund balance - January 1	<u>23,294</u>	<u>23,294</u>	<u>23,294</u>	<u>-</u>
Fund balance - December 31	<u>\$ 15,119</u>	<u>\$ 15,119</u>	<u>\$ (52,560)</u>	<u>\$ (67,679)</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,079,557	\$ 6,079,557	\$ 6,079,557	\$ -
Special assessments	250,000	250,000	385,127	135,127
Miscellaneous	103,624	103,624	229,303	125,679
Total revenues	<u>6,433,181</u>	<u>6,433,181</u>	<u>6,693,987</u>	<u>260,806</u>
EXPENDITURES				
Debt service				
Principal	5,724,000	5,724,000	6,879,000	(1,155,000)
Interest and fiscal charges	1,277,940	1,277,940	1,433,872	(155,932)
Total expenditures	<u>7,001,940</u>	<u>7,001,940</u>	<u>8,312,872</u>	<u>(1,310,932)</u>
Deficiency of revenues under expenditures	<u>(568,759)</u>	<u>(568,759)</u>	<u>(1,618,885)</u>	<u>(1,050,126)</u>
OTHER FINANCING SOURCES				
Long-term debt issued	-	-	2,375,000	2,375,000
Premium on debt issued	-	-	478,126	478,126
Transfers in	65,935	65,935	405,761	339,826
Total other financing sources	<u>65,935</u>	<u>65,935</u>	<u>3,258,887</u>	<u>3,192,952</u>
Net change in fund balance	<u>(502,824)</u>	<u>(502,824)</u>	<u>1,640,002</u>	<u>2,142,826</u>
Fund balance - January 1	<u>1,722,185</u>	<u>1,722,185</u>	<u>1,722,185</u>	<u>-</u>
Fund balance - December 31	<u>\$ 1,219,361</u>	<u>\$ 1,219,361</u>	<u>\$ 3,362,187</u>	<u>\$ 2,142,826</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,579	\$ 1,579
EXPENDITURES				
Current				
Public works	147,830	147,830	423,639	(275,809)
Deficiency of revenues under expenditures	(147,830)	(147,830)	(422,060)	(274,230)
OTHER FINANCING SOURCES				
Long-term debt issued	147,830	147,830	147,830	-
Transfers in	-	-	195,275	195,275
Total other financing sources	147,830	147,830	343,105	195,275
Net change in fund balance	-	-	(78,955)	(78,955)
Fund balance - January 1	125,540	125,540	125,540	-
Fund balance - December 31	<u>\$ 125,540</u>	<u>\$ 125,540</u>	<u>\$ 46,585</u>	<u>\$ (78,955)</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 202,824	\$ 202,824	\$ 202,824	\$ -
Special assessments	-	-	3,000	3,000
Public charges for services	-	-	621,291	621,291
Miscellaneous	-	-	24,246	24,246
Total revenues	<u>202,824</u>	<u>202,824</u>	<u>851,361</u>	<u>648,537</u>
EXPENDITURES				
Current				
Public works	3,412,500	3,412,500	3,737,930	(325,430)
Debt service				
Interest and fiscal charges	<u>202,824</u>	<u>202,824</u>	-	202,824
Total expenditures	<u>3,615,324</u>	<u>3,615,324</u>	<u>3,737,930</u>	<u>(122,606)</u>
Deficiency of revenues under expenditures	<u>(3,412,500)</u>	<u>(3,412,500)</u>	<u>(2,886,569)</u>	<u>525,931</u>
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	3,412,500	3,412,500	3,412,500	-
Transfers in	-	-	608,247	608,247
Transfers out	-	-	(520,886)	(520,886)
Total other financing sources (uses)	<u>3,412,500</u>	<u>3,412,500</u>	<u>3,499,861</u>	<u>87,361</u>
Net change in fund balance	-	-	613,292	613,292
Fund balance - January 1	<u>(1,073,952)</u>	<u>(1,073,952)</u>	<u>(1,073,952)</u>	-
Fund balance - December 31	<u>\$ (1,073,952)</u>	<u>\$ (1,073,952)</u>	<u>\$ (460,660)</u>	<u>\$ 613,292</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,020	\$ 1,020
EXPENDITURES				
Current				
General government	255,950	255,950	182,262	73,688
Public safety	130,655	130,655	357,546	(226,891)
Public works	287,000	287,000	192,428	94,572
Culture and recreation	85,000	85,000	128,269	(43,269)
Total expenditures	758,605	758,605	860,505	(101,900)
Deficiency of revenues under expenditures	(758,605)	(758,605)	(859,485)	(100,880)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	758,605	758,605	762,150	3,545
Transfers out	-	-	(319,103)	(319,103)
Total other financing sources (uses)	758,605	758,605	443,047	(315,558)
Net change in fund balance	-	-	(416,438)	(416,438)
Fund balance - January 1	902,411	902,411	902,411	-
Fund balance - December 31	<u>\$ 902,411</u>	<u>\$ 902,411</u>	<u>\$ 485,973</u>	<u>\$ (416,438)</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current				
Public works	600,000	600,000	309,508	290,492
Debt service				
Principal	-	-	27,159	(27,159)
Interest and fiscal charges	-	-	3,323	(3,323)
Total expenditures	600,000	600,000	339,990	260,010
Deficiency of revenues under expenditures	(600,000)	(600,000)	(339,990)	260,010
OTHER FINANCING SOURCES				
Long-term debt issued	600,000	600,000	600,000	-
Transfers out	-	-	(92,769)	(92,769)
Total other financing sources (uses)	600,000	600,000	507,231	(92,769)
Net change in fund balance	-	-	167,241	167,241
Fund balance - January 1	919,445	919,445	919,445	-
Fund balance - December 31	<u>\$ 919,445</u>	<u>\$ 919,445</u>	<u>\$ 1,086,686</u>	<u>\$ 167,241</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, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 184,000	\$ 184,000	\$ 184,000	\$ -
Intergovernmental	-	-	125,944	125,944
Miscellaneous	-	-	37,500	37,500
Total revenues	184,000	184,000	347,444	163,444
EXPENDITURES				
Current				
General government	184,000	184,000	12,840	171,160
Public safety	-	-	11,730	(11,730)
Public works	96,000	96,000	382,185	(286,185)
Culture and recreation	826,300	826,300	718,375	107,925
Conservation and development	-	-	33,270	(33,270)
Total expenditures	1,106,300	1,106,300	1,158,400	(52,100)
Excess of revenues over (under) expenditures	(922,300)	(922,300)	(810,956)	111,344
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	922,300	922,300	922,300	-
Transfers in	-	-	363,052	363,052
Transfers out	-	-	(28,585)	(28,585)
Total other financing sources (uses)	922,300	922,300	1,256,767	334,467
Net change in fund balance	-	-	445,811	445,811
Fund balance - January 1	478,980	478,980	478,980	-
Fund balance - December 31	<u>\$ 478,980</u>	<u>\$ 478,980</u>	<u>\$ 924,791</u>	<u>\$ 445,811</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 16,388	\$ 16,388	\$ 143,120	\$ 126,732
Intergovernmental	4,462	4,462	5,766	1,304
Total revenues	<u>20,850</u>	<u>20,850</u>	<u>148,886</u>	<u>128,036</u>
EXPENDITURES				
Current				
Public works	-	-	1,993	(1,993)
Conservation and development	-	-	150	(150)
Debt service				
Principal	20,000	20,000	20,000	-
Interest and fiscal charges	850	850	850	-
Total expenditures	<u>20,850</u>	<u>20,850</u>	<u>22,993</u>	<u>(2,143)</u>
Net change in fund balance	-	-	125,893	125,893
Fund balance - January 1	<u>227,532</u>	<u>227,532</u>	<u>227,532</u>	<u>-</u>
Fund balance - December 31	<u><u>\$ 227,532</u></u>	<u><u>\$ 227,532</u></u>	<u><u>\$ 353,425</u></u>	<u><u>\$ 125,893</u></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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 40,014	\$ 40,014	\$ 134,410	\$ 94,396
Intergovernmental	2,311	2,311	2,916	605
Total revenues	<u>42,325</u>	<u>42,325</u>	<u>137,326</u>	<u>95,001</u>
EXPENDITURES				
Current				
Conservation and development	-	-	1,027	(1,027)
Debt service				
Principal	40,000	40,000	40,000	-
Interest and fiscal charges	2,325	2,325	2,325	-
Total expenditures	<u>42,325</u>	<u>42,325</u>	<u>43,352</u>	<u>(1,027)</u>
Net change in fund balance	-	-	93,974	93,974
Fund balance - January 1	<u>113,673</u>	<u>113,673</u>	<u>113,673</u>	<u>-</u>
Fund balance - December 31	<u>\$ 113,673</u>	<u>\$ 113,673</u>	<u>\$ 207,647</u>	<u>\$ 93,974</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Debt service				
Principal	50,000	50,000	50,000	-
Interest and fiscal charges	2,250	2,250	2,250	-
Total expenditures	52,250	52,250	52,250	-
Net change in fund balance	(52,250)	(52,250)	(52,250)	-
Fund balance - January 1	85,529	85,529	85,529	-
Fund balance - December 31	<u>\$ 33,279</u>	<u>\$ 33,279</u>	<u>\$ 33,279</u>	<u>\$ -</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 213,377	\$ 213,377	\$ 209,287	\$ (4,090)
Intergovernmental	1,993	1,993	3,006	1,013
Total revenues	<u>215,370</u>	<u>215,370</u>	<u>212,293</u>	<u>(3,077)</u>
EXPENDITURES				
Current				
Conservation and development	-	-	633	(633)
Debt service				
Principal	205,000	205,000	205,000	-
Interest and fiscal charges	10,370	10,370	10,370	-
Total expenditures	<u>215,370</u>	<u>215,370</u>	<u>216,003</u>	<u>(633)</u>
Net change in fund balance	-	-	(3,710)	(3,710)
Fund balance - January 1	<u>(16,683)</u>	<u>(16,683)</u>	<u>(16,683)</u>	-
Fund balance - December 31	<u>\$ (16,683)</u>	<u>\$ (16,683)</u>	<u>\$ (20,393)</u>	<u>\$ (3,710)</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,636	\$ 2,636	\$ 2,700	\$ 64
EXPENDITURES				
Current				
Conservation and development	-	-	2,501	(2,501)
Debt service				
Principal	5,000	5,000	5,000	-
Interest and fiscal charges	1,000	1,000	1,000	-
Total expenditures	6,000	6,000	8,501	(2,501)
Net change in fund balance	(3,364)	(3,364)	(5,801)	(2,437)
Fund balance - January 1	39,837	39,837	39,837	-
Fund balance - December 31	<u>\$ 36,473</u>	<u>\$ 36,473</u>	<u>\$ 34,036</u>	<u>\$ (2,437)</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 1,319,004	\$ 1,319,004
Intergovernmental	29,096	29,096	37,530	8,434
Total revenues	29,096	29,096	1,356,534	1,327,438
EXPENDITURES				
Current				
Conservation and development	-	-	130,550	(130,550)
Debt service				
Principal	60,000	60,000	60,000	-
Interest and fiscal charges	3,175	3,175	3,175	-
Total expenditures	63,175	63,175	193,725	(130,550)
Excess of revenues over (under) expenditures	(34,079)	(34,079)	1,162,809	1,196,888
OTHER FINANCING USES				
Transfers out	-	-	(1,075,981)	(1,075,981)
Net change in fund balance	(34,079)	(34,079)	86,828	120,907
Fund balance - January 1	38,774	38,774	38,774	-
Fund balance - December 31	<u>\$ 4,695</u>	<u>\$ 4,695</u>	<u>\$ 125,602</u>	<u>\$ 120,907</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 269,359	\$ 269,359	\$ 318,647	\$ 49,288
Intergovernmental	31,181	31,181	33,492	2,311
Total revenues	<u>300,540</u>	<u>300,540</u>	<u>352,139</u>	<u>51,599</u>
EXPENDITURES				
Current				
Conservation and development	-	-	150	(150)
Debt service				
Principal	230,000	230,000	230,000	-
Interest and fiscal charges	70,540	70,540	70,540	-
Total expenditures	<u>300,540</u>	<u>300,540</u>	<u>300,690</u>	<u>(150)</u>
Net change in fund balance	-	-	51,449	51,449
Fund balance - January 1	<u>(1,608,191)</u>	<u>(1,608,191)</u>	<u>(1,608,191)</u>	<u>-</u>
Fund balance - December 31	<u>\$ (1,608,191)</u>	<u>\$ (1,608,191)</u>	<u>\$ (1,556,742)</u>	<u>\$ 51,449</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, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 62,992	\$ 62,992	\$ 215,720	\$ 152,728
Intergovernmental	13,808	13,808	15,224	1,416
Total revenues	<u>76,800</u>	<u>76,800</u>	<u>230,944</u>	<u>154,144</u>
EXPENDITURES				
Current				
Culture and recreation	-	-	975	(975)
Conservation and development	-	-	151	(151)
Debt service				
Principal	70,000	70,000	70,000	-
Interest and fiscal charges	6,800	6,800	6,800	-
Total expenditures	<u>76,800</u>	<u>76,800</u>	<u>77,926</u>	<u>(1,126)</u>
Net change in fund balance	-	-	153,018	153,018
Fund balance - January 1	<u>237,773</u>	<u>237,773</u>	<u>237,773</u>	<u>-</u>
Fund balance - December 31	<u>\$ 237,773</u>	<u>\$ 237,773</u>	<u>\$ 390,791</u>	<u>\$ 153,018</u>

City of Manitowoc, Wisconsin

**TAX INCREMENT DISTRICT NO. 18 CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 6,281	\$ 6,281	\$ 6,433	\$ 152
EXPENDITURES				
Current				
Public works	-	-	137,536	(137,536)
Conservation and development	6,281	6,281	212,878	(206,597)
Total expenditures	6,281	6,281	350,414	(344,133)
Deficiency of revenues under expenditures	-	-	(343,981)	(343,981)
OTHER FINANCING SOURCES				
Long-term debt issued	-	-	1,000,000	1,000,000
Net change in fund balance	-	-	656,019	656,019
Fund balance - January 1	11,005	11,005	11,005	-
Fund balance - December 31	<u>\$ 11,005</u>	<u>\$ 11,005</u>	<u>\$ 667,024</u>	<u>\$ 656,019</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS DECEMBER 31, 2019

	<u>Data Processing</u>	<u>Health Self Insurance</u>	<u>Workers Comp Self Insurance</u>	<u>Liability Self Insurance</u>	<u>Total</u>
ASSETS					
Current assets					
Cash and investments	\$ 142,681	\$ 1,016,308	\$ 586,227	\$ -	\$ 1,745,216
Receivables					
Accounts	47,297	26	-	-	47,323
Inventories and prepaid items	635	-	-	-	635
Total current assets	<u>190,613</u>	<u>1,016,334</u>	<u>586,227</u>	<u>-</u>	<u>1,793,174</u>
Noncurrent assets					
Restricted assets					
Deposit with CVMIC	-	-	-	1,111,426	1,111,426
Other assets					
Other assets	21,152	-	-	-	21,152
Total assets	<u>211,765</u>	<u>1,016,334</u>	<u>586,227</u>	<u>1,111,426</u>	<u>2,925,752</u>
LIABILITIES					
Current liabilities					
Accounts payable	5,421	11,628	5,641	-	22,690
Accrued and other current liabilities	37,714	-	-	-	37,714
Insurance claims payable	-	192,995	296,370	-	489,365
Total current liabilities	<u>43,135</u>	<u>204,623</u>	<u>302,011</u>	<u>-</u>	<u>549,769</u>
Long-term obligations, less current portion					
Compensated absences	124,590	-	-	-	124,590
Total liabilities	<u>167,725</u>	<u>204,623</u>	<u>302,011</u>	<u>-</u>	<u>674,359</u>
NET POSITION					
Unrestricted	<u>44,040</u>	<u>811,711</u>	<u>284,216</u>	<u>1,111,426</u>	<u>2,251,393</u>
Total net position	<u>\$ 44,040</u>	<u>\$ 811,711</u>	<u>\$ 284,216</u>	<u>\$ 1,111,426</u>	<u>\$ 2,251,393</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Data Processing</u>	<u>Health Self Insurance</u>	<u>Workers Comp Self Insurance</u>	<u>Liability Self Insurance</u>	<u>Total</u>
OPERATING REVENUES					
Charges for services	\$ 864,694	\$ 4,062,028	\$ 456,543	\$ -	\$ 5,383,265
Other	-	-	849	-	849
Total operating revenues	<u>864,694</u>	<u>4,062,028</u>	<u>457,392</u>	<u>-</u>	<u>5,384,114</u>
OPERATING EXPENSES					
Operation and maintenance	788,471	-	290,949	-	1,079,420
Insurance premiums, claims and adjustments	-	3,907,277	81,968	-	3,989,245
Taxes	<u>32,183</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,183</u>
Total operating expenses	<u>820,654</u>	<u>3,907,277</u>	<u>372,917</u>	<u>-</u>	<u>5,100,848</u>
Operating income	<u>44,040</u>	<u>154,751</u>	<u>84,475</u>	<u>-</u>	<u>283,266</u>
NONOPERATING REVENUES					
Interest income	-	-	75	-	75
Change in net position	44,040	154,751	84,550	-	283,341
Net position - January 1	-	656,960	199,666	1,111,426	1,968,052
Net position - December 31	<u>\$ 44,040</u>	<u>\$ 811,711</u>	<u>\$ 284,216</u>	<u>\$ 1,111,426</u>	<u>\$ 2,251,393</u>

City of Manitowoc, Wisconsin

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Data Processing</u>	<u>Health Self Insurance</u>	<u>Workers Comp Self Insurance</u>	<u>Liability Self Insurance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 860,627	\$ 4,062,060	\$ 456,543	\$ -	\$ 5,379,230
Cash received from other	-	-	849	-	849
Cash paid for employee wages and benefits	(597,793)	-	-	-	(597,793)
Cash paid to suppliers	(202,814)	(4,235,047)	(405,859)	-	(4,843,720)
Net cash provided (used) by operating activities	<u>60,020</u>	<u>(172,987)</u>	<u>51,533</u>	<u>-</u>	<u>(61,434)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	<u>8,264</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,264</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	<u>-</u>	<u>-</u>	<u>75</u>	<u>-</u>	<u>75</u>
Change in cash and cash equivalents	68,284	(172,987)	51,608	-	(53,095)
Cash and cash equivalents - January 1	<u>74,397</u>	<u>1,189,295</u>	<u>534,619</u>	<u>-</u>	<u>1,798,311</u>
Cash and cash equivalents - December 31	<u><u>\$ 142,681</u></u>	<u><u>\$ 1,016,308</u></u>	<u><u>\$ 586,227</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,745,216</u></u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income	\$ 44,040	\$ 154,751	\$ 84,475	\$ -	\$ 283,266
Adjustments to reconcile operating income to net cash provided (used) by operating activities					
Effects of changes in operating assets and liabilities					
Accounts receivables	(4,067)	32	-	-	(4,035)
Inventories and prepaid items	58,732	-	-	-	58,732
Accounts payable	(2,281)	(4,112)	5,311	-	(1,082)
Accrued and other current liabilities	12,538	(323,658)	(38,253)	-	(349,373)
Compensated absences	(48,942)	-	-	-	(48,942)
Net cash provided (used) by operating activities	<u><u>\$ 60,020</u></u>	<u><u>\$ (172,987)</u></u>	<u><u>\$ 51,533</u></u>	<u><u>\$ -</u></u>	<u><u>\$ (61,434)</u></u>
Reconciliation of cash and cash equivalents to the statement of net position					
Cash and cash equivalents in current assets	<u><u>\$ 142,681</u></u>	<u><u>\$ 1,016,308</u></u>	<u><u>\$ 586,227</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,745,216</u></u>
Noncash capital and related financing activities					
None					

City of Manitowoc, Wisconsin

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS COMPARATIVE SCHEDULES BY SOURCE DECEMBER 31, 2019 AND 2018

	<u>2019</u>	<u>2018</u>
Capital Assets		
Land	\$ 8,072,648	\$ 7,270,518
Buildings	29,586,006	29,478,238
Machinery and equipment	38,317,509	31,851,062
Infrastructure	<u>185,970,896</u>	<u>176,422,952</u>
Total Governmental Funds Capital Assets	<u>\$ 261,947,059</u>	<u>\$ 245,022,770</u>
Investments in Governmental Funds Capital Assets By Source		
General fund	\$ 25,290,975	\$ 25,290,975
Federal, state and local grants	13,339,231	10,028,875
Capital projects funds		
General obligation debt	<u>223,316,853</u>	<u>209,702,920</u>
Total Governmental Funds Capital Assets	<u>\$ 261,947,059</u>	<u>\$ 245,022,770</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, 2019**

Function	<u>Total</u>	<u>Land</u>	<u>Buildings</u>	<u>Machinery and Equipment</u>	<u>Infrastructure</u>
General government	\$ 14,747,815	\$ 6,532,795	\$ 7,501,175	\$ 713,845	\$ -
Public safety	11,325,245	347,400	4,616,818	6,361,027	-
Public works	210,092,874	392,240	4,669,902	19,059,836	185,970,896
Health and human services	596,079	-	141,216	454,863	-
Culture and recreation	24,499,741	800,213	12,199,466	11,500,062	-
Conservation and development	685,305	-	457,429	227,876	-
Total General Capital Assets	<u>\$ 261,947,059</u>	<u>\$ 8,072,648</u>	<u>\$ 29,586,006</u>	<u>\$ 38,317,509</u>	<u>\$ 185,970,896</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 OF CHANGES BY FUNCTION
FOR THE YEAR ENDED DECEMBER 31, 2019**

Function	Governmental			Governmental
	Funds Capital Assets 1/1/19	Additions	Retirements	Funds Capital Assets 12/31/19
General government	\$ 13,979,963	\$ 806,630	\$ 38,778	\$ 14,747,815
Public safety	11,374,644	711,346	678,746	11,407,244
Public works	194,849,943	15,387,299	153,183	210,084,059
Health and human services	397,985	169,021	68,827	498,179
Culture and recreation	23,741,496	1,006,531	191,907	24,556,120
Conservation and development	678,739	6,566	31,663	653,642
Total Governmental Funds				
Capital Assets	<u>\$ 245,022,770</u>	<u>\$ 18,087,393</u>	<u>\$ 1,163,104</u>	<u>\$ 261,947,059</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

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental activities										
Net investment in capital assets	\$ 78,408,781	\$ 82,948,335	\$ 81,463,401	\$ 84,679,258	\$ 86,185,510	\$ 87,127,517	\$ 85,515,744	\$ 86,580,090	\$ 86,087,963	\$ 89,071,265
Restricted	-	3,318,623	3,350,548	8,114,185	8,831,574	16,759,931	8,585,097	9,763,543	15,709,974	15,005,974
Unrestricted (deficit)	(11,370,850)	(15,749,380)	(13,165,749)	(16,824,269)	(15,151,084)	(13,384,218)	(2,849,835)	(3,722,459)	(4,220,334)	102,002
Total governmental activities net position	\$ 67,037,931	\$ 70,517,578	\$ 71,648,200	\$ 75,969,174	\$ 79,866,000	\$ 90,503,230	\$ 91,251,006	\$ 92,621,174	\$ 97,577,603	\$ 104,179,241
Business-type activities										
Net investment in capital assets	\$ 94,937,833	\$ 93,859,889	\$ 96,411,771	\$ 95,999,724	\$ 133,959,504	\$ 134,976,967	\$ 135,802,072	\$ 136,566,376	\$ 137,184,269	\$ 150,860,044
Restricted	14,068,192	50,428,742	44,375,746	55,160,265	32,885,180	20,111,754	17,987,944	18,032,424	20,514,696	10,645,746
Unrestricted	52,275,971	21,780,335	34,352,072	33,987,853	25,695,980	48,885,676	60,149,784	66,832,954	71,769,068	82,469,719
Total business-type activities net position	\$ 161,281,996	\$ 166,068,966	\$ 175,139,589	\$ 185,147,842	\$ 192,540,664	\$ 203,974,397	\$ 213,939,800	\$ 221,431,754	\$ 229,468,033	\$ 243,975,509
Primary government										
Net investment in capital assets	\$ 173,346,614	\$ 176,808,224	\$ 177,875,172	\$ 180,678,982	\$ 220,145,014	\$ 222,104,484	\$ 221,317,816	\$ 223,146,466	\$ 223,272,232	\$ 239,931,309
Restricted	14,068,192	53,747,365	47,726,294	63,274,450	41,716,754	36,871,685	26,573,041	27,795,967	36,224,670	25,651,720
Unrestricted	40,905,121	6,030,955	21,186,323	17,163,584	10,544,896	35,501,458	57,299,949	63,110,495	67,548,734	82,571,721
Total primary government net position	\$ 228,319,927	\$ 236,586,544	\$ 246,787,789	\$ 261,117,016	\$ 272,406,664	\$ 294,477,627	\$ 305,190,806	\$ 314,052,928	\$ 327,045,636	\$ 348,154,750

CITY OF MANITOWOC, WISCONSIN

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental activities:										
General government	\$ 4,649,699	\$ 3,072,360	\$ 3,938,219	\$ 3,611,218	\$ 4,393,330	\$ 4,579,437	\$ 3,756,820	\$ 3,484,071	\$ 3,667,667	\$ 3,600,822
Public safety	16,553,734	14,665,705	14,445,022	14,380,253	13,803,232	13,822,068	14,860,338	15,044,477	15,536,143	16,294,212
Public works	13,837,037	12,547,700	11,045,943	7,123,677	7,532,419	8,508,822	11,197,464	9,164,479	11,182,663	10,183,941
Health and human services	546,432	539,339	271,019	337,553	297,093	296,567	295,955	316,126	272,956	354,998
Culture and recreation	6,671,335	5,794,316	4,922,559	4,726,866	5,582,966	4,805,376	4,645,661	5,123,117	5,215,026	5,515,112
Development	1,871,549	1,306,096	1,572,350	1,760,407	1,438,342	1,257,001	2,481,357	6,234,364	1,249,704	2,403,600
Interest on debt	3,941,695	2,480,672	2,268,177	2,499,847	1,920,612	1,848,490	1,586,893	1,406,328	1,570,770	923,199
Total governmental activities expenses	48,071,481	40,406,188	38,463,289	34,439,821	34,967,994	35,117,761	38,824,488	40,772,962	38,694,929	39,275,884
Business-type activities:										
Water utility	5,822,531	5,750,971	5,468,625	5,504,372	5,888,571	5,553,603	5,647,073	5,868,468	5,965,299	5,821,229
Electric utility	46,581,595	49,737,531	58,697,745	59,503,436	60,741,021	57,984,007	59,882,201	62,046,053	59,921,858	54,815,272
Steam utility	2,692,941	1,895,580	285,953	374,930	392,270	1,015,963	1,067,757	1,335,955	1,381,402	1,400,063
Broadband utility	100,286	58,713	73,837	76,631	84,069	72,257	88,570	102,834	134,898	113,630
Wastewater treatment plant	5,843,812	4,729,671	4,433,388	4,889,792	4,944,513	5,753,536	5,132,411	5,127,168	5,104,513	5,162,418
Transit system	2,458,989	2,474,960	2,306,296	2,228,542	2,346,301	2,056,301	2,093,261	2,094,961	2,069,946	2,398,626
Total business-type activities expenses	63,500,154	64,647,426	71,265,844	72,577,703	74,396,745	72,435,667	73,911,273	76,575,439	74,577,916	69,711,238
Total primary government expenses	\$ 111,571,635	\$ 105,053,614	\$ 109,729,133	\$ 107,017,524	\$ 109,364,739	\$ 107,553,428	\$ 112,735,761	\$ 117,348,401	\$ 113,272,845	\$ 108,987,122
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 354,642	\$ 470,516	\$ 495,393	\$ 461,920	\$ 478,564	\$ 430,816	\$ 447,580	\$ 433,160	\$ 438,276	\$ 413,498
Public safety	2,456,433	2,332,256	2,375,809	3,054,210	2,859,135	2,456,088	2,936,106	3,235,182	3,345,613	3,275,776
Culture and recreation	581,468	1,084,730	1,030,925	1,000,494	910,375	1,051,483	905,539	924,102	946,966	872,393
Other activities	1,465,935	3,404,449	1,331,898	1,034,074	1,046,487	1,223,598	2,316,319	2,144,488	1,668,245	2,429,626
Operating grants and contributions	3,760,579	3,575,437	4,640,641	3,637,937	3,287,156	3,188,897	3,366,820	3,983,776	6,278,000	3,801,434
Capital grants and contributions	2,942,698	3,592,144	1,467,078	1,256,237	1,265,411	426,099	330,927	2,018,462	159,009	2,830,939
Total governmental activities program revenues	11,561,755	14,459,532	11,341,744	10,444,872	9,847,128	8,776,981	10,303,291	12,739,170	12,836,109	13,623,666
Business-type activities:										
Charges for services:										
Water utility	5,953,586	5,907,447	6,901,030	6,688,886	6,598,666	6,898,509	6,997,341	7,033,484	6,904,307	6,818,191
Electric utility	52,689,004	57,313,333	65,957,316	66,281,306	67,610,280	66,275,163	67,645,114	67,251,673	66,165,482	63,071,959
Steam utility	2,361,255	1,497,632	477,640	544,992	687,092	1,217,714	1,456,383	1,847,247	1,880,760	1,916,078
Broadband utility	150,649	162,316	152,309	176,815	169,901	222,710	517,327	289,424	242,520	268,038
Wastewater treatment plant	5,362,958	5,250,862	6,028,570	6,466,960	6,718,041	7,178,115	7,083,022	7,352,531	7,195,415	7,506,503
Transit system	216,506	183,558	185,298	193,404	199,353	195,708	198,613	207,160	177,473	201,924
Operating grants and contributions	1,967,087	1,972,194	1,807,210	1,621,962	1,756,616	1,749,317	1,744,673	1,684,403	1,442,798	1,524,845
Capital grants and contributions	257,491	392,686	1,499,199	173,697	279,266	227,594	695,920	794,910	201,761	3,186,453
Total business-type activities program revenues	68,958,536	72,680,028	83,008,572	82,148,022	84,019,215	83,964,830	86,338,393	86,460,832	84,210,516	84,493,991
Total primary government program revenues	\$ 80,520,291	\$ 87,139,560	\$ 94,350,316	\$ 92,592,894	\$ 93,866,343	\$ 92,741,811	\$ 96,641,684	\$ 99,200,002	\$ 97,046,625	\$ 98,117,657
Net (expense)/revenue										
Governmental activities	\$ (36,509,726)	\$ (25,946,656)	\$ (27,121,545)	\$ (23,994,949)	\$ (25,120,866)	\$ (26,340,780)	\$ (28,521,197)	\$ (28,033,792)	\$ (25,858,820)	\$ (25,652,218)
Business-type activities	5,458,382	8,032,602	11,742,728	9,570,319	9,622,470	11,529,163	12,427,120	9,885,393	9,632,600	14,782,753
Total primary government net expense	\$ (31,051,344)	\$ (17,914,054)	\$ (15,378,817)	\$ (14,424,630)	\$ (15,498,396)	\$ (14,811,617)	\$ (16,094,077)	\$ (18,148,399)	\$ (16,226,220)	\$ (10,869,465)

(Continued)

CITY OF MANITOWOC, WISCONSIN

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 15,286,914	\$ 15,687,287	\$ 17,145,312	\$ 16,896,523	\$ 16,894,243	\$ 17,244,016	\$ 17,315,579	\$ 17,658,112	\$ 17,774,496	\$ 17,703,092
Other taxes	470,540	418,429	415,842	770,332	689,520	784,813	769,755	779,999	774,533	784,506
Unrestricted state and federal aids	6,609,782	6,490,811	6,038,857	6,124,673	6,114,432	6,138,197	6,191,646	6,182,381	6,203,045	8,463,167
Interest earnings	619,090	275,315	184,573	55,869	240,795	177,411	412,264	393,666	738,236	829,734
Miscellaneous	675,787	305,173	658,504	620,353	1,164,659	1,471,129	595,696	442,735	1,228,897	551,214
Transfers	4,826,511	4,371,291	3,772,312	3,884,940	3,914,043	3,992,080	3,984,033	3,947,067	3,989,181	3,922,143
Total governmental activities	<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>	<u>29,268,973</u>	<u>29,403,960</u>	<u>30,708,388</u>	<u>32,253,856</u>
Business-type activities:										
Interest earnings	810,460	1,078,616	1,159,912	1,197,317	1,401,893	791,851	1,192,509	1,506,731	2,048,830	3,303,403
Miscellaneous	-	47,043	286,959	274,808	282,502	329,616	332,531	46,897	94,508	48,794
Other	-	-	-	-	-	-	-	-	263,916	283,519
Special item-gain/(loss) sale of asset	-	-	(346,664)	-	-	-	(2,724)	-	-	11,150
Transfers	(4,826,511)	(4,371,291)	(3,772,312)	(3,884,940)	(3,914,043)	(3,992,080)	(3,984,033)	(3,947,067)	(3,989,181)	(3,922,143)
Total business-type activities	<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>	<u>(2,461,717)</u>	<u>(2,393,439)</u>	<u>(1,581,927)</u>	<u>(275,277)</u>
Total primary government	<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>	<u>\$ 26,807,256</u>	<u>\$ 27,010,521</u>	<u>\$ 29,126,461</u>	<u>\$ 31,978,579</u>
Change in Net Assets										
Governmental activities	\$ (8,021,102)	\$ 1,601,650	\$ 1,093,855	\$ 4,357,741	\$ 3,896,826	\$ 3,466,866	\$ 747,776	\$ 1,370,168	\$ 4,849,568	\$ 6,601,638
Business-type activities	1,442,331	4,786,970	9,070,623	7,157,504	7,392,822	8,658,550	9,965,403	7,491,954	8,050,673	14,507,476
Special Item (disposal of plant)	(3,429,065)	-	-	-	-	-	-	-	-	-
Total primary government	<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>	<u>\$ 10,713,179</u>	<u>\$ 8,862,122</u>	<u>\$ 12,900,241</u>	<u>\$ 21,109,114</u>

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019
General fund									
Nonspendable									
Inventories and prepaid items	\$ 545,077	\$ 572,952	\$ 534,358	\$ 561,424	\$ 606,445	\$ 463,418	\$ 618,758	\$ 472,440	\$ 488,223
Long term accounts and interfund receivables	3,610,186	3,568,735	3,781,606	4,267,385	3,329,843	2,991,145	3,076,822	1,687,285	1,606,514
Committed for future spending	-	266,698	-	-	-	-	-	-	-
Assigned	-	-	53,708	91,312	292,984	349,349	723,240	1,632,877	1,001,598
Unassigned	1,205,370	1,332,914	1,184,321	1,416,511	2,753,249	3,887,739	3,989,407	5,305,163	5,642,771
Total general fund	\$ 5,360,633	\$ 5,741,299	\$ 5,553,993	\$ 6,336,632	\$ 6,982,521	\$ 7,691,651	\$ 8,408,227	\$ 9,097,765	\$ 8,739,106
All other governmental funds									
Nonspendable									
Inventories and prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,472	\$ 144,279	\$ 121,692	\$ 98,540
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	529,865	650,342	1,722,185	3,362,187
Future loans	2,164,446	2,882,921	3,635,768	2,829,007	2,085,089	1,700,186	2,111,509	2,587,239	2,613,091
Future spending	416,399	464,648	487,692	517,965	626,294	838,248	1,925,055	2,908,002	4,223,014
Committed for future spending	1,501,423	1,173,265	1,028,596	766,976	1,170,026	1,214,441	970,795	1,077,917	1,046,718
Assigned	391,119	1,085,561	1,148,479	1,778,090	1,738,367	4,032,041	1,606,166	2,414,166	2,421,823
Unassigned	(11,377,555)	(8,327,541)	(7,592,115)	(7,125,200)	(6,091,899)	(4,616,502)	(3,481,657)	(2,719,868)	(2,170,976)
Total all other governmental funds	\$ (3,286,617)	\$ (1,372,549)	\$ (349,151)	\$ (615,766)	\$ 829,108	\$ 3,868,751	\$ 3,926,489	\$ 8,111,333	\$ 11,594,397
Total governmental funds	\$ 2,074,016	\$ 4,368,750	\$ 5,204,842	\$ 5,720,866	\$ 7,811,629	\$ 11,560,402	\$ 12,334,716	\$ 17,209,098	\$ 20,333,503

* 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)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues										
Taxes	\$ 14,974,094	\$ 15,157,110	\$ 17,561,154	\$ 17,666,855	\$ 17,583,763	\$ 18,028,829	\$ 18,085,334	\$ 18,438,111	\$ 18,549,029	\$ 18,487,598
Special assessments	2,267,061	1,099,443	1,081,192	554,246	435,522	454,205	412,259	589,165	674,363	743,670
Intergovernmental	10,997,650	13,555,901	11,646,390	10,389,688	9,696,271	9,571,207	9,594,720	10,030,478	12,324,238	14,097,637
Licenses and permits	786,147	682,477	752,161	1,084,365	806,819	752,756	777,447	968,868	967,096	1,090,975
Fines and forfeitures	446,068	510,663	509,517	550,145	535,228	520,381	509,504	568,025	570,184	589,911
Public charges for services	3,146,325	2,535,498	2,342,459	2,640,547	2,733,070	2,480,040	2,854,378	3,209,363	3,349,296	3,750,881
Intergovernmental charges for services	234,356	314,421	340,357	322,161	328,261	304,313	338,751	710,537	329,746	338,645
Interdepartmental charges for services	2,513,141	3,344,680	1,671,131	1,634,872	1,748,152	994,523	609,031	688,477	773,087	763,975
Miscellaneous	1,987,947	3,389,654	2,108,026	2,231,690	2,234,957	2,463,773	2,212,207	2,595,823	3,069,402	2,754,229
Total revenues	37,352,789	40,589,847	38,012,387	37,074,569	36,102,043	35,570,027	35,393,631	37,798,847	40,606,441	42,617,521
Expenditures										
General government	3,524,745	3,322,766	3,018,867	2,896,866	3,636,882	4,418,386	3,521,149	3,207,646	3,088,388	3,355,218
Public safety	14,991,505	15,115,462	14,051,845	14,097,392	13,431,241	13,225,047	13,907,696	14,323,678	14,918,131	15,305,747
Public works	13,024,767	15,046,265	8,765,962	7,604,324	7,432,696	6,243,187	9,564,238	8,455,644	15,323,225	16,269,781
Health and human services	511,120	516,530	271,483	319,724	307,683	309,802	255,984	284,586	295,279	334,466
Culture and recreation	6,291,765	5,855,832	4,731,538	4,944,686	4,574,163	4,436,399	4,204,657	4,919,553	5,019,190	5,753,308
Conservation and development	2,734,168	3,508,398	1,442,368	2,283,727	2,746,436	2,316,244	2,278,827	6,584,648	1,134,974	3,508,451
Debt service										
Principal retirement	6,826,840	8,295,000	7,695,000	8,020,000	8,165,000	8,115,000	8,460,000	7,442,106	7,046,439	7,606,159
Interest and fiscal charges	3,085,792	2,990,159	2,400,933	2,314,712	1,937,065	1,902,926	1,533,764	1,565,703	1,639,144	1,535,255
Bond issuance costs	172,179	-	-	-	-	-	-	-	-	-
Total Expenditures	51,162,881	54,650,412	42,377,996	42,481,431	42,231,166	40,966,991	43,726,315	46,783,564	48,464,770	53,668,385
Excess of revenues over (under) expenditures	(13,810,092)	(14,060,565)	(4,365,609)	(5,406,862)	(6,129,123)	(5,396,964)	(8,332,684)	(8,984,717)	(7,858,329)	(11,050,864)
Other financing sources (uses)										
General obligation debt issued	16,465,000	11,575,569	7,934,930	9,995,000	4,374,000	9,510,000	7,882,444	6,005,000	15,735,000	9,775,000
Capital lease proceeds								313,745	285,322	478,126
Note premium	-	-	-	232,041	144,652	487,953	214,980	256,043	423,208	-
General obligation bond premium	267,933									
Payment to refunding bond escrow agent	(10,912,927)	(6,112,782)	(5,046,899)	(8,084,027)	(1,787,549)	(6,502,306)	-	(762,824)	(7,700,000)	-
Sale of Capital Assets	-	-	-	215,000	-	-	-	-	-	-
Transfers in	12,843,835	14,988,448	6,481,304	4,742,008	4,780,422	4,766,104	5,597,970	4,980,925	7,806,926	6,877,315
Transfers out	(8,715,442)	(10,407,229)	(2,708,992)	(857,068)	(866,379)	(774,024)	(1,613,937)	(1,033,858)	(3,817,745)	(2,955,172)
Total other financing sources (uses)	9,948,399	10,044,006	6,660,343	6,242,954	6,645,146	7,487,727	12,081,457	9,759,031	12,732,711	14,175,269
Net change in fund balances	\$ (3,861,693)	\$ (4,016,559)	\$ 2,294,734	\$ 836,092	\$ 516,023	\$ 2,090,763	\$ 3,748,773	\$ 774,314	\$ 4,874,382	\$ 3,124,405
Debt service as a percentage of noncapital expenditures	21.3%	23.9%	24.9%	27.5%	26.0%	25.9%	24.6%	22.5%	22.7%	23.1%

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)	Motor Vehicle Tax	Total
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
2016	17,315,579	-	36,887	45,275	615,234	72,359	-	18,085,334
2017	17,667,385	-	35,572	45,608	624,733	64,813	-	18,438,111
2018	17,774,496	-	33,863	46,336	571,301	123,033	-	18,549,029
2019	17,710,841	-	32,596	48,411	638,265	65,234	407,420	18,902,767

(1) Other tax consists of omitted, tax roll over (under), retained sales, use value, interest and closeout of TID (2013).
 2018 Taxes are overstated by \$80,075 from the Statement of Revenue, Expenses and Changes in Fund Balance due to TIF Developer Agreements
 2019 The municipality initiated a wheel tax in leui of special assessments for reconstruction or maintenance type projects.

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				
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%
2016	1,326,139,200	609,217,500	288,500	58,474,700	12,515,600	2,006,635,500	8.0391	1,915,217,400	104.77%
2017	1,327,940,900	613,037,200	294,200	55,889,800	10,892,500	2,008,054,600	8.1457	1,873,663,200	107.17%
2018	1,333,275,000	619,055,400	293,900	42,098,000	10,289,200	2,005,011,500	8.2338	1,951,266,200	102.75%
2019	1,338,715,300	621,814,700	293,400	40,681,700	11,607,900	2,013,113,000	8.4744	2,032,365,000	99.05%

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	
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	4.4905	3.4087	7.8993	35.7%	0.1613	0.7%	5.3360	24.1%	7.9593	36.1%	0.7404	3.4%	22.0962
2016	4.8398	3.1705	8.0103	37.3%	0.1619	0.8%	5.3557	25.0%	7.1635	33.5%	0.7646	3.6%	21.4561
2017	4.9938	3.0453	8.0391	38.4%	0.1620	0.8%	5.3352	25.5%	6.6566	31.9%	0.7679	3.7%	20.9608
2018	5.1149	3.0308	8.1457	40.4%	-	0.0%	5.2341	26.0%	6.0198	29.9%	0.7677	3.8%	20.1673
2019	5.2016	3.0322	8.2338	39.8%	-	0.0%	5.4084	26.2%	6.2520	30.3%	0.7763	3.8%	20.6706

Property tax rates are per thousand dollar of assessed valuation.
The 2008 property tax rates reflect the total revaluation of the entire City.
A reduction for the School Tax Credit is reflected in the School District rate.
2017 Levy for Fiscal Year 2018 - State of Wisconsin no longer levies for the Forestation state tax.

CITY OF MANITOWOC, WISCONSIN

Principal Property Taxpayers

Current Year and 10 Year Prior

Taxpayer	Type of Business	2018 Tax bill for 2019 Collection			2010		
		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	\$ 231,154,147	---	*	\$ 213,652,991	---	**
Manitowoc Cranes	Mfg cranes	14,787,600	1	0.73%	34,310,800	1	1.73%
Holy Family Memorial, Inc.	Health care provider	13,700,100	2	0.68%	27,575,200	2	1.39%
Wal-Mart Stores, Inc.	Discount retail	9,500,000	3	0.47%	13,479,600	4	0.68%
Menards	Home improvement retail	7,200,000	4	0.35%	9,365,300	8	0.47%
Jagemann Stamping Co.	Component manufacturing	7,046,300	5	0.36%			
Northern Labs Ind	Health care products	6,588,000	6	0.33%			
Manitowoc FSG Operations	Mfg ice machines	6,524,300	7	0.32%			
Zetley Real Estate Co LLC	Lodging-Holiday Inn	6,299,700	8	0.31%			
Manitowoc Health Care Properties	Aging Health Care facility	6,179,000	9	0.31%			
Mills Fleet Farm	Agriculture and Home retailer	5,951,200	10	0.30%			
Great Lakes Energy Technologies	Renewable/Energy Savings Technology				14,929,600	3	0.75%
Dewey Properties LLC	Retail Shopping Center				13,453,000	5	0.68%
Lowe's	Home improvement retail				9,936,100	6	0.50%
PBJ Fest - Festival Foods	Grocery Store				9,783,500	7	0.49%
Lakeside Foods Inc	Mfg canned vegetables and sauces				9,216,300	9	0.46%
Busch Agricultural Resources	Malting plant				8,632,400	10	0.43%
Totals		\$ 314,930,347		4.16%	\$ 364,334,791		7.58%
* 2019 Assessed Valuation	\$2,013,113,000						
** 2010 Assessed Valuation	\$1,986,843,900						

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 2018 full valuation is \$225,025,137; the 2019 payment in lieu of taxes is \$3,869,023.

Source: Tax System report and prior CAFR

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
2011	\$ 43,761,031	\$ 43,596,285	99.62%	\$ 18,501	\$ 43,614,786	99.67%
2012	45,449,669	45,349,870	99.78%	15,227	45,365,097	99.81%
2013	45,521,769	45,469,731	99.89%	25,796	45,495,527	99.94%
2014	44,504,564	44,433,212	99.84%	27,760	44,460,972	99.90%
2015	44,039,172	43,958,606	99.82%	14,320	43,972,926	99.85%
2016	45,677,130	45,655,079	99.95%	6,526	45,661,605	99.97%
2017	44,745,929	44,729,110	99.96%	4,236	44,733,346	99.97%
2018	43,469,762	43,458,037	99.97%	566	43,458,603	99.97%
2019	44,330,665	44,309,197	99.95%	171	44,309,368	99.95%

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 for Governmental Activities
Last Ten Fiscal Years

Fiscal Year	Governmental Activities						Capital Leases	Bond Premium	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					
2010	\$ 49,694,668	\$ 16,320,332	\$ 6,223,203	\$ 2,741,797	\$ 1,005,000	\$ -	\$ -	\$ -	\$ 75,985,000	3.82%	\$ 2,183
2011	49,460,000	14,630,000	6,693,328	2,346,672	-	-	-	-	73,130,000	3.68%	2,169
2012	43,555,000	10,580,000	9,751,520	4,843,480	-	-	-	-	68,730,000	3.46%	2,036
2013	33,565,000	6,635,000	16,220,000	6,675,000	-	-	-	214,638	63,309,638	3.18%	1,879
2014	29,595,000	5,450,000	16,395,000	5,715,000	-	409,000	-	327,487	57,891,487	2.90%	1,720
2015	26,610,000	4,435,000	16,790,000	4,645,000	-	409,000	-	769,529	53,658,529	2.69%	1,592
2016	24,485,000	1,005,000	25,407,444	1,045,000	-	369,000	-	887,348	53,198,792	2.65%	1,612
2017	20,705,000	945,000	27,081,103	1,075,000	-	324,000	302,980	1,021,769	51,454,852	2.56%	1,562
2018	26,880,000	325,000	22,664,355	1,125,000	-	179,000	533,611	1,309,800	53,016,766	2.64%	1,625
2019	23,740,000	1,685,000	26,629,999	290,000	-	997,197	447,134	1,634,428	55,423,758	2.76%	1,641

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 Outstanding Debt for Business-Type Activities
Last Ten Fiscal Years

Fiscal Year	Business-Type Activities				Bond Premium	Total Business-Type Activities	Percentage of Assessed Valuation (1)	Per Capita (2)	TOTAL GOVERNMENT AND BUSINESS-TYPE		
	Water Utility Bonds	Electric and Steam Utility Bonds	Wastewater Plant Clean Water Loan						Total Government & Business-Type	Percentage of Assessed Valuation (1)	Per Capita (2)
2010	\$ 3,325,000	\$ 70,755,000	\$ 11,393,967	\$ 3,974,313	\$ 89,448,280	4.50%	\$ 2,570	\$ 165,433,280	8.33%	\$ 4,754	
2011	2,915,000	67,265,000	11,131,794	3,747,818	85,059,612	4.28%	2,522	158,189,612	7.95%	4,691	
2012	2,485,000	63,640,000	9,829,360	3,519,118	79,473,478	4.00%	2,355	148,203,478	7.45%	4,391	
2013	2,030,000	59,870,000	8,485,376	3,290,417	73,675,793	3.70%	2,187	136,985,431	6.87%	4,067	
2014	1,555,000	18,330,000	7,098,512	996,897	27,980,409	1.40%	832	85,871,896	4.31%	2,552	
2015	1,060,000	15,955,000	5,667,395	863,550	23,545,945	1.18%	699	77,204,474	3.85%	2,291	
2016	540,000	13,500,000	4,190,606	730,203	18,960,809	0.95%	574	72,159,601	3.60%	2,186	
2017	-	10,945,000	7,512,581	596,857	19,054,438	0.95%	579	70,509,290	3.51%	2,141	
2018	-	8,275,000	10,163,656	463,509	18,902,165	0.94%	579	71,918,931	3.59%	2,204	
2019	-	-	9,878,475	-	9,878,475	0.49%	293	65,302,233	3.24%	1,934	

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	Capital Lease	Bond Premium	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)
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	-	214,638	942,429	13,310,000	49,057,209	2.46%	1,456
2014	29,595,000	5,450,000	16,804,000	5,715,000	-	327,487	617,396	11,165,000	46,109,091	2.31%	1,370
2015	26,610,000	4,435,000	17,199,000	4,645,000	-	769,529	1,301,231	9,080,000	43,277,298	2.13%	1,284
2016	24,485,000	1,005,000	25,776,444	1,045,000	-	887,348	529,865	2,050,000	50,618,927	2.52%	1,533
2017	20,705,000	945,000	27,405,103	1,075,000	302,980	1,021,769	650,342	2,020,000	48,784,510	2.43%	1,481
2018	26,880,000	325,000	22,664,355	1,125,000	533,611	1,309,800	1,722,185	1,450,000	49,665,581	2.48%	1,522
2019	23,740,000	1,685,000	27,627,196	290,000	447,134	1,634,428	3,362,187	1,975,000	50,086,571	2.50%	1,483

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, 2019

<u>Governmental Unit</u>	General Obligation Debt Outstanding	Percentage Applicable to Government	Amount Applicable to Government
Direct Debt:			
General Obligation Debt	\$ 53,342,196	100.000%	\$ 53,342,196
Capital Lease	447,134	0.000%	447,134
Bond Premium	<u>1,634,428</u>	100.000%	<u>1,634,428</u>
	55,423,758		55,423,758
Overlapping Debt:			
Manitowoc School	5,206,500	77.100%	4,014,212
Manitowoc County	28,665,000	35.400%	10,147,410
VTAE District	<u>30,535,000</u>	12.500%	<u>3,816,875</u>
Total Overlapping Debt	<u>64,406,500</u>		<u>17,978,497</u>
Total Direct and Overlapping Debt	<u>\$ 119,830,258</u>		<u>\$ 73,402,255</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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Debt limit	\$ 99,566,265	\$ 98,833,965	\$ 95,720,665	\$ 93,449,385	\$ 94,692,460	\$ 95,587,530	\$ 95,760,870	\$ 93,683,160	\$ 97,563,310	\$ 101,618,250
Total net debt applicable to limit	74,980,000	70,894,011	67,384,382	62,152,571	56,946,604	51,587,769	51,781,579	49,479,761	49,451,170	49,980,009
Legal debt margin	<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>	<u>\$ 43,979,291</u>	<u>\$ 44,203,399</u>	<u>\$ 48,112,140</u>	<u>\$ 51,638,241</u>
Total net debt applicable to the limit as a percentage of debt limit	75.31%	71.73%	70.40%	66.51%	60.14%	53.97%	54.07%	52.82%	50.69%	49.18%

Computation of Legal Debt Margin
 12/31/2019

Equalized Value	<u>\$2,032,365,000</u>
Debt limitation - 5 percent of total equalized value	\$ 101,618,250
Debt applicable to limitation	
Total outstanding general debt	\$ 53,342,196
Less: Amount available in debt service fund	<u>(3,362,187)</u>
Total debt applicable to limitation	<u>49,980,009</u>
Legal Debt Margin	<u>\$ 51,638,241</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
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
2016	6,999,885	3,781,576	3,218,309	540,000	10,800	550,800	5.84
2017	6,947,444	4,058,377	2,889,067	-	-	-	-
2018	6,895,612	4,164,599	2,731,013	-	-	-	-
2019	6,809,182	3,750,266	3,058,916	-	-	-	-

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
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
2016	67,561,888	53,656,728	13,905,160	2,555,000	555,655	3,110,655	4.47
2017	67,134,625	55,796,147	11,338,478	2,670,000	443,643	3,113,643	3.64
2018	66,063,724	53,744,851	12,318,873	2,643,300	447,127	3,090,427	3.99
2019	62,965,205	50,833,820	12,131,385	-	-	-	-

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	Public School Enrollment
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	1,403,831	41,653	4.9%	43.6	5,331
2016	33,010	1,400,185	42,417	3.2%	43.4	5,155
2017	32,936	1,374,419	41,730	3.7%	44.2	5,195
2018	32,627	1,493,240	45,767	2.9%	44.5	5,094
2019	33,772	1,610,080	47,675	3.7%	43.4	5,140

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

(2) Wisconsin Department of Workforce Development.

(3) City of Manitowoc Planning Department

CITY OF MANITOWOC, WISCONSIN

Principal Employers
Current Year and Ten years Ago

2019

Large

Employers with 250 or more employees

Manitowoc Public School District	892
Holy Family Memorial	728
Franciscan Sisters - Christian	541
Lakeside Foods	454
Manitowoc County	454
Manitowoc Ice Machine	400
Wisconsin Aluminum Foundry	350
Jagemann Stamping Company	350
Parker Hannifin - HPD	350
Federal-Mogul Corp.	340

2010

Employer	Employees
Fischer-Hamilton Inc	1,200
The Manitowoc Co (cranes & ice)	1,100
Holy Family Memorial Medical Center	1,020
Manitowoc Public School District	939
Federal-Mogul Powertrain Systems	650
City of Manitowoc/Public Utilities	640
Wisconsin Aluminum Foundry Co.	400
Manitowoc County	388
St Mary's Home for the Aged	330

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	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Assessor	3.00	3.00	1.00	1.00	1	1	0	0	0	0
Attorney/Personnel	6.00	6.00	4.50	4.50	3.73	3.75	4	5	5	5
City Clerk	3.93	4.00	3.50	3.50	3.5	4	4	4	4	4
Finance/Payroll/Treasury	7.25	7.18	5.50	5.50	5.5	5	5	5	5	5
Planning	5.00	5.00	3.50	2.50	3	3	3	3	4	5
Mayor	2.00	2.00	1.50	1.50	2	2	2	2	2	2
Municipal Court	1.25	1.25	1.10	1.10	1.25	1.25	1.25	1.25	1.25	1.25
Buildings & Grounds	6.30	8.60	4.45	4.45	4.45	4	4	5	6	6
Public Safety										
Police/Crossing Guards	81.00	81.60	78.25	78.25	73.5	76.5	76.5	76.5	76.5	74.75
Fire	60.30	61.30	58.00	60.00	56	56	57	57	54	53
Building Inspection	6.00	6.00	2.50	2.50	3.5	3.5	3.5	4	5	6
Public Works										
Engineering/DPW	76.52	74.10	39.30	39.30	38.1	34.25	34.25	34.25	40.5	40.5
Transit	19.49	19.70	19.35	19.35	18.18	18	18	18	18.2	18.2
Culture and Recreation										
Park/Recreation	23.50	21.50	12.35	12.35	12.35	11	12.5	12.5	13	13
Rahr-West Art Museum	5.25	5.75	4.30	4.30	3.8	3.8	3.8	3.8	3.8	3
Public Library	34.20	34.20	31.70	31.70	32.8	33.5	33.65	33.65	33.65	33.65
Wastewater Treatment Plant	15.30	15.30	15.30	15.30	14.3	15.25	15.3	15.3	15.3	15.3
Public Utilities	90.00	84.00	84.00	84.00	82.00	82.00	82.00	83.00	86.10	86.10
Total	446.29	440.48	370.10	371.10	358.96	357.8	359.75	363.25	373.3	371.75

Source: City of Manitowoc Annual Budget & MPU Annual Report

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

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government										
Square miles	18.279	18.302	18.330	18.330	18.339	18.340	18.341	18.341	18.341	18.410
Registered voters	18,776	18,805	20,230	18,082	18,068	18,252	17,623	19,064	15,978	16,505
Dog licenses issued	2,277	2,332	2,187	2,110	1,987	1,998	1,922	1,861	1,931	1,987
Police										
Physical arrests	1,917	2,317	2,296	2,013	2,639	2,490	2,633	2,936	2,092	1,988
Parking violations	8,305	6,990	7,079	6,380	5,125	6,470	6,501	5,919	5,289	5,306
Traffic contacts/stops	7,773	10,245	8,857	5,865	7,951	4,884	5,188	4,520	4,852	4,712
Fire										
Number of structural fires	52	33	54	70	27	33	34	29	24	18
Number of inspections	1518	2046	2,328	1,900	1,303	1,619	1,530	1,485	1,494	1,223
Emergency medical service calls	4,238	4,611	4,421	4,708	4,515	4,712	5,070	5,199	5,122	5,225
Highways and streets										
Recycled materials (tons)	2,958	2,727	2,830	2,766	2,721	2,629	2,658	2,510	2,418	2,535
Yard waste (tons)	10,872	10,722	11,088	11,044	11,494	11,206	11,208	11,103	11,312	10,634
Solid waste to landfill (tons)	8,538	8,186	7,613	7,442	7,459	7,391	7,406	7,464	7,399	7,525
Culture and recreation										
Fieldhouse/cabin reservations	303	330	371	372	338	239	230	222	291	258
Zoo admissions	50,949	48,906	49,208	41,179	64,531	53,541	61,977	42,475	40,038	35,023
Aquatic center admissions	51,140	34,927	32,116	27,241	21,420	24,385	24,541	22,998	27,207	24,184
Mini Golf admissions	N/A	N/A	N/A	N/A	N/A	7,658	6,581	6,979	7,378	7,903
Electric										
Total avg. number of customers	17,785	17,793	17,787	17,521	17,888	17,925	17,952	17,956	18,062	18,145
Annual sales (megawatt hours)	686,166	659,154	597,874	634,857	682,615	646,895	670,565	695,016	685,411	652,133
Peak demand (megawatts)	100.0	115.5	117.2	115.3	105.0	105.1	109.0	101.6	105.4	99.6
Water										
Total avg. number of customers	13,836	13,858	13,820	13,825	13,870	13,668	13,715	13,739	13,773	13,814
Annual sales (billions of gallons)	4.093	4.069	4.325	4.087	4.011	4.082	4.009	3.995	4.099	4.054
Wastewater										
Annual treatment (in billions of gals)	2.564	2.371	2.083	2.302	2.376	2.291	2.684	2.65	2.5	3.2
Avg gals per day (in millions of gals)	7.025	6.496	5.690	6.309	6.512	6.279	7.353	7.262	6.86	8.76

Sources: Various government departments.

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

Function	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Public Safety										
Police Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	10	10	10	11	11	13	13	13	13	13
Fire Stations	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Street (miles)	160.91	160.66	160.93	162.30	162.31	162.37	162.39	162.22	162.22	162.22
Traffic Signals	36	36	37	37	37	37	34	34	34	34
Public Transportation										
Fixed route coaches	9	9	9	9	9	9	9	9	9	9
Human service vehicles	6	6	6	6	6	6	7	7	7	7
Culture and recreation										
Developed park acreage	517.62	517.62	517.62	517.62	522.81	522.81	522.81	522.81	522.81	667.24
Parks	37	37	37	37	37	37	37	37	37	38
Tennis Courts (city owned)	20	17	17	16	16	16	16	16	16	16
Water										
Water mains (miles)	184.5	185.0	185.0	185.0	185.0	185.4	187.0	187.0	186.0	186.1
Fire Hydrants	1,345	1,347	1,349	1,349	1,361	1,364	1,378	1,381	1,378	1,394
Sewers										
Sanitary (miles)	189.6	189.6	189.8	189.8	189.6	189.6	189.6	189.6	189.6	190.8
Lift Stations	16	14	14	14	14	14	14	14	13	12
Storm (miles)	150.5	150.6	150.8	150.8	150.6	150.7	151.7	150.5	150.5	152.9
Electric										
Substations	6	6	7	7	7	7	7	7	7	7
Distribution Line miles	226.0	225.0	227.0	227.0	230.0	234.0	233.0	235.0	234.0	234.0
Streetlights	4,810	4,815	4,819	4,819	4,850	4,848	4,848	4,848	4,858	4,932

Sources: Various government departments.

CITY ATTORNEY

The mission of the City Attorney's Office is to provide preventative and proactive 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. Additionally, the office negotiates, acquires and sells real estate on behalf of the City and prosecutes Municipal Code violations. The Office administers the City's property and liability insurance coverage and assists Human Resources with workers' compensation coverage. The City Attorney serves as the chief negotiator on the City's bargaining team. The City Attorney also serves as the Council parliamentarian. The Office also ensures compliance with federal, state, and local laws.

STAFFING AND WORKLOAD

In 2019, our office was staffed with a full-time City Attorney, Assistant City Attorney, and paralegal. In 2019, the office completed 321 requests for legal services from City departments and officials, handled 113 litigation matters (ranging from dog bites to federal lawsuits), and prosecuted 810 municipal citations.

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 2019 was \$79,919. Total claims paid out by CVMIC for the year 2019 were \$0 for general liability claims. Claims reports were filed quarterly with the City's Finance Committee

The City also purchases Employment Practice Liability Insurance, Excess Public Entity Liability Insurance, Volunteer Insurance, and Crime Insurance through CVMIC to ensure coverage should any incidents occur.

PROPERTY INSURANCE

The Municipal Property Insurance Company has been the City's property insurance carrier since 2016. The total property and floater premium for 2019 was \$101,626.

AUTO LIABILITY / AUTO PROPERTY DAMAGE

The City Attorney handles the Auto Liability through CVMIC. The premium for 2019 was \$27,977. No claims were paid out in 2019 due to all claims being below our deductible.

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 Human Resources Department arranges annual training for City staff to reduce exposure to liability.

WORKERS' COMPENSATION

The City's workers compensation program transitioned to a self-insured workers' compensation program administered by CVMIC on January 1, 2016. The total cost for excess coverage and third-party administration was \$32,504 in 2019. The self-insured fund is managed by Human Resources and Finance.

STATE AND NATIONAL MEMBERSHIPS

The City Attorney and Assistant City Attorney are members of the Wisconsin State Bar, the League of Wisconsin Municipalities, the International Municipal Lawyers Association, and the Manitowoc County Bar Association. Both attorneys are admitted to practice before all Wisconsin State Courts and the United States District Court for the Eastern District of Wisconsin.

FINANCE DEPARTMENT **CITY CLERK'S DIVISION**

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 Board of Public Works, Board of Review and Committee of the Whole. 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, conducts absentee voting, 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 Wis Vote System for City of Manitowoc voters.

Another area of responsibility for the clerk's office is licensing. The City licenses all taverns, liquor stores, mini marts, bartenders, taxi drivers, taxi companies, theaters and garbage trucks. Other types of licenses issued are cigarette, bowling alley, adult entertainment, Christmas tree, well operation permits, pawnbrokers, mobile home parks, direct sellers, direct sellers, weights and measures, circus, and permits for racing as well as the keeping of chickens and honeybees.

The Clerk's office is responsible for outgoing mail and distribution of mail received to departments. Various special assessments 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 online the Statement of Assessment, Tax Exempt Property, Cigarette and Alcohol reports.

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 membership in the Wisconsin Municipal Clerk's Association.

The Clerk's Division is also the Customer Service area for City Hall assisting customers with all facets of City business. We have merged with the Treasurer's office and are able to take in real estate taxes, dog and cat licensing, parking, speeding and other tickets as well as Court fines.

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, function ability, enhancement requests, submittal of work orders 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.

HUMAN RESOURCES

MISISON

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 & WELLNESS

The City's health and prescription drug plan is administered by Robin Health Partners. The City continues to focus on wellness and encouraging employees to focus on their health. Each year, employees are able to participate in a health risk assessment/biometric screening to promote preventative care and early diagnosis of critical illnesses. An employee clinic is available to employees to defer costs and prevent and manage illnesses, along with numerous wellness activities and challenges for employees to participate in. Go365, an online wellness portal, was implemented in 2017 and continues to be well-received.

COMPENSATION PLAN

The Human Resources Department launched a compensation analysis plan in 2013 to establish a single pay structure for City positions consistent with the marketplace, which was implemented in 2014, and revised in 2017. That structure, along with the overall performance management process, was revised again in 2019, to allow for managers to recognize high performing employees with additional compensation through a hybrid pay-for-performance structure. These updated guidelines were established to standardize the performance management process. Each year the structure will be adjusted based on the previous year's market increase, as indicated through a statewide survey. The Common Council committed to a regular review of the structure to ensure the City's structure maintains consistency with the marketplace.

EMPLOYEE RELATIONS

The Human Resources Department bargained with two employee union groups in 2019. The City of Manitowoc Firefighters Local 368 agreement is not yet settled and is currently in mediation. The agreement with the Teamsters Local 662 has been bargained and we are hoping to ratify the agreement shortly.

ORGANIZATION DEVELOPMENT & TRAINING

The Human Resources Department has been focusing on performance management for all employees. In 2019, we implemented an electronic performance management system, which streamlined the process. Supervisory training on a variety of topics is scheduled annually and is provided by our liability carrier, Cities and Villages Mutual Insurance Company (CVMIC).

EMPLOYEE RECRUITMENT, DEVELOPMENT, & RETENTION

The Human Resources Department continues to use an online application system since eliminating paper applications in 2015. The tuition reimbursement program has been well-received and participation continues each year. The City continues to recognize employees through a years-of-service and retirement recognition program.

RISK MANAGEMENT AND SAFETY

The Safety committee has been conducting inspections and drills throughout City departments and completed the conversion of all MSDS sheets into an online database, MSDS Online. Safety training is provided annually to employees including Confined Space Entry, Forklift, Hearing Conservation, Hazard Communications, PPE and Respiratory Protection. The Safety Committee has introduced numerous safety topics and activities for employees to participate in throughout the year.

MUNICIPAL COURT

There were 4,924 new Municipal Court citations filed with the Court in 2019, as opposed to 4,848 in 2018. The Court disposed of 4,664 cases in 2019, as compared to 4,948 cases in 2018. Total revenues for 2019 were \$644,619, as compared to \$598,050 in 2018. Forfeitures collected in 2019 were \$347,204 compared to \$314,317 in 2018. Court costs collected in 2019 were \$94,653, as compared to \$93,740 in 2018.

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 (Stacey Groll) 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 once 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.

While elected the City of Manitowoc's youngest Mayor at the age of twenty-two, Mayor Nickels is not unlike the community he was elected to lead. Both Mayor Nickels and the City of Manitowoc are vibrant, energetic, forward thinking and have a tremendous amount of community pride that is rooted in the understanding of Manitowoc's deep history and tradition.

Like most of Manitowoc's citizens, Mayor Nickels grew up in a working class family with an affinity for helping those around them. 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.

This led Mayor Nickels to enter politics and government at a young age - working on campaigns and debating public policy since the age of nine. In 2005, at the age of eighteen and still in high school, Mayor Nickels beat the odds and defied the critics when he was elected to serve on the Common Council, defeating a sixteen year incumbent to represent Manitowoc's Second Aldermanic District.

During Mayor Nickels' time on the Council, he remained steadfast in his commitment to listen first and act second to ensure he was acting according to the will of those he represented - a commitment that he has brought with him to the Mayor's office. Mayor Nickels served as the Council's leading advocate for fiscal responsibility, with the mantra that, "We must prioritize our needs over our wants," a mantra that he has also brought with him to the Mayor's office.

On the Council, Mayor Nickels served on numerous committees, including Finance, as well as Personnel, where he served four years as Chairperson. Mayor Nickels served as City Council President from April 2007 through April 2008. He was re-elected to the Council in 2007 and 2009.

On April 7, 2009, Justin M. Nickels was elected Manitowoc's twenty-seventh Mayor - its youngest Mayor ever, succeeding Manitowoc's longest serving mayor, Kevin Crawford.

On April 2, 2013, Mayor Nickels was re-elected to a second term with 84% of the vote.

On April 4, 2017, Mayor Nickels was re-elected to a third term with 65% of the vote.

Function of the Mayor

The Mayor is the chief executive officer and the chief elected official of the City and is responsible for the administration and management of the City. The Mayor appoints and supervises department heads; appoints members to boards and committees; provides legislative research support; addresses constituents concerns; prepares and submits the annual City budget to the Common Council for review and approval; represents the interests of the City at the local, state and federal level; and promotes the City through professional representation at community events.

Mayor's Office Responsibilities:

MANAGEMENT:

- Responsible for supervising a work force of approximately 350 city officers and employees
- Management of city government functions such as the City Charter Law, Municipal Borrowing, Taxation, Health, Traffic, Open Meeting Law, Police, Fire, Public Works, Zoning, Housing, Redevelopment, Manitowoc Public Utilities, Planning, etc
- Overseeing the City of Manitowoc Common Council meetings, the 3rd Monday of every month

ECONOMIC DEVELOPMENT:

- Provides leadership to further city development and growth
- Administers programs for city development

BUDGET:

- Responsible for \$75 million dollar budget and all fiscal matters in connection with taxation and operation

PUBLIC RELATIONS COORDINATION:

- Prepares and delivers proclamations, recognitions, and other ceremonial functions
- Resolves constituent complaints
- Organizes employee events

APPOINTMENTS:

Appoints various members to City Boards, Commission, and Committees

- Appoints members to Standing Committees of the City Council

Community Development
(January 1, 2019 through December 31, 2019)
*(Includes Planning, Economic Development, Assessor,
and related Building Inspection/Permitting activities)*

Building Permits

Year	Permits (buildings only)	Value (buildings only) ^a	Value of All Construction ^b
2019	654	\$63,166,961	\$82,860,766
2018	614	\$53,022,141	\$69,724,937
2017	739	\$43,458,271	\$61,159,675
2016	597	\$23,073,677	\$35,279,050
2015	689	\$25,714,973	\$31,886,106

^a Includes hail damage repairs (2015)

^b Includes construction, plumbing, electrical, HVAC, and signs. Excludes "hail damage" permits.

Planning, Housing and Economic Development

The City completed two (2) annexations in 2019 for a total of 0.57 acres. There were two (2) residents residing in one of the annexation areas. Since 1990, the City has annexed 3.483 square miles of area. The total area of the City as of January 1, 2020 is 18.342 square miles. There have been no new residential subdivisions added to the City's housing inventory since 2013.

The Community Development Department (the "Department") received, reviewed, and approved site plans for 17 development projects in 2019, compared to 10 development projects in 2017. A listing of some of the larger developments can be found in the section below.

The Department reviewed and approved 20 Certified Survey Maps ("CSMs") in 2019 (compared to 21 CSMs reviewed in 2018). Additionally, the Department facilitated the completion of five (5) change in zoning map requests, one (1) zoning code text amendment, eight (8) conditional use or special use permits, two (2) amendments to the official map, two (2) street vacations, as well as 13 other miscellaneous projects ranging from releasing easements to Tax Increment Financing Boundary Amendments. The Department also administered one (1) land sale, one (1) right of first refusal and multiple land inquiries for property in the City's Industrial Park.

The Department has worked with the owners of Bay Pointe Development which is the former Elks Golf Course. The Department assisted in the creation of the development agreement and various land use amendments to help the development project come to fruition. The projected TIF incremental assessed value is \$21 million with \$4.6 million of incremental tax revenue.

The Department continued to work with the owners of the two vacant mall properties to help redevelop the properties into a higher and better use.

In 2019, the City created the 5422Home program as part of the Healthy Neighborhood Initiative as an affordable financing option for home buyers seeking to purchase a new home. Eligible program participants seeking to purchase a property within the program area could receive a 5-year forgivable loan up to \$5,000 as down payment assistance. A total of \$205,000 in program monies were awarded to 41 applicants. The average market value of the properties was \$88,566.

The CDBG-CLOSE program began on February 1, 2019. As of that date, UGLG's who have a CDBG RLF-ED program will no longer be allowed to make new loans. The City has selected the following options related to the CDBG-CLOSE program:

- Return all RLF-ED cash on hand to the DOA within two years. Any funds returned may be used by the UGLG to fund CDBG eligible projects
- Buy out all outstanding loan receivables and return those funds to DOA and apply for those CDBG funds for CDBG eligible projects

The following projects are tentatively approved by the State of Wisconsin as eligible with a formal public hearing process underway:

Project 1 – Road Projects:

- South 30th / Division Streets to Dewey Street
- Custer Street, West of S 26th to S 39th Streets

Project 2 – Public Facility – ADA Accessibility Improvements:

- Rahr-West Art Museum ADA Accessible Elevator
- Public Safety Building ADA Accessibility Improvements
- Lincoln Park Fieldhouse ADA Accessibility Improvements

In 2019, Strand Adventures was awarded a \$365,000 CDBG Economic Development Revolving Loan. The total project investment was \$1,230,865 which included property acquisition, building renovations and equipment purchases. The purpose of the loan was to purchase equipment to be used to operate a 20,000 SF multi-zone family activity and recreation center in downtown Manitowoc. Projected Job Creation: 10.5 FTE's.

In 2019, the Department partnered with the City Centre LLC, in administering a WisDot Harbor Assistance Program Grant to construct an oversize / overweight loadout facility. A grant amount of \$2,247,000 was awarded to the City and City Centre, LLC with construction of the facility to be completed in the spring of 2020.

The Department received two grants for the construction of a transient dock along the Manitowoc River: i) Coastal Management Grant in the amount of \$56,000 and ii) Wisconsin DNR Recreational Boating Grant in the amount of \$69,944. The dock was constructed in 2019 and will be open in the spring of 2020.

In 2019, the Department continued to partner with the owners of the Schuette Building, a prominent three-story historic downtown property, to assist with financing the renovation of this long vacant building. In addition to a \$250,000 Community Development Investment grant from the Wisconsin Economic Development Corporation, the City also approved \$900,000 in TIF assistance toward the project. The funds will be used to reimburse the property owner for completing certain renovation activities as part of a total \$6 million project.

The Department continued to address the community's most prominent blighted property and brownfield, 1512 Washington Street, or the former Mirro Plant 9 manufacturing facility. In 2019, the City and its Community Development Authority collaborated to oversee the work of consultants and contractors who completed additional environmental investigation work and an initial analysis of the former Mirro buildings structural foundations to determine if a future user could use the existing foundation network for their building. The Department administered additional site assessment grant funds to complete the subsurface investigation of potential legacy contaminants still residing in the soil and groundwater beneath the former manufacturing buildings. Discussions continue with a local non-profit entity for potential reuse of the former Mirro site.

In 2019, the Downtown Façade Grant Program was reestablished. This program provided financial assistance for the rehabilitation and upgrading of building facades. The goal is to restore and protect the original façade whenever possible. Proposed façade applicants must demonstrate that their project is comprehensive in addressing doors, windows, and other architectural features on the building. Total eligible project costs per building façade must be over \$2,000 (\$1,000 Owner match + \$1,000 Program match) to be eligible for a façade grant. The maximum rebate from the City will be \$25,000 and a minimum of \$1,000 per building façade, however the City Council reserved the right to make the final determination as to the total City share for each project based on the individual completed project's resulting impact on the purpose and goal of the Program.

Approximately \$100,000 in façade grant monies have been awarded to date for the below projects:

- 301 N 8th Street Pizza Garden Restaurant
- 812 S 8th Street Mixed Use
- 814 S 8th Street Mixed Use

In addition to providing economic support and direct financing, the Department works to support the environment for business growth and entrepreneurship through planning efforts. In 2019, the Department completed several efforts aimed at creating positive momentum in the City's downtown. The Department started to implement goals and objectives from the Downtown Parking Study and Downtown Master Plan. Some of the downtown projects completed in 2019 were: placement of new wayfinding signage, redevelopment of the downtown events space, installation of pedestrian lighting to the car ferry, transient boat dock and miscellaneous aesthetic improvements.

In 2019, the S.S. Badger Carferry dock reconstruction was completed. The project included replacement of the dock wall, counter weight system and shoreline revetment. The total project costs were approximately \$5,000,000 with funding coming from a federal FASTLANE grant, State Harbor Assistance Program grant and local and private monies.

In 2019 the Department was a key component in the City's purchase of a 20 acre parcel adjacent to the downtown along the Manitowoc River. The property was formerly owned by Wisconsin Central Ltd. (Canadian National) Railroad and is now the largest redevelopment parcel in the downtown in the history of the City.

In 2019, the Department with assistance from their environmental consultant applied for additional EPA Brownfields money from their Community Wide Assessment grant program.

In 2019, the Department continued to administer its EPA Revolving Loan Fund program. Over \$200,000 of funds have been loaned out and subsequently paid back which can then be applied to future remediation projects.

Residential Development

18 new residential structures were constructed in 2019 creating 38 dwelling units. This compares to 17 new residential structures and 76 dwelling units during 2018. 2019 new residential construction included (13) single-family structures, (2) two-unit structures, (1) 5-unit structures, and (2) 16-unit structures. Valuation of new residential construction totaled \$4,441,410, which compares to \$7,321,185 in 2018. New residential construction accounted for 16% of the total annual valuation.

	<u>2019</u>	<u>2018</u>
<u>1 - Unit Dwelling</u>		
Buildings	13	10
Units	13	10
Construction Value	\$2,891,000	\$3,040,185
<u>2 - Unit Dwelling</u>		
Buildings	2	3
Units	4	6
Construction Value	\$650,410	\$936,000
<u>3 & 4 Unit Dwelling</u>		
Buildings	0	1
Units	0	4
Construction Value	0	\$250,000
<u>5+ Unit Dwelling</u>		
Buildings	3	3
Units	21	56
Construction Value	\$900,000	\$3,095,000
Total Buildings	18	17
Total Units	38	76
Total Value	\$4,441,410	\$7,321,185

Commercial/Industrial Development

Commercial development remained strong throughout 2019. 134 building permits were issued for commercial projects during 2019. These permits totaled \$49,066,129 in valuation and accounted for 59% of the total annual project valuation.

Commercial development in 2018 resulted in 101 building permits issued. These permits totaled \$36,989,522 in valuation and accounted for 53% of the total annual project valuation.

2019 Top Commercial & Industrial Projects			2018 Top Commercial & Industrial Projects		
<u>Project</u>	<u>Type</u>	<u>Construction Value</u>	<u>Project</u>	<u>Type</u>	<u>Construction Value</u>
Lakeside Foods	137,695 SF New Freezer	\$19,100,000	Lakeside Foods	116,664 SF Addition / Alteration	\$22,000,000
Redline Plastics	119,945 SF New	\$7,265,981	Angelus of Manitowoc	64,206 SF 52 UNIT RCAC	\$3,700,000
Meijer Retail Store	159,264 SF New	\$6,279,500	Doneff's Schuette Building	50,739 SF Alteration	\$3,320,000
Briess Warehouse	112,500 SF New	\$2,870,000	Kerry Red Arrow	19,706 SF Interior Build Out	\$1,850,000
MTM Warehouse	33,900 SF Addition	\$1,340,000	Manitowoc Pattern	10,800 SF Addition	\$1,544,000
Aldi Foods	19,492 SF Addition	\$1,200,000	Capitol Civic Centre	15,050 SF Alteration	\$1,242,775
Briess Industries Roasters	3,264 SF Addition	\$1,150,00	Wisconsin Aluminum Foundry	23,595 SF Addition	\$1,052,000
Meijer Gas Station	3,366 SF New	\$1,128,500	Menards	Millwork Mezzanine Expansion	\$800,000
Verizon	2,999 SF New Building	\$625,000	Panera Bread	4,300 SF Building Shell	\$683,125
Tree House Theater	11,032 SF Interior Alt	\$525,000	Menards	26,500 SF Addition Storage Building	\$600,000

Tax Incremental Districts and Financing

The Department also led the process of creating a new Downtown TID #19 district to help provide gap financing for new projects. The department also created TID #20 to help a local business with their \$22 million dollar plant expansion in addition, TID #21 was created in the City's Industrial Park to provide financial assistance to a business constructing new in the park. To allow for the creation of TID #21 an older TID, TID #12 had to be amended.

TID No. 20 Boundary Amendment No. 1 was created to repurpose industrial and underutilized properties and to improve the viability of the area as an employment center.

TID No. 20 Project - Alliance Laundry.
Project Development Agreement for \$852,000 Pay-Go TIF Grant.

Total project investment of approximately \$29.9 million for the property including acquisition of the approximately 50-acre property including over 400,000 SF of buildings, equipment purchases, site preparation (utility infrastructure), building updates, and soft costs. The purpose of the Project is to house Alliance Laundry Systems LLC operations, allowing for expansion of the developer's company within Wisconsin, new operations in the City of Manitowoc, and reuse of approximately 350,000 SF of existing manufacturing space. The Project will result in an increase to the value of the property and also in substantial job creation in the City up to 250 FTE's over 3 years, positions will all be Union Steel Worker positions.

TID No. 20 Project - Lakeside Foods Expansion.

Project Development Agreement for \$4,252,000 Pay-Go TIF Grant.

Total project investment of \$21,260,000 to include hard construction costs resulting in an estimated taxable value of \$19,000,000. Construction of a new 137,000 SF freezer storage facility on the existing land owned by Lakeside Foods. The development will allow the developer to meet customer demands, regulatory expectations, and to grow business. Projected Job Creation: 5-10 warehouse employees.

TID No. 21 was created to promote industrial development and to accommodate growth of existing manufacturing businesses in the community along with new development, creating tax base and employment opportunities for the community.

TID No. 21 Project – Redline Plastics

Project Development Agreement for \$2,000,000 Pay-Go TIF Grant.

Construct an approximately 118,000 square foot, state-of-the-art, manufacturing facility and specialized equipment to support continued business growth in accordance with this Agreement. The total Project costs will be approximately \$12.5 million with an estimated construction cost of \$8.2 million. The assessed value increase is estimated to be \$8.2 million upon completion. The purpose of the project is to house Red Line Plastics, LLC and Dowco Powersports, LLC operations to accommodate increased sales, solidifying the developer's commitment to its Manitowoc location. Projected Job Creation: 44 employees over 3 years.

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 City's Ascent database are regularly used by several departments. These layers are used continuously to query fields in the database and to create mailing lists for the Community Development, Public Infrastructure, Parks & Recreation, Assessors, Building Inspection, Public Works, Police, and Fire Departments and Divisions, as well as Manitowoc Public Utilities (MPU).

All GIS software and maintenance agreements were upgraded by the Department to the latest upgrade available. One Department staff and two Public Infrastructure staff used the software on a daily basis in 2019. In 2019, the Department continued to maintain and improve its own GIS Server to evolve the online mapping presence of the City. The server allows for the City to create useful applications to be posted on the city web page for the use of the public, as well as internal web maps used by various City departments. The Department continues its partnership with Manitowoc County to provide mapping and assessment information on the internet via ESRI's ArcGIS Server software. The City and County began working with new apps and maps available on the ArcGIS Online website

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.

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-wide economic development organization, Progress Lakeshore, and the regional economic development organization, NEW North, to market the Manitowoc community to prospective businesses and residents. The Department lists its available industrial park properties on the *Loopnet* commercial real estate website. In addition, the Department maintains partnerships with the Manitowoc Area Visitor and Convention Bureau and the Chamber of Manitowoc County toward overall marketing of the community.

Department Staff

In 2019, the positions of Director of Community Development and Associate Planner / GIS Coordinator were filled with new employees. The position of Associate Planner / Business & Housing Development was created in 2018 and subsequently filled in 2019.

Assessor's Office

Accurate Appraisal, a national appraisal company, is currently the statutory assessor for the City. Consultants from Accurate Appraisal provide one day each week 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. The combination of City staff and consultant assistance provides the right balance of local customer service and quality professional service at a reasonable cost.

POLICE DEPARTMENT

In 2019 the Manitowoc Police Department remained busy hiring new officers, enhancing our parking enforcement system, creating recruitment agreements, and adding new equipment to help keep the public safe.

Additionally in 2019, the Police Department's proactive enforcement philosophy resulted in the second lowest amount of reported traffic crashes in the last seven years (2018 was the lowest in more than 7 years). In 2019 compared to 2016, there were 146 less traffic crashes in the City of Manitowoc. That amounts to a 10% reduction.

After more than 31 years with the Manitowoc Police Department, Assistant Chief Scott Luchterhand retired in 2019. AC Luchterhand served in many positions throughout his career including, Cadet (1987), Patrol Officer (1988), Sergeant (1996), Lieutenant (2000), Detective Lieutenant (2005), Detective Captain (2008) and Assistant Chief (2016). He has numerous accomplishments including his involvement in the Drug Recognition Expert Program (Lifetime Achievement Award in 2016), developing the Manitowoc Police Department Citizen's Academy, Noon Rotary Officer of the Year (1996), and graduating from the FBI National Academy (Class 229 in 2007).

In 2019, Deputy Chief Rob Barbier was promoted to Assistant Chief. Captain Jason Freiboth was promoted to Deputy Chief, Lieutenant Jeremy Kronforst was promoted to Captain, and Officer John Musial was promoted to Lieutenant. Officer Jeff Buck, Officer Pete Damm, and Lt. Karl Puestow also retired. Temporary Detective Adam Sohlden was promoted to Patrol Lieutenant. Officer Eric Schultz was assigned as a Temporary Detective to fill the open Manitowoc County Metro Drug Unit vacancy. In 2019 the Police Department hired seven new officers. All seven hires have local ties to the Manitowoc community.

The Police Department invested in a new parking enforcement system and parking vehicle. The old right-hand-drive Jeep Wrangler was replaced with a Toyota Sienna all-wheel drive van. The van is equipped with a Genetec AutoVu System which includes four cameras mounted on the van. Those cameras are license plate readers which automatically take photos of license plates and keeps track of when and where those plates were recorded. In two hour parking zones the system alerts the operator when the same plate is located more than two hours later in the same spot. This electronic chalking system takes the place of using chalk to mark tires.

The City of Manitowoc and the Manitowoc Police Union signed a Training Academy MOU, a Lateral Entry MOU, and a Pregnancy MOU in 2019. The Training Academy MOU allows those officers hired by the City but still needing to complete the Recruit Academy (to become certified police officers) to be paid a reduced hourly rate while attending the 720 hour Recruit Academy. The Lateral Entry MOU allows those officers hired by the City with full time Police Officer experience from another law enforcement agency to be hired at a rate of pay based on their years of full time experience when hired. Additionally, this allows for prior years of experience to be considered for the amount of vacation the police officer is afforded. The pregnancy MOU allows for pregnant officers to be offered light duty assignments (if light duty work is available) upon request at or after 24 weeks of pregnancy.

All marked squad vehicles are equipped with computers that require routers. Our Rocket Utility routers had reached their end of life and needed to be replaced. The old routers were replaced with new CradlePoints that should last another 5 to 10 years.

The Department purchased three tintometers. These are used to determine whether or not vehicles are operating with illegal tint on their windows. Illegal tint is dangerous for officers approaching vehicles during a traffic stop (can't see into the vehicle to check for weapons). Additionally, at night illegally tinted windows create a visibility issue for the drivers. Illegally tinted windows also make it difficult for officers to visually recognize drivers that are operating without a valid driver's license, with warrants, without wearing their seatbelts, texting while driving, and other violations. The Police Department has stepped up this enforcement and plans to continue doing so.

The Department added a PepperBall launcher to its non-lethal options at the end of 2019. This piece of equipment will give us the ability to disable a suspect while maintaining a safe distance away from the individual that is actively resisting, or threatening to actively resist. This device will be implemented once all the appropriate personnel are trained to use it.

Our officers and employees of the Police Department were involved in several volunteer and fundraising efforts throughout the year. Some examples include Shop with a Cop, Stuff the Squad, Citizen's Academy, Police Lights of Christmas, and the Ten Most Wanted food drive to fundraise for Peter's Pantry.

The Manitowoc Police Department continues to strive each and every day to provide the kind of service that our community deserves. We are committed to providing excellent police service and an unrelenting pursuit of justice, while maintaining order and securing a safe environment for everyone. Our Facebook page continues to add followers and is used like never before to share valuable information, give tips, and solve crimes. Engaging the community to improve quality of life and safety remains a priority for the Manitowoc Police Department.

FIRE AND RESCUE DEPARTMENT

The primary mission of the Manitowoc Fire Rescue Department is committed to protecting the people and the property within our City. We will be responsive to the needs of our citizens and visitors by providing rapid, professional, humanitarian services essential to the health, safety and well-being of the City. Our members will work hard every day to maintain the highest professional standards and to earn the public trust through our actions.

A range of programs have been developed and designed to protect the lives and property of the citizens in the City of Manitowoc. This is accomplished through three specific divisions within the Manitowoc Fire Rescue Department.

The Administration Services Division: is responsible for all operations of the organization. Headed by the Chief of Fire Rescue, 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 Fire Rescue, 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 six (6) Captains, six (6) Lieutenants, fourteen (13) Motor Pump Operators and twenty-five (26) 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 Life Safety Neighborhood Services 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 are 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.

The Manitowoc Fire Rescue Department is responsible for the leadership of 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 this goal 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 credentialed inspectors, one code enforcement officer and an Administrative Assistant Professional.

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 use the local newspaper, Facebook, and Twitter to get our safety messages out to the public.

In closing, it is the vision of the Manitowoc Fire Rescue Department is dedicated to remaining a progressive and innovative Fire Rescue Department that ensures a safe community. We shall strive to provide the best public service through innovative training, ongoing education and cutting edge equipment. Our ultimate goal is to provide excellent fire, rescue and Emergency Medical Services.

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 five (5) Divisions consisting of a mix of technical, clerical, professional and skilled personnel. The five Divisions are:

1. Engineering and Storm Water Management
2. Operations
 - a. Streets, lift station, sanitary and storm water maintenance
 - b. Cemetery
 - c. Forestry
 - d. Buildings / Grounds
 - e. DPW / Fleet
 - f. Electricians
 - g. Bridges / Marina
3. Maritime Metro Transit
4. Parks, Recreation, Senior Center and Aquatic Center & Zoo
5. Business Management

ENGINEERING AND STORM WATER MANAGEMENT

The Engineering Division's responsibilities include preliminary and detailed engineering analysis of not only Public Infrastructure projects, but also the evaluation of many privately funded projects which affect the City such as review of new developments, building site plans, and proposed subdivisions.

Engineering offers technical support to other city departments for projects in the conceptual and design phases. The Engineering Division also administers all capital project contracts from planning through construction and closeout.

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

Developmental tasks of the Division include the biennial bridge inspections, which is an in-depth look at our 13 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 2019 / 2020 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, Lakeshore Natural Resource Partnership (LNRP), 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 Community Development 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, 13 Lift Stations, 36 Parks, Manitowoc Marina, DPW and Parks Buildings and Grounds, Forestry, Evergreen Cemetery, 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 year. 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 one yard waste pick-up per year and a spring cleanup in April. 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. 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 36th year of being named a Tree City.

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 the City's Waste Water Treatment Facility (WWTF). The Division currently maintains 13 sanitary lift stations. These lift station maintenance expenses are funded by the WWTF.

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.

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 3 full-time employees augmented by seasonal 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. An exciting new addition in 2012 was Lights in Lincoln Park, open nightly from December 7th through December 31st. Lights in Lincoln Park was sponsored by the Zoological Society with all proceeds benefitting the zoo and zoo animals. The Cat Exhibit was renovated in 2014 and two cougars were added from the Species Survival Program. A new whitetail deer exhibit has also been created to make it a more natural setting for the deer. The purchase of a buck 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 capital assets of the city. This includes all city-owned vehicles, DPW and Parks buildings and bridges. It also manages the day to day maintenance and operations of our port and harbor and has responsibility for the city's boat launch ramps and shorelines.

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

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

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

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

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

MARITIME METRO TRANSIT

Maritime Metro Transit (MMT) originated on January 1, 1978 when the City of Manitowoc took over the operation from a private operator. System funds are generated from four major sources – Federal and State Government Subsidies, grants, local property taxes, and fare box revenues. In its present form, the system consists of six (6) fixed bus routes with five (5) making 30 minute circuits and one (1) 60 minute circuit (service to Two Rivers). In addition, MMT coordinates the paratransit system serving both city and county residents. The paratransit service provides transportation for those elderly or disabled citizens who cannot use the bus or are not near a bus route. This latter group includes the County's rural transportation program.

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

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

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

BUILDING AND GROUNDS

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

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

AQUATICS, RECREATION AND SENIOR CENTER

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

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

The Recreational programs offered through the City of Manitowoc attract over 99,000 participants. 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.

A third phase to the Family Aquatic Center will be constructed in 2020 in time to open for the 2021 season.

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. The museum remains one of only 17 museums in Wisconsin accredited by the American Association of Museums – the benchmark for quality museum stewardship.

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 2019, the museum reported rental revenue of \$15,450.

Community Outreach

The Rahr-West Art Museum continued to expand on successful collaborations with other institutions and community outreach. These have strengthened the museum's presence in the community and extended its services. In 2019, 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. 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.

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.

Additionally, the museum partners with Manitowoc Public Library to provide digital art education for free through their DAP Program. In 2019, 14 local teens were given iPad pros and took a 12-week course to develop creatively using digital technology.

The Rahr-West continues to bring visual arts outside our doors and throughout our community. Off-site activities in 2019 included art education programming at Subfest and Owlfest.

A new initiative of the Rahr-West Art Museum, the museum's Public Arts Committee has a vision to integrate visual art into the daily lives of Manitowoc residents by celebrating and building upon our City's creative culture and history, as well as encouraging artists and art enthusiasts to visit and live here.

The Committee's first project "Art Forward: Hop, Skip, Jump into our Future," was installed on a fence on Washington Street block of the former Mirro site between 15th and 16th Streets. This collaborative art project will add energy, personalization, and inspiration to our downtown and larger community. The artistic fence wrap project was dedicated at ArtSlam in September, 2019.

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. Sputnikfest 2019, which marks the 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, was attended by approximately 3,500 people.

These on-going efforts have been recognized by USA Today, The New York Times, Travel + Leisure Magazine, Reader's Digest, ad more.

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, assistant director administrative specialist, and weekend security staff the Rahr-West is accredited by the American Association of Museums, we are members of the 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 ArtSlam public art initiative.

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 and 2017. 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 22 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 2019, the WWTF treated and discharged an average of 8.5 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 15 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 13 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 biosolids 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 are analyzed and 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.

MPL 2019 REVIEW

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 in the center of downtown Manitowoc and overlooks Lake Michigan and the Manitowoc River. The 54,120 square foot building, completed in 1998, was designed to meet the needs of the community in the 21st century.

In 2019, Manitowoc Public Library once again collaborated with Lester Public Library to support a "Libraries Build Strong Communities" campaign where we incentivized shopping local. By shopping local during National Library Week, the public received entries into raffle drawings at their local library. This helped to promote our businesses and all that our community is proud to offer. In addition, we implemented a major first floor redesign focusing on supporting 21st century workforce skills. Through this redesign, we were able to build and expand on technology assistance offered to the community through the creation of our Idea Box. We were also able to create a business center, enhance digital literacy access, and provide areas for community connection. We look to complete this project in 2020.

Manitowoc Public Library continues to provide quality and innovative programming to citizens of all ages.

MANITOWOC PUBLIC UTILITIES

Manitowoc Public Utilities (MPU) is a municipality-owned electric and water utility serving approximately 18,100 electric accounts and 13,800 water accounts in the City of Manitowoc. In 2019 MPU generated approximately 26% 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 2019, MPU was the highest contributor to the City of Manitowoc's tax role with payments of \$3,609,300. MPU had operating revenues of \$72,823,000 in 2019, on an asset base of \$264,800,000. 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. Electric power is supplied through 234 miles of electric distribution lines and 7 substations. Power generation assets include over 100 megawatts of capacity between the Municipal Power Plant facility on Columbus Street and the gas turbine/generator at the Custer Street Energy Center.

Drinking water is supplied from a state-of-the-art microfiltration plant and two collector wells on the shore of Lake Michigan. Microfiltration uses membrane fibers to filter water, providing an absolute barrier against water borne viruses and bacteria such as cryptosporidium and giardia. In 2014 MPU celebrated 100 years of service to the community.

MPU is the largest of 81 municipally owned electric utilities in the State of Wisconsin. The water utility pumped about 2.0 billion gallons of water into its distribution system in 2019, while the electric utility delivered over 519 million kilowatt hours to customers. MPU also maintains approximately 5,700 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 one of three gas fired boilers, boiler 10 installed in 2012, and boilers 11 and 12 installed in 2016. 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 71 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 2019 approximately 2.4 billion gallons of water were delivered to the CBCWA.

MPU employs approximately 87 full-time employees and 3 part time employees.

The Utility is run separately from City government and is managed by a CEO & General Manager. The CEO & 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).

In 2018, MPU and the City of Manitowoc entered into an intergovernmental agreement transferring management and oversight of the Wastewater Treatment Facility operations to MPU from the City. The contract is for a three year term and started on January 1, 2019.

University of Wisconsin-Green Bay, Manitowoc Campus

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, UW-Fox Valley and UW-Fond du Lac. Carla Rabe is the UW-Manitowoc Campus Administrator.

There are currently 50 employees at UW-Manitowoc; 30 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 been a part of the Manitowoc community 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, 2001 and 2018. On July 1, 2018 the Manitowoc Campus joined UW-Green Bay along with Sheboygan and Marinette to become 1 University with 4 campuses, 1 staff, 1 faculty, 1 student body, 1 mission and 1 vision. In Manitowoc, we strive to ensure that both the educational and the physical resources of the University are available to area residents.

Part of the state-wide University of Wisconsin System, UW-Manitowoc is one of the 14 freshman/sophomore campuses of the UW Colleges. The campus land and buildings are owned by Manitowoc County. UW-Manitowoc completed a \$7 million renovation of the library, science and arts areas on campus during 2017-2018.

Accredited by The Higher Learning Commission, UW-Manitowoc offers its students the best of two worlds - the small classes and personal attention of a small college at a low public university cost. UW-Manitowoc, along with the other UW Colleges, offers the lowest tuition rate in the UW System.

Lakeshore Technical College

Lakeshore Technical College is a not-for-profit, public, two-year post-secondary educational institution focused on occupational education. It is one of 16 two-year post-secondary technical colleges in Wisconsin that operates under the administration of the Wisconsin Technical College System (WTCS). The District is governed by a local nine-member District Board of Trustees (LTC Board) whose representation is determined by state statute.

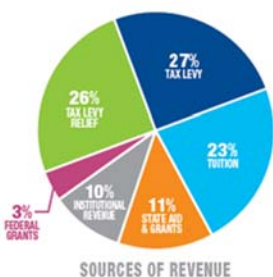
Located in east central Wisconsin, LTC serves a district which measures approximately 1,200 square miles, covering Manitowoc and Sheboygan counties and small segments of Calumet and Ozaukee counties. The main campus, consisting of six buildings on a 154-acre site, as well as an environmental campus, is in the Village of Cleveland, Wisconsin, centrally located between the District's two primary city centers, Manitowoc and Sheboygan. The College operates two learning centers strategically located in the Sheboygan and Manitowoc County Job Center facilities, as well as the Lakeshore Culinary Institute in the heart of downtown Sheboygan. LTC also runs community education centers in District high schools with a focus on Mishicot, Cedar Grove-Belgium, Oostburg, and Random Lake. Two Rivers, Kiel and Elkhart Lake High schools also host classes. Plymouth High School is home to the Science and Technology Center. The School of Agriculture opened in January 2018 as a part of the Farm Wisconsin development. This center has two classrooms and a state of the art agriculture lab with the capability to deliver instruction to remote sites via ITV.

LTC was recently awarded just over \$2.3 million in competitive grants that brings new dollars to our local economy, while allowing the college to expand programming, invest in high-tech equipment, and provide support services for students.

LTC's 2018-19 total budget is \$50,160,000, a 3.15 percent decrease from 2017-18 estimates. The decrease is mainly attributed to a decrease in the capital projects fund. Total revenues for all funds equal \$45,844,000, a .60 percent increase from 2017-18. Operating revenues are at \$33,405,000, a .50 percent decrease from 2017-18. State grants in operating funds decreased \$328,000 due to more funding for equipment than operating costs. State grants in operating funds include \$1,125,000 in WTCS block grants and \$178,000 in other state grants. Federal grants increased \$73,000, or 6.24 percent due to an increase in AEFL grants and other anticipated grants. Additional opportunities are being sought as opportunities arise. The tuition rate is a 1.5 percent increase while full-time equivalent (FTE) student growth is anticipated to be about the same as 2017-18 levels.

LTC receives 26.05 percent of its total revenues from local property taxpayers. In 2018-19, the owner of a \$150,000 home will pay \$124.32 in taxes to support LTC, which is \$0.90 higher than 2017-18. The total tax levy is \$11,941,000, which is a 1.74 percent increase over last year. The tax rate of \$.829 per thousand dollars of equalized valuation increased by \$.006.

FUNDING

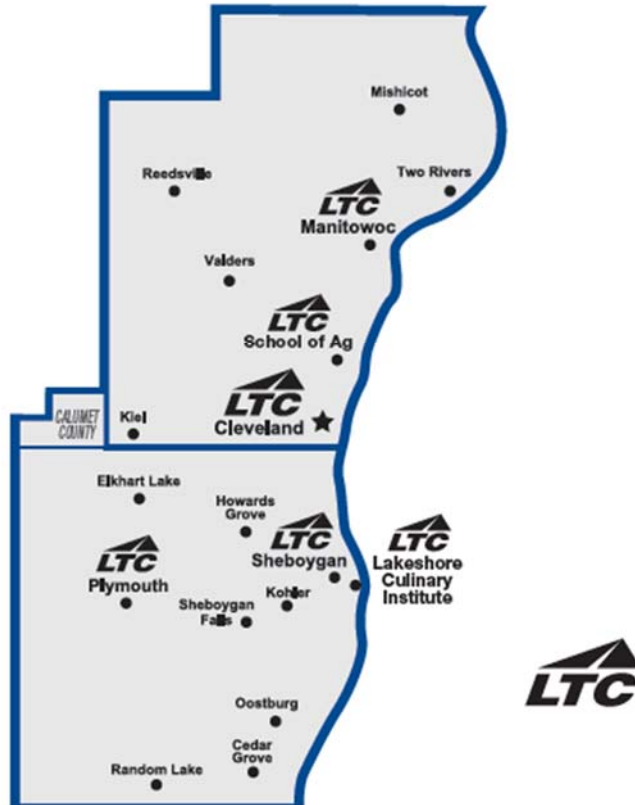


\$52,725,000
TOTAL 2019-20 BUDGET

TAXPAYER IMPACT ON
\$150,000 HOME:
\$124.32

We are proud to say that 75% of employed LTC graduates stay and contribute to the Lakeshore's economic development—with associate degree grads earning an annual median salary of \$47,000. Further, 128 businesses contracted with the college for customized training and more than 5,000 workers participated in LTC training last year. Additionally, for every \$1 taxpayers invest in LTC, taxpayers receive a cumulative value of \$2.80 over the course of the students' working lives. The average annual rate of return is 9.3%, a solid investment that compares favorably with other long-term investments in both the private and public sectors, according to a March 2017 Economic Impact Analysis conducted by EMSi (www.economicmodelin.com).

FIND LTC THROUGHOUT THE COMMUNITY



MANITOWOC PUBLIC SCHOOL DISTRICT

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.

New mission and vision statements, and core values were adopted in 2017 to help guide the MPSD in becoming the best district in the universe.

Mission Statement: The Manitowoc Public School District commits to educate, engage and inspire all learners to thrive in a global community.

Vision Statement: Inspiring Education-Empowering Community-Unleashing Potential

Core Values: Relationships-Compassion-Collaboration-Dedication-Integrity-Inspiration

The MPSD is a caring and supportive community of staff, students and parents.

Every child is an individual and learns in different ways. Children of the same age and in the same grade may have different levels of achievement and that is why MPSD teachers use a wide variety of teaching methods.

The district operates under a Board of Education, which consists of seven citizens elected at large by voters of the district. The Board members are responsible for administrative supervision of all public schools in the district.

Superintendent Mark Holzman was appointed to head the district in July 2015.

MPSD, a unified school district established in 1910, includes the entire City of Manitowoc and some of the bordering rural area - a total of 93 square miles. The district has the 28th largest enrollment among the 426 public school districts in the state.

The MPSD has one comprehensive high school, an alternative high school (operating as a charter school), two junior high schools, six grade 1-6 elementary schools, and an early childhood center that serves all MPSD kindergartners, preschoolers and Head Start youngsters.

**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, (the "City") as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 29, 2020.

INTERNAL CONTROL OVER FINANCIAL REPORTING

In planning and performing our audit of the financial statements, we considered the City'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's internal control. Accordingly, we do not express an opinion on the effectiveness of the City'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.

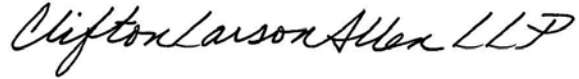
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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'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 the City'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's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 29, 2020

**FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE**



Independent auditors' report on compliance for each major federal and state program and on internal control over compliance 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 the City of Manitowoc, Wisconsin's ("the City'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 the City's major federal and state programs for the year ended December 31, 2019. The City'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 the City'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 the City'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 the City's compliance.

OPINION ON EACH MAJOR FEDERAL AND STATE PROGRAM

In our opinion, the City 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, 2019.

Report on Internal Control Over Compliance

Management of the City 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 the City'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'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 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2019-001 that we consider to be a material weakness.

The City's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.



CliftonLarsonAllen LLP

Sheboygan, Wisconsin
July 29, 2020

City of Manitowoc, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/19	Total Expenditures	Subrecipient Payment
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT								
Community Development Block Grant - Program Income	14.218	Direct Program	N/A	\$ -	\$ 84,509	\$ -	\$ 84,509	\$ -
U.S. DEPARTMENT OF JUSTICE								
Public Safety Partnership and Community Policing Grant	16.710	Manitowoc County	Unknown	-	1,554	4,842	6,396	-
Bulletproof Vest Partnership Program	16.607	Direct Program	N/A	(872)	3,170	3,715	6,012	-
Total U.S. Department of Justice				(872)	4,724	8,557	12,409	-
U.S. DEPARTMENT OF TRANSPORTATION								
Federal Transit Cluster								
Capital Assistance Grant	20.500	Direct Program	N/A	-	2,057,529	83,638	2,141,167	-
Operating Assistance	20.507	Direct Program	N/A	-	553,678	280,445	834,123	-
Total Federal Transit Cluster				-	2,611,207	364,083	2,975,290	-
Nationally Significant Freight and Highway Projects	20.934	City of Ludington, MI	693JF71810001		1,117,609		1,117,609	-
National Priority Safety Programs								
Mobilization Grants	20.616	WI Department of Transportation	Unknown	-	9,575	-	9,575	-
Total U.S. Department of Transportation				-	3,738,391	364,083	4,102,475	-
ENVIRONMENTAL PROTECTION AGENCY								
EPA Assessment Award	66.818	Direct Program	N/A	-	363,817	2,877	366,694	-
EPA Revolving Loan Fund	66.818	Direct Program	N/A	-	3,100	-	3,100	-
Total Brownsfields Grants				-	366,917	2,877	369,794	-
TOTAL EXPENDITURES OF FEDERAL AWARDS				<u>\$ (872)</u>	<u>\$ 4,194,540</u>	<u>\$ 375,518</u>	<u>\$ 4,569,186</u>	<u>\$ -</u>

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

City of Manitowoc, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	State Identifying Number	(Accrued) Deferred Revenue 1/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/19	Total Expenditures	Subrecipient Payment
DEPARTMENT OF NATURAL RESOURCES								
Boating Projects	370.573	Direct Program	RBF-1549	\$ (22,501)	\$ 22,501	\$ -	\$ -	\$ -
DEPARTMENT OF TRANSPORTATION								
Urban Mass Transit Operating Assistance	395.104	Direct Program	N/A	(272,970)	513,732	-	240,762	-
Harbor Assistance	395.128	Direct Program	HAP 17-02	(1,416,265)	2,000,000	-	583,735	-
Harbor Assistance	395.128	Direct Program	HAP 18-05	(562,031)	799,802	-	237,771	-
Harbor Assistance	395.128	Direct Program	HAP 18-07	(876,041)	1,223,724	-	347,683	-
Total Harbor Assistance				<u>(2,854,337)</u>	<u>4,023,526</u>	<u>-</u>	<u>1,169,189</u>	<u>-</u>
Total Department of Transportation				<u>(3,127,307)</u>	<u>4,537,258</u>	<u>-</u>	<u>1,409,951</u>	<u>-</u>
DEPARTMENT OF HEALTH SERVICES								
EMS-FAP Grant	435.167	Direct Program	N/A	-	8,545	-	8,545	-
DEPARTMENT OF JUSTICE								
Beat Patrol	455.275	Direct Program	2018-BP-01-12894	(37,873)	37,873	-	-	-
TOTAL STATE PROGRAMS				<u>\$ (3,187,681)</u>	<u>\$ 4,606,177</u>	<u>\$ -</u>	<u>\$ 1,418,496</u>	<u>\$ -</u>

The notes to the schedule of expenditures of state awards are an integral part of this schedule.

City of Manitowoc, Wisconsin

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards for the City are presented in accordance with the 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.

The schedules of expenditures of federal and state awards include all federal and state awards of the City. Because the schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules 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 2019 fund 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 unearned revenue represents advances for federal and state programs that exceed recorded City expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The City has not elected to charge a de minimis rate of 10% of modified total costs or an indirect cost rate.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal - U.S. Department of Transportation

State - Wisconsin Department of Transportation

City of Manitowoc, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

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 AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	Yes
▶ 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 2 CFR 200.516(a)?	Yes
Any audit findings disclosed that are required to be reported in accordance with the <i>State Single Audit Guidelines</i> ?	No

Identification of major federal programs:

CFDA Number	Name of Federal Program
	<i>Federal Transit Cluster</i>
20.500	Capital Assistance Grant
20.507	Federal Transit Formula Grants
20.934	Nationally Significant Freight and Highway Projects

Identification of major state programs:

State ID Number	Name of State Program
395.104	Urban Mass Transit Operating Assistance
395.128	Harbor Assistance

Audit threshold used to determine between Type A and Type B programs:	
Federal Awards	\$750,000
State Awards	\$250,000
Auditee qualified as low-risk auditee	No

City of Manitowoc, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS

There are no findings related to the basic financial statements required to be reported under governmental auditing standards generally accepted in the United States of America for the year ended December 31, 2019

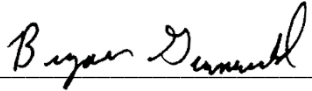
SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

FINDING NO.	UNIFORM GUIDANCE AND STATE SINGLE AUDIT GUIDELINES FINDING
2019-001	Uniform Grant Guidance Implementation Federal agency: All Federal program title: All CFDA: All Award Period: January 1, 2019 to December 31, 2019
Type of Finding:	Internal Control over Compliance – Material Weakness
Criteria:	2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires the City to maintain certain policies related to cash management, cost allowability, procurement, and conflict of interest provisions, along with appropriate financial management systems and internal controls over federal awards to safeguard federal funds.
Condition:	The City has various policies and procedures in place to safeguard its assets and establish related controls over receipts, disbursements, payroll transactions and general ledger maintenance. Federal awards received and disbursed by the City are managed through these policies and procedures; however, the policies and procedures have not been formally revised to ensure compliance with requirements of Uniform Guidance.
Questioned Costs:	Not Determined
Context:	During our testing, it was noted that the City does not have documentation of the proper procurement policy addressing the required elements per Uniform Guidance.
Cause:	As of December 31, 2019, the City has not finalized an assessment of its financial management system and related internal controls over federal awards, along with an evaluation of existing policies for compliance with Uniform Guidance.
Effect:	The City could become noncompliant with requirements of Uniform Guidance, resulting in future findings and questioned costs related to federal awards administered by the City.
Recommendation:	We recommend the City finalize the assessment of its financial management system and related internal controls over federal awards during the 2020 fiscal year. This assessment should include an evaluation of existing policies and procedures to determine where additional enhancements should be made or new policies created, a plan to communicate these policies to City employees, and procedures to periodically review and update, as considered necessary. We also recommend that the policy include documentation expectations related to testing of suspension and debarment.
Views of responsible official	There is no disagreement with the finding. Refer to the management response per the corrective action plan.

City of Manitowoc, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION IV - OTHER ISSUES

- | | |
|--|---|
| 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? | No |
| 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the <i>State Single Audit Guidelines</i> : | |
| Department of Natural Resources | No |
| Department of Transportation | No |
| Department of Health Services | No |
| Department of Justice | No |
| 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? | Yes |
| 4. Name and signature of partner | 
Bryan Grunewald, CPA |
| 5. Date of report | July 29, 2020 |