

CITY OF MARINETTE, WISCONSIN
ANNUAL FINANCIAL REPORT
DECEMBER 31, 2015

CITY OF MARINETTE, WISCONSIN
December 31, 2015

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INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council
City of Marinette, 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 Marinette, Wisconsin ("the City") as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 and the schedules relating to pensions on pages 46 and 47 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2016, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Certified Public Accountants
Green Bay, Wisconsin
June 2, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS



City of Marinette

1905 HALL AVENUE
MARINETTE, WI 54143-1716

Management's Discussion and Analysis

This discussion and analysis of the City of Marinette's financial performance provides an overview of the financial activities of the City and Utilities for the fiscal year ended December 31, 2015. It should be read in conjunction with the City's financial statements, beginning on page 9.

Financial Highlights

- At the close of the fiscal year 2015, the assets of the City of Marinette exceeded its liabilities by \$73,604,173 (net position) versus \$69,802,941 at the close of 2014, an increase of \$3,801,232.
- During 2015, the General Fund balance decreased by \$66,124. At end of the fiscal year, the total general fund balance was \$6,325,367 and the portion that can be used for general operation (Unassigned Fund Balance) was \$4,380,021 which was approximately 41% of the total 2015 General Fund spending budget.

Overview of the Financial Statements

The basic financial statements include three (3) components:

- 1) government-wide financial statements,
- 2) fund financial statements,
- 3) notes to the financial statements.

1. Government-wide Financial Statements (Reporting the City as a Whole)

The government-wide financial statements (pages 9-11) provide readers with a broad overview of the finances of the City government (including Utilities) as a total enterprise. The Statement of Net Position and the Statement of Activities are used to accomplish this.

The Statement of Net Position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the City's financial position. Table 1 on the next page shows the City's net position.

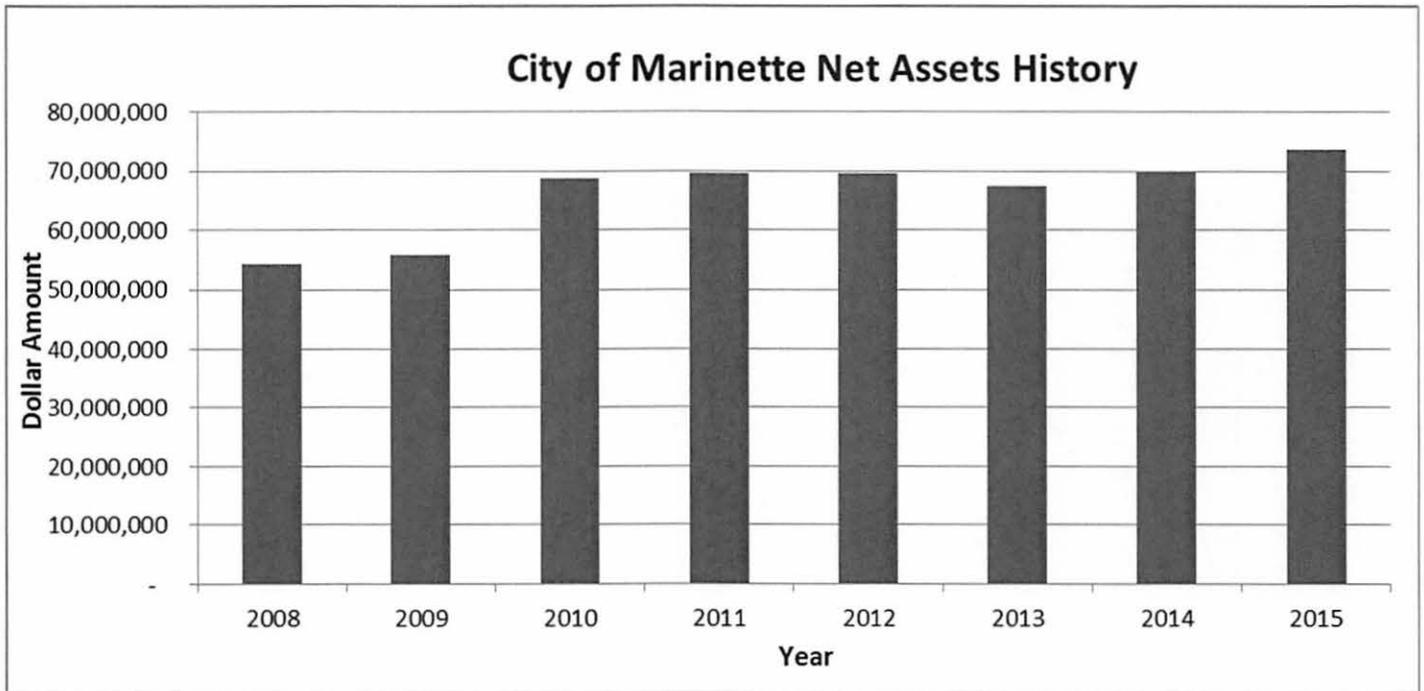
The total City assets exceeded total City liabilities by \$73,604,173 at the close of the fiscal year 2015 versus \$69,802,941 at the close of 2014, an increase of \$3,801,232. Chart 1 on the next page shows the City's net position history from 2008 to 2015.

(Table 1)

Statement of Net Position

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
ASSETS						
Current and other assets	\$ 30,194,403	\$ 29,289,909	\$ 9,641,217	\$ 6,180,626	\$ 39,835,620	\$ 35,470,535
Capital Assets	19,485,560	19,381,225	57,094,973	58,679,860	76,580,533	78,061,085
Total Assets	49,679,963	48,671,134	66,736,190	64,860,486	116,416,153	113,531,620
DEFERRED OUTFLOWS OF RESOURCES						
	1,116,352	-	273,279	131,612	1,389,631	131,612
LIABILITIES						
Current and other liabilities	10,588,345	11,288,777	244,700	395,715	10,833,045	11,684,492
Long-term debt o/s	9,435,831	10,246,704	17,916,244	16,015,796	27,352,075	26,262,500
Total Liabilities	20,024,176	21,535,481	18,160,944	16,411,511	38,185,120	37,946,992
DEFERRED INFLOWS OF RESOURCES						
	6,016,491	5,913,299	-	-	6,016,491	5,913,299
NET ASSETS						
Net Investment in capital assets	12,630,210	11,872,075	39,301,383	42,881,657	51,931,593	54,753,732
Restricted	5,706,884	3,098,270	5,369,859	5,013,316	11,076,743	8,111,586
Unrestricted (deficit)	6,418,554	6,252,009	4,177,283	685,614	10,595,837	6,937,623
Total Net Position	\$ 24,755,648	\$ 21,222,354	\$ 48,848,525	\$ 48,580,587	\$ 73,604,173	\$ 69,802,941

(Chart 1)



As you may see, there was a large increase (by \$12,889,000) in 2010; \$11,395,000 of that increase was from capital grants and contributions (mainly for the new water treatment facility project). The 2015 increase in net position is primarily from the implementation of GASB Statement #68 for pensions.

The Statement of Net Position shows the restricted and unrestricted net assets. Unrestricted assets can be spent under the City government's discretion. The restricted assets are not available for appropriation or are legally restricted by outside parties. Restricted assets are used for a specific purpose such as payments to creditors, grant contributors, and other legal requirements. They cannot be spent under the City government's discretion.

During 2015, the City's combined unrestricted net position (General Fund, Water, Wastewater, Storm Water, Cemetery, debt service fund, capital projects funds, special revenue funds, and equipment funds) increased by \$3,658,214. The Governmental activities unrestricted net positions increased by \$166,545 while the Business-type activities unrestricted net position increased by \$3,491,669. By far, the largest portion (nearly 71%) of the total net position reflects the investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

The Statement of Activities presents information showing how the City's net position changed during 2015. Table 2 on the next page shows the Statement of Activities for the City of Marinette for fiscal year 2015. The City of Marinette's total net position increased in value by 5 percent or \$3,801,232 from 2014.

As you may see, in both the Statement of Net Position and the Statement of Activities, we divided the City into two kinds of activities: Governmental activities and Business-type activities.

Governmental activities - Most of the City's basic services are reported here, including the police, fire, public works, park, recreation, and general administration. Property taxes, franchise fees, and state and federal grants and financial aids finance most of these activities. In addition, all the special revenue funds, capital project funds, debt service funds, and TIF districts totaling thirty individual funds are also included here.

Business-type activities - The City charges a fee to customers to help cover all or most of the costs of certain services provided. The City's water, sanitary sewer, storm water, and cemetery activities are reported here.

On the revenue side, in 2015, In the Governmental activities side, due to changes in Wisconsin state grants and aid, the City's revenues from operating grants and contributions increased by \$83,275. When comparing to 2014, the Business-type activities saw an increase in revenues for charges for services nearing \$600,000 and the spending decreased by \$174,178. We will take a look at this in more detail under the Fund Financial Statements on Page 12.

2. Fund Financial Statements (Reporting the City's Most Significant Funds)

The Fund Financial Statements begin on page 12 and provide detailed information about the most significant funds - not the City as a whole. The City has two kinds of funds: Governmental and Proprietary.

(Table 2)

CITY OF MARINETTE, WISCONSIN
Statement of Activities
Year Ended December 31, 2015

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenue						
Charges for Services	\$ 1,209,124	\$ 698,868	\$ 7,025,288	\$ 6,425,389	\$ 8,234,412	\$ 7,124,257
Operating grants and contributions	1,085,340	1,002,065			1,085,340	1,002,065
Capital grants and contributions	1,980,474	7,729,555	-	1,433,040	1,980,474	9,162,595
General Revenues						
Property taxes for general purposes	5,913,599	5,749,190	-	-	5,913,599	5,749,190
Property taxes for debt services	-	-	-	-	-	-
Other taxes	458,532	521,906	-	-	458,532	521,906
State/federal aids/other contributions						
not restricted to specific functions	4,841,528	4,772,610	-	-	4,841,528	4,772,610
Interests and investment earnings	31,459	37,194	3,943	34,770	35,402	71,964
Miscellaneous	339,117	296,676			339,117	296,676
Gain on sale of asset	12,426	-	201,412		213,838	-
Total Revenues	15,871,599	20,808,064	7,230,643	7,893,199	23,102,242	28,701,263
Expenses						
General government	2,375,352	1,684,586	-	-	2,375,352	1,684,586
Public safety	4,805,983	4,792,409	-	-	4,805,983	4,792,409
Public works	5,594,126	5,774,329	-	-	5,594,126	5,774,329
Culture and recreation	1,027,627	1,105,288	-	-	1,027,627	1,105,288
Conservation & Development	1,164,142	6,172,322	-	-	1,164,142	6,172,322
Interest and fiscal charges on debt	253,090	271,137	-	-	253,090	271,137
Water utility	-	-	3,527,257	3,699,301	3,527,257	3,699,301
Wastewater treatment facility	-	-	2,117,060	1,940,031	2,117,060	1,940,031
Storm Water Utility	-	-	746,863	945,150	746,863	945,150
Cemetery	-	-	236,500	217,376	236,500	217,376
Total Expenses	15,220,320	19,800,071	6,627,680	6,801,858	21,848,000	26,601,929
Increase in net assets before transfers	651,279	1,007,993	602,963	1,091,341	1,254,242	2,099,334
Transfers	649,823	761,167	(649,823)	(761,167)	-	-
Increase in net assets	1,301,102	1,769,160	(46,860)	330,174	1,254,242	2,099,334
Prior Period Adjustments				194,414		194,414
Net assets - January 1, 2015	21,222,354	19,453,194	48,580,587	48,055,999	69,802,941	67,509,193
Cumulative effect of change in accounting principal	2,232,192		314,798		2,546,990	
Net assets - December 31, 2015	\$ 24,755,648	\$ 21,222,354	\$ 48,848,525	\$ 48,580,587	\$ 73,604,173	\$ 69,802,941

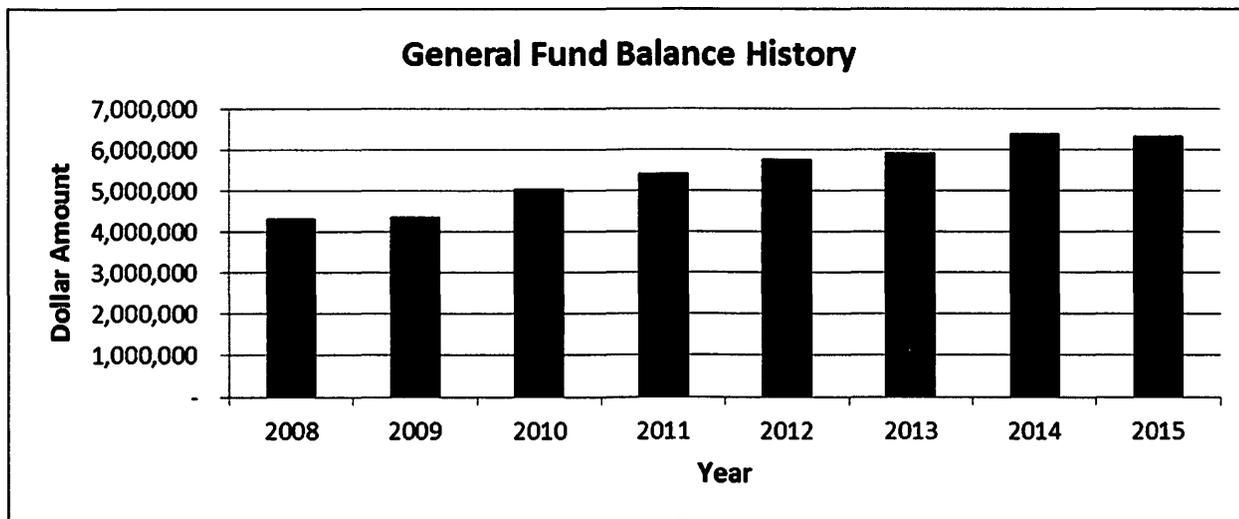
Governmental funds - include General Fund, Debt Service Funds, Special Revenue Funds, and Capital Projects Funds. The financial statements for governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. The fund balances are classified as 1) Nonspendable, 2) Restricted – obligated for specific purposes by external parties, 3) Assigned - designated for specific purposes by action of City Council, and 4) Unassigned – available for any purposes. The last 2 categories are similar to unrestricted assets, and they can be spent under management's discretion, so they may serve as a useful measure of the City's net resources available for spending. At end of 2015, the total fund balances from these last 2 categories were \$7,451,056.

The General Fund is the chief operating fund of the City. Page 14 shows the summary of 2015 General Fund revenues, expenditures and changes of fund balances. As you may see, the general fund ended its year with an operating deficit of \$66,124.

Page 14 shows that at the end of 2015, the general fund had a fund balance of \$6,325,367. Of this amount, \$6,299,057 was assigned and unassigned so they can be spent at management's discretion. Further breakdown of these funds are as follows: the City assigned \$500,000 for vested employment benefit liabilities (the reported liabilities at end of 2015 were \$936,225), and \$1,419,036 for subsequent year's expenditures. The unassigned general fund balance was \$4,380,021, which was approximately 41% of total 2015 General Fund spending budget. Maintaining a higher unassigned fund balance is necessary because the payment received from the State Shared Revenues comes in late November of each year. The Shared Revenue is approximately 41% of total General Fund revenue. A healthy fund balance prevents short-term borrowing for operating cash, helps to meet emergency needs, generates interest revenues through investments, and helps to maintain the City's bond rating.

Chart 2 below shows the General Fund balance history from 2008 to 2015.

(Chart 2)



Proprietary funds - The City's proprietary funds (pages 17-21) provide the same type of information found in the government-wide financial statements, but in more detail.

Page 19 shows the 2015 revenues, expenses and change in net position for proprietary funds. The Statement of Revenues and Expenses on Page 19 shows that for enterprise funds, the total revenues increased \$599,899 and total expenses decreased by \$122,921 in 2015 in comparison with 2014. On the revenue side, the Wastewater Utility revenues from fixed charges decreased by \$20,037 and the Water Utility's revenues from metered use increased by \$692,456. On the expense side, the Water Utility's new water treatment facility decreased maintenance and operations expenses by \$139,952, and decreased the depreciation expense by \$39,369. The PILOT payment is a property tax equivalent payable to the City of Marinette (recorded as a transfer out) which decreased \$29,981. The increased value of the new water treatment facility is one of the main factors in the PILOT's calculation. Wastewater spent \$178,524 more on operations and maintenance. Of that amount \$100,675 was due to changes in meters, billings and collections. The Storm Water Utility spending decreased in 2015 compared to 2014 by \$180,617 due to smaller scaled capital projects completed in 2015.

General Fund Budgetary Highlights

(See Page 16 for summary and Pages 49-52 for details). Compared with the final budget, the actual revenues were \$57,539 higher than budgetary estimates. On the expenditure side, the total actual expenditures were

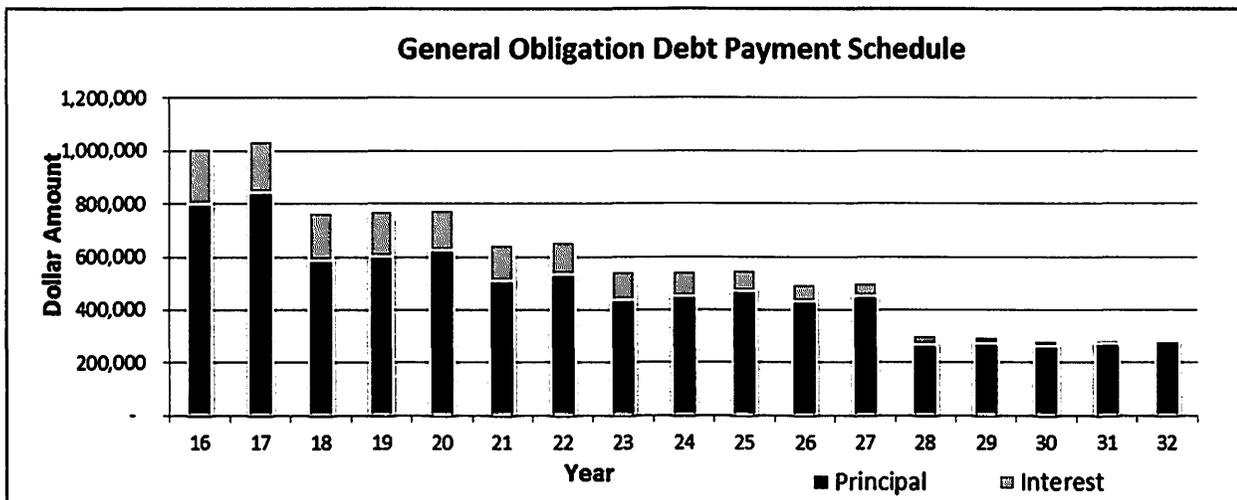
\$178,157 lower than the adjusted final budget amount. Major budget surpluses were: \$47,800 for personnel changes, 16,000 property tax refunds, and \$164,750 on contracted services on street construction projects. All of which the expenses came in lower than anticipated. The largest budget change made during the year was \$54,000 for technology, a new server and licensing.

Debt Administration

Long-term Obligations: At the end of the 2015 fiscal year, the City of Marinette had total long-term obligations of \$27,352,075. Of this amount, \$8,116,309 is comprised of government bonds and notes, \$604,606 as promissory notes, \$17,459,760 represents bonds secured by specified revenue sources (i.e., revenue bonds), and \$1,058,879 as employees' compensated absences. The City also borrowed an additional \$354,965 short-term loan for capital expenditures.

The City maintained its Moody's A1 bond rating for both its general obligation debt and for the revenue bonds of the Water Utility.

State statutes limit the amount of general obligation debt a governmental entity may issue to five (5) percent of its total equalized valuation. The current debt limitation for the City of Marinette is \$31,407,135, which is significantly higher than the City's outstanding general obligation debt of \$8,116,309. The chart below shows the payment schedule.



Requests for Information

This financial report is designed to provide a general overview of the City of Marinette's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director, City Hall, 1905 Hall Ave., Marinette, Wisconsin 54143.

BASIC FINANCIAL STATEMENTS

CITY OF MARINETTE, WISCONSIN
Statement of Net Position
December 31, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 14,129,848	\$ 3,596,693	\$ 17,726,541
Receivables			
Taxes	12,022,934	-	12,022,934
Special assessments	3,013	34,083	37,096
Accounts	611,038	813,485	1,424,523
Loans	2,206,573	-	2,206,573
Internal balances	101,635	(101,635)	-
Inventories and prepaid items	7,744	89,994	97,738
Other current assets	-	2,340	2,340
Restricted assets			
Cash and investments	-	5,049,487	5,049,487
Net pension asset	1,111,618	156,770	1,268,388
Capital assets, nondepreciable			
Land	1,409,852	724,651	2,134,503
Construction in progress	16,362	-	16,362
Capital assets, depreciable			
Land improvements	-	42,294,808	42,294,808
Buildings and improvements	4,287,067	18,312,821	22,599,888
Machinery and equipment	7,642,424	18,395,145	26,037,569
Infrastructure	27,598,157	12,672,416	40,270,573
Less: Accumulated depreciation	(21,468,302)	(35,304,868)	(56,773,170)
TOTAL ASSETS	49,679,963	66,736,190	116,416,153
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pension	1,116,352	163,602	1,279,954
Deferred charge on refunding	-	109,677	109,677
TOTAL DEFERRED OUTFLOWS OR RESOURCES	1,116,352	273,279	1,389,631
LIABILITIES			
Accounts payable	712,996	117,197	830,193
Short-term notes payable	354,965	-	354,965
Accrued and other current liabilities	458,211	41,505	499,716
Accrued interest payable	30,621	85,998	116,619
Due to other governments	8,801,552	-	8,801,552
Unearned revenues	230,000	-	230,000
Long-term obligations			
Due within one year	862,879	1,250,445	2,113,324
Due in more than one year	8,572,952	16,665,799	25,238,751
TOTAL LIABILITIES	20,024,176	18,160,944	38,185,120
DEFERRED INFLOWS OF RESOURCES			
Property taxes	6,016,491	-	6,016,491
NET POSITION			
Net investment in capital assets	12,630,210	39,301,383	51,931,593
Restricted for			
Debt service	22,295	1,768,403	1,790,698
Pension benefits	2,227,970	320,372	2,548,342
Community development	2,710,578	-	2,710,578
Tax incremental district	746,041	-	746,041
Capital projects	-	3,281,084	3,281,084
Unrestricted	6,418,554	4,177,283	10,595,837
TOTAL NET POSITION	\$ 24,755,648	\$ 48,848,525	\$ 73,604,173

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

CITY OF MARINETTE, WISCONSIN
Statement of Activities
For the Year Ended December 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 2,375,352	\$ 71,818	\$ -	\$ -
Public safety	4,805,983	620,250	151,277	19,419
Public works	5,594,126	409,267	900,093	478,231
Culture and recreation	1,027,627	107,789	-	-
Conservation and development	1,164,142	-	33,970	1,482,824
Interest on debt	253,090	-	-	-
Total Governmental Activities	15,220,320	1,209,124	1,085,340	1,980,474
Business-type Activities				
Water utility	3,527,257	4,550,519	-	-
Wastewater treatment facility	2,117,060	1,711,731	-	-
Storm water utility	746,863	640,973	-	-
Cemetery	236,500	122,065	-	-
Total Business-type Activities	6,627,680	7,025,288	-	-
Total	\$ 21,848,000	\$ 8,234,412	\$ 1,085,340	\$ 1,980,474

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Other taxes and franchise fees

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, as originally reported

Cumulative effect of change in accounting principal

Net position - January 1, as restated

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total

\$ (2,303,534)	\$ -	\$ (2,303,534)
(4,015,037)	-	(4,015,037)
(3,806,535)	-	(3,806,535)
(919,838)	-	(919,838)
352,652	-	352,652
(253,090)	-	(253,090)
<u>(10,945,382)</u>	<u>-</u>	<u>(10,945,382)</u>

-	1,023,262	1,023,262
-	(405,329)	(405,329)
-	(105,890)	(105,890)
-	(114,435)	(114,435)
<u>-</u>	<u>397,608</u>	<u>397,608</u>
<u>(10,945,382)</u>	<u>397,608</u>	<u>(10,547,774)</u>

5,045,940	-	5,045,940
867,659	-	867,659
458,532	-	458,532
4,841,528	-	4,841,528
31,459	3,943	35,402
339,117	-	339,117
12,426	201,412	213,838
649,823	(649,823)	-
<u>12,246,484</u>	<u>(444,468)</u>	<u>11,802,016</u>

<u>1,301,102</u>	<u>(46,860)</u>	<u>1,254,242</u>
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21,222,354	48,580,587	69,802,941
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<u>2,232,192</u>	<u>314,798</u>	<u>2,546,990</u>
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<u>23,454,546</u>	<u>48,895,385</u>	<u>72,349,931</u>
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<u>\$ 24,755,648</u>	<u>\$ 48,848,525</u>	<u>\$ 73,604,173</u>
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CITY OF MARINETTE, WISCONSIN

Balance Sheet

Governmental Funds

December 31, 2015

	General	Debt Service	TIF #3	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and investments	\$ 9,212,858	\$ 22,295	\$ 1,527,434	\$ 3,367,261	\$ 14,129,848
Receivables					
Taxes	10,037,048	867,517	217,644	900,725	12,022,934
Special assessments	3,013	-	-	-	3,013
Accounts	94,852	-	364,615	151,571	611,038
Loans	-	-	-	2,206,573	2,206,573
Due from other funds	520,428	-	-	-	520,428
Inventories and prepaid items	7,744	-	-	-	7,744
TOTAL ASSETS	\$ 19,875,943	\$ 889,812	\$ 2,109,693	\$ 6,626,130	\$ 29,501,578
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 237,760	\$ -	\$ 372,577	\$ 102,659	\$ 712,996
Short-term notes payable	-	-	-	354,965	354,965
Accrued and other current liabilities	449,890	-	-	8,321	458,211
Due to other funds	-	-	-	418,793	418,793
Due to other governments	8,799,501	-	-	2,051	8,801,552
Unearned revenues	-	-	-	230,000	230,000
Total Liabilities	9,487,151	-	372,577	1,116,789	10,976,517
Deferred Inflows of Resources					
Property taxes	4,030,607	867,517	217,644	900,723	6,016,491
Special assessments	32,818	-	-	-	32,818
Total Deferred Inflows of Resources	4,063,425	867,517	217,644	900,723	6,049,309
Fund Balances					
Nonspendable					
Inventories and prepaid items	7,744	-	-	-	7,744
Delinquent taxes	15,553	-	-	-	15,553
Special assessments	3,013	-	-	-	3,013
Restricted					
Tax incremental district	-	-	1,519,472	746,041	2,265,513
Loans	-	-	-	2,710,578	2,710,578
Debt service	-	22,295	-	-	22,295
Assigned					
Vacation and sick leave	500,000	-	-	-	500,000
Subsequent year's expenditures	1,419,036	-	-	1,581,236	3,000,272
Unassigned	4,380,021	-	-	(429,237)	3,950,784
Total Fund Balances	6,325,367	22,295	1,519,472	4,608,618	12,475,752
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 19,875,943	\$ 889,812	\$ 2,109,693	\$ 6,626,130	\$ 29,501,578

(Continued)

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

Reconciliation to the Statement of Net Position

Total Fund Balances as shown on previous page \$ 12,475,752

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. 19,485,560

Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.
Special assessments 32,818

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

Net pension asset	\$ 1,111,618	
Deferred outflows related to pension	1,116,352	2,227,970

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

Bonds and notes payable	(8,499,606)	
Compensated absences	(936,225)	
Accrued interest on long-term obligations	(30,621)	(9,466,452)

Net Position of Governmental Activities as Reported on the Statement of Net Position (see page 9) \$ 24,755,648

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

CITY OF MARINETTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General	Debt Service	TIF #3	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	\$ 4,039,168	\$ 867,659	\$ 210,480	\$ 1,256,576	\$ 6,373,883
Intergovernmental	5,503,218	-	1,489,467	981,997	7,974,682
Licenses and permits	271,611	-	-	-	271,611
Fines and forfeits	280,584	-	-	5,368	285,952
Public charges for services	167,288	-	-	10,145	177,433
Interdepartmental charges	-	13,696	-	533,815	547,511
Miscellaneous	113,054	23	495	119,955	233,527
Total Revenues	10,374,923	881,378	1,700,442	2,907,856	15,864,599
Expenditures					
Current					
General government	1,554,458	-	-	68,266	1,622,724
Public safety	4,639,864	-	-	261,924	4,901,788
Public works	3,364,623	-	-	740,294	4,104,917
Culture and recreation	894,211	-	-	116,832	1,011,043
Conservation and development	274,679	-	1,661,408	449,402	2,385,489
Debt service					
Principal	-	460,000	-	386,975	846,975
Interest and fiscal charges	-	45,470	-	209,792	255,262
Capital outlay	79,477	-	-	925,803	1,005,280
Total Expenditures	10,807,312	505,470	1,661,408	3,159,288	16,133,478
Excess of Revenues Over (Under) Expenditures	(432,389)	375,908	39,034	(251,432)	(268,879)
Other Financing Sources (Uses)					
Transfers in	859,009	-	800,000	890,642	2,549,651
Transfers out	(492,744)	(354,965)	-	(989,156)	(1,836,865)
Total Other Financing Sources (Uses)	366,265	(354,965)	800,000	(98,514)	712,786
Net Change in Fund Balances	(66,124)	20,943	839,034	(349,946)	443,907
Fund Balances - January 1	6,391,491	1,352	680,438	4,958,564	12,031,845
Fund Balances - December 31	\$ 6,325,367	\$ 22,295	\$ 1,519,472	\$ 4,608,618	\$ 12,475,752

(Continued)

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

Reconciliation to the Statement of Activities

Net Change in Fund Balances as shown on previous page		\$ 443,907
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	\$ 1,893,761	
Depreciation expense reported in the statement of activities	<u>(1,049,046)</u>	
Amount by which capital outlays are greater than depreciation in current period		844,715
In governmental funds, the entire proceeds, if any, from the disposal of capital assets is reported as an other financing source. In the Statement of Activities only the gain (or loss) on the disposal is reported.		
Net book value of capital assets disposed of		(740,380)
Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits increased by:		
		(36,102)
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.		
		7,000
Change in the net pension asset and related deferred inflows and outflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan.		
		(4,222)
Repayment of principal on long-term debt is reported in the governmental funds as an expenditure, but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities. The amount of long-term debt principal payments in the current year is:		
		846,975
Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues.		
		2,172
The City's internal service funds are reported with governmental activities. Current year change in net position is		
		<u>(62,963)</u>
Change in Net Position of Governmental Activities as Reported in the Statement of Activities (see pages 10 - 11)		<u><u>\$ 1,301,102</u></u>

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

CITY OF MARINETTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 4,046,309	\$ 4,046,309	\$ 4,039,168	\$ (7,141)
Intergovernmental	5,517,650	5,517,650	5,503,218	(14,432)
Licenses and permits	257,550	257,550	271,611	14,061
Fines and forfeits	209,404	209,404	280,584	71,180
Public charges for services	178,270	178,270	167,288	(10,982)
Miscellaneous	108,201	108,201	113,054	4,853
Total Revenues	10,317,384	10,317,384	10,374,923	57,539
Expenditures				
Current				
General government	1,595,727	1,557,470	1,554,458	3,012
Public safety	4,611,231	4,611,231	4,639,864	(28,633)
Public works	3,615,432	3,613,364	3,364,623	248,741
Culture and recreation	877,214	878,371	894,211	(15,840)
Conservation and development	247,565	247,565	274,679	(27,114)
Capital outlay	40,400	77,468	79,477	(2,009)
Total Expenditures	10,987,569	10,985,469	10,807,312	178,157
Excess of Revenues Over (Under) Expenditures	(670,185)	(668,085)	(432,389)	235,696
Other Financing Sources (Uses)				
Transfers in	890,227	890,227	859,009	(31,218)
Transfers out	(204,251)	75,049	(492,744)	(567,793)
Total Other Financing Sources (Uses)	685,976	965,276	366,265	(599,011)
Net Change in Fund Balance	15,791	297,191	(66,124)	(363,315)
Fund Balance - January 1	6,391,491	6,391,491	6,391,491	-
Fund Balance - December 31	\$ 6,407,282	\$ 6,688,682	\$ 6,325,367	\$ (363,315)

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

CITY OF MARINETTE, WISCONSIN

Statement of Net Position

Proprietary Funds

December 31, 2015

	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility	Total Enterprise Funds
ASSETS					
Current Assets					
Cash and investments	\$ 1,232,035	\$ 361,555	\$ 1,392,937	\$ 610,166	\$ 3,596,693
Accounts receivable	10,661	565,632	175,741	61,451	813,485
Inventories and prepaid expenses	53,842	36,152	-	-	89,994
Other current assets	-	2,340	-	-	2,340
Total Current Assets	1,296,538	965,679	1,568,678	671,617	4,502,512
Noncurrent Assets					
Receivables					
Special assessments	-	34,083	-	-	34,083
Restricted assets					
Cash and investments	-	1,768,403	3,281,084	-	5,049,487
Net pension asset	19,344	84,813	41,770	10,843	156,770
Capital assets, nondepreciable					
Land	85,145	619,406	20,100	-	724,651
Capital assets, depreciable					
Land improvements	-	24,137,417	18,157,391	-	42,294,808
Buildings	496,112	11,657,276	6,159,433	-	18,312,821
Machinery and equipment	317,438	9,510,765	8,566,942	-	18,395,145
Infrastructure	-	-	-	12,672,416	12,672,416
Less: Accumulated depreciation	(655,592)	(9,064,848)	(18,539,544)	(7,044,884)	(35,304,868)
Total Capital Assets, Net of Accumulated Depreciation	243,103	36,860,016	14,364,322	5,627,532	57,094,973
Total Noncurrent Assets	262,447	38,747,315	17,687,176	5,638,375	62,335,313
TOTAL ASSETS	1,558,985	39,712,994	19,255,854	6,309,992	66,837,825
DEFERRED OUTFLOWS OF RESOURCES					
Deferred outflows related to pension	20,197	90,667	43,728	9,010	163,602
Deferred charge on refunding	-	109,677	-	-	109,677
TOTAL DEFERRED OUTFLOWS OF RESOURCES	20,197	200,344	43,728	9,010	273,279

(Continued)

CITY OF MARINETTE, WISCONSIN
Statement of Net Position (Continued)
Proprietary Funds
December 31, 2015

	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility	Total Enterprise Funds
LIABILITIES					
Current Liabilities					
Accounts payable	22,654	40,240	45,757	8,546	117,197
Accrued and other current liabilities	4,091	22,127	15,072	215	41,505
Accrued interest	-	83,479	2,519	-	85,998
Due to other funds	-	-	101,635	-	101,635
Current portion of long-term debt	-	1,172,696	65,211	12,538	1,250,445
Total Current Liabilities	26,745	1,318,542	230,194	21,299	1,596,780
Noncurrent Liabilities					
General obligation debt	-	-	-	208,771	208,771
Revenue bonds payable	-	15,651,491	580,387	-	16,231,878
Unamortized debt premium	-	102,496	-	-	102,496
Compensated absences	11,745	43,512	67,397	-	122,654
Total Noncurrent Liabilities	11,745	15,797,499	647,784	208,771	16,665,799
TOTAL LIABILITIES	38,490	17,116,041	877,978	230,070	18,262,579
NET POSITION					
Net investment in capital assets	243,103	19,933,333	13,718,724	5,406,223	39,301,383
Restricted for					
Debt service	-	1,768,403	-	-	1,768,403
Plant replacement	-	-	3,281,084	-	3,281,084
Pension benefits	39,541	175,480	85,498	19,853	320,372
Unrestricted	1,258,048	920,081	1,336,298	662,856	4,177,283
TOTAL NET POSITION	\$ 1,540,692	\$ 22,797,297	\$ 18,421,604	\$ 6,088,932	\$ 48,848,525

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

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

	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility	Total Enterprise Funds	Activities - Internal Service Funds
Operating Revenues						
Charges for services	\$ 58,870	\$ 4,478,249	\$ 1,681,508	\$ 640,973	\$ 6,859,600	\$ -
Sale of lots and crypts	31,380	-	-	-	31,380	-
Other	31,815	72,270	30,223	-	134,308	-
Total Operating Revenues	122,065	4,550,519	1,711,731	640,973	7,025,288	-
Operating Expenses						
Operation and maintenance	224,543	1,702,051	1,262,970	447,086	3,636,650	-
Depreciation	11,957	1,234,227	838,317	291,869	2,376,370	-
Taxes	-	36,965	-	-	36,965	-
Total Operating Expenses	236,500	2,973,243	2,101,287	738,955	6,049,985	-
Operating Income (Loss)	(114,435)	1,577,276	(389,556)	(97,982)	975,303	-
Nonoperating Revenues (Expenses)						
Interest income	(8,579)	1,145	10,692	685	3,943	-
Interest and fiscal charges	-	(554,014)	(15,773)	(7,908)	(577,695)	-
Miscellaneous	-	201,412	-	-	201,412	(1,991,771)
Total Nonoperating Revenues (Expenses)	(8,579)	(351,457)	(5,081)	(7,223)	(372,340)	(1,991,771)
Income (Loss) Before Transfers	(123,014)	1,225,819	(394,637)	(105,205)	602,963	(1,991,771)
Transfers in	118,563	-	-	-	118,563	-
Transfers out	-	(768,386)	-	-	(768,386)	(62,963)
Change in Net Position	(4,451)	457,433	(394,637)	(105,205)	(46,860)	(2,054,734)
Net Position - January 1, as originally reported	1,506,300	22,169,556	18,732,366	6,172,365	48,580,587	2,054,734
Cumulative effect of change in accounting principle	38,843	170,308	83,875	21,772	314,798	-
Net Position - January 1, as restated	1,545,143	22,339,864	18,816,241	6,194,137	48,895,385	2,054,734
Net Position - December 31	\$ 1,540,692	\$22,797,297	\$18,421,604	\$ 6,088,932	\$48,848,525	\$ -

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

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

	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Cash Flows from Operating Activities						
Cash received from customers	\$ 91,500	\$ 4,477,692	\$ 1,706,183	\$ 644,297	\$ 6,919,672	\$ 1,000
Cash payments to suppliers	(28,514)	(994,697)	(799,747)	(374,194)	(2,197,152)	(110,417)
Cash payments to employees	(169,575)	(725,364)	(436,693)	(64,996)	(1,396,628)	-
Other operating income	31,815	72,270	30,223	-	134,308	-
Net Cash Provided (Used) by Operating Activities	(74,774)	2,829,901	499,966	205,107	3,460,200	(109,417)
Cash Flows from Noncapital Financing Activities						
Transfers and advances	118,563	(3,495,107)	248,283	642,026	(2,486,235)	(62,963)
Cash Flows from Capital and Related Financing Activities						
Acquisition of capital assets	(62,984)	(344,585)	(193,607)	(217,627)	(818,803)	-
Capital contributions	-	7,713	-	-	7,713	-
Proceeds from long-term debt	-	2,830,000	-	-	2,830,000	-
Premium received	-	18,966	-	-	18,966	-
Principal paid on G.O. notes	-	-	-	(12,117)	(12,117)	-
Principal paid on revenue bonds	-	(871,312)	(63,705)	-	(935,017)	-
Interest paid on G. O. notes	-	-	-	(7,908)	(7,908)	-
Interest paid on revenue bonds	-	(416,887)	(16,022)	-	(432,909)	-
Bond issuance costs paid	-	(102,170)	-	-	(102,170)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(62,984)	1,121,725	(273,334)	(237,652)	547,755	-
Cash Flows Provided by Investing Activities						
Interest from investments	(8,579)	1,145	10,692	685	3,943	-
Change in Cash and Cash Equivalents	(27,774)	457,664	485,607	610,166	1,525,663	(172,380)
Cash and Cash Equivalents - January 1	1,259,809	1,672,294	4,188,414	-	7,120,517	172,380
Cash and Cash Equivalents - December 31	\$ 1,232,035	\$ 2,129,958	\$ 4,674,021	\$ 610,166	\$ 8,646,180	\$ -
Reconciliation of Cash and Cash Equivalents to Statement of Net Position						
Cash and investments	\$ 1,232,035	\$ 361,555	\$ 1,392,937	\$ 610,166	\$ 3,596,693	\$ -
Restricted cash and investments	-	1,768,403	3,281,084	-	5,049,487	-
Total	\$ 1,232,035	\$ 2,129,958	\$ 4,674,021	\$ 610,166	\$ 8,646,180	\$ -

(Continued)

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

	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility	Total Enterprise Funds	Governmental Activities - Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities						
Operating income (loss)	\$ (114,435)	\$ 1,577,276	\$ (389,556)	\$ (97,982)	\$ 975,303	\$ -
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation	11,957	1,234,227	838,317	291,869	2,376,370	-
Depreciation charged to wastewater utility	-	27,320	-	-	27,320	-
Changes in pension related assets and deferred outflows	(698)	(5,172)	(1,623)	1,919	(5,574)	-
Changes in assets and liabilities						
Accounts receivable	1,250	(27,877)	24,675	3,324	1,372	1,000
Inventories and prepaid items	2,462	(5,641)	-	-	(3,179)	-
Accounts payable	20,782	20,867	24,828	5,762	72,239	(13,022)
Accrued liabilities	1,338	4,019	3,581	215	9,153	(2,293)
Due to other funds	-	-	-	-	-	(95,102)
Compensated absences	2,570	4,882	(256)	-	7,196	-
Net Cash Provided (Used) by Operating Activities	<u>\$ (74,774)</u>	<u>\$ 2,829,901</u>	<u>\$ 499,966</u>	<u>\$ 205,107</u>	<u>\$ 3,460,200</u>	<u>\$ (109,417)</u>

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

1. Reporting Entity

The City of Marinette is a municipal corporation governed by an elected nine member council. Included in the City's operations (the primary government) are the City's Water and Wastewater 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 established by GASB Statement No. 61.

2. Related Organization

City officials are responsible for appointing the board members of the Housing Authority of the City of Marinette, but the City's accountability for this organization does not extend beyond making the appointments. The City is not financially accountable for the Housing Authority as defined by standards in GASB Statement No. 61. Therefore this organization is not included in the City's reporting entity. Additional information on the Housing Authority follows:

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

3. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary 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 and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds and internal service funds. Major individual governmental funds and all enterprise funds are reported as separate columns in the fund financial statements.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The City reports the following major governmental funds:

GENERAL FUND

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

DEBT SERVICE FUND

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

TIF #3 CAPITAL PROJECTS FUND

This fund accounts for the resources accumulated and payments made for capital outlay and principal and interest on long-term general obligation debt of the District.

The City reports the following major enterprise funds:

CEMETERY

This fund accounts for the operation of the City cemetery and mausoleum.

WATER UTILITY

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

WASTEWATER UTILITY

This fund accounts for the City's provision of wastewater treatment service to city residents, business entities and public authorities.

STORM WATER UTILITY

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

Additionally, the government reports the following funds:

Special revenue funds account for the proceeds and spending of specific revenue sources (other than capital projects) that are legally restricted or committed to expenditures for specific purposes.

Capital projects funds account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Internal service funds account for the acquisition and utilization of capital assets. City departments are charged for asset use on a cost reimbursement basis. The internal service funds were closed as of January 1, 2015.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

4. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund 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 and interest. Other revenues such as licenses and permits, other fines and forfeits, and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water, wastewater, and cemetery 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.

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

a. Cash and Investments

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

b. Accounts Receivable

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

c. Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the financial statements.

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

d. Inventories

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

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

e. Prepaid Items

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

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

f. Capital Assets

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

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

	Governmental Activities	Business-type Activities
	Years	
<u>Assets</u>		
Land improvements	-	25 - 100
Buildings and improvements	25	25 - 50
Machinery and equipment	5 - 20	3 - 10
Infrastructure	25	40 - 50

g. Compensated Absences

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

h. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one type of item that qualifies for reporting in this category, property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The City also has additional type of item, which arises only under a modified accrual basis of accounting, that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i. Long-term Obligations

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

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

j. Pensions

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

k. Fund Equity

GOVERNMENTAL FUND FINANCIAL STATEMENTS

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

- **Nonspendable fund balance** - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted fund balance** - Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed fund balance** - Amounts that are constrained for specific purposes by action of the City Council. 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. 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 adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. The policy states that that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

GOVERNMENT-WIDE AND PROPRIETARY FUND STATEMENTS

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

- Net investment in capital assets – Amount of capital assets, net of accumulated depreciation, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- Restricted net position - Amount of net position that are subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- Unrestricted net position - net position that is neither classified as restricted nor as net investment in capital assets.

6. Use of Estimates

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

NOTE B - STEWARDSHIP AND COMPLIANCE

1. Budgets and Budgetary Accounting

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

- a. During November, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
- b. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue, debt service funds and certain capital projects 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.
- c. During the year, formal budgetary integration is employed as a management control device for the general fund, certain special revenue funds, debt service funds and certain capital projects funds.
- d. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
- e. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violations of legal or contractual provisions for the fiscal year ended December 31, 2015.

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

NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)

2. Deficit Fund Equity

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

Fund	Deficit Fund Equity
Special Revenue Fund	
Crime Prevention	\$ 5,143
Capital Projects Fund	
Tax Incremental District #12	27,479
Tax Incremental District #13	907
DPW Garage	353,093
Police Equipment	42,615

The City anticipates funding the above deficit from future revenues and tax levies of the fund.

NOTE C - DETAILED NOTES ON ALL FUNDS

1. Cash and Investments

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed 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.

The carrying amount of the City's cash and investments totaled \$22,776,028 on December 31, 2015 as summarized below:

Petty cash and cash on hand	\$ 4,435
Deposits with financial institutions	4,510,822
Investments	18,260,771
	<u>\$ 22,776,028</u>

Reconciliation to the basic financial statements is as follows:

Government-wide Statement of Net Position	
Cash and investments	\$ 17,726,541
Restricted cash and investments	5,049,487
	<u>\$ 22,776,028</u>

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

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City does not have an additional custodial credit risk policy.

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. Also, the State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available.

As of December 31, 2015, \$2,524,245 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits of which \$1,150,014 was collateralized with securities held by the pledging financial institution's agent.

On December 31, 2015, the City held repurchase agreement investments of \$11,596,295 of which the underlying securities are held by the investment's counterparty, not in the name of the City.

Credit Risk

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

Investment Type	Amount	Exempt From Disclosure	AAA	Aa	Not Rated
Mutual funds	\$ 4,439,982	\$ -	\$ -	\$ -	\$ 4,439,982
Wisconsin Local Government Investment Pool	2,224,494	2,224,494	-	-	-
Totals	\$ 6,664,476	\$ 2,224,494	\$ -	\$ -	\$ 4,439,982

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. The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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
Mutual funds	\$ 4,439,982	\$ 4,439,982	\$ -	\$ -	\$ -
Repurchase agreements	11,596,295	11,596,295	-	-	-
Wisconsin Local Government Investment Pool	2,224,494	2,224,494	-	-	-
Totals	\$ 18,260,771	\$ 18,260,771	\$ -	\$ -	\$ -

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$2,224,494 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2015, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

2. Property Taxes

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

Marinette County performs the function of billing and collecting the tax levy on behalf of the City. The County then deposits the daily collection into the City's bank account. The City then settles with the other taxing jurisdictions (Marinette School District, Marinette County, Northeast Wisconsin Technical College, and the State of Wisconsin) on January 15th and February 20th. Personal property taxes due after January 31st are the collection responsibility of the City. Collection responsibility for the real property taxes due after January 31st remains with the County. In August, the County will settle with each jurisdiction for the remaining property tax balance.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. Restricted Assets

Restricted assets on December 31, 2015 consisted of cash and investments of \$5,049,487 held for the following purposes:

Enterprise Funds		
Bond redemption account		\$ 1,209,665
Bond reserve account		558,738
Replacement account		<u>3,281,084</u>
Total Restricted Assets		<u>\$ 5,049,487</u>

Redemption: Used to segregate resources accumulated for debt service payments over the next 12 months.

Reserve: Used to report resources set aside to make up potential future deficiencies in the redemption account.

Replacement: Used for significant wastewater treatment mechanical equipment replacement.

4. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 1,409,852	\$ -	\$ -	\$ 1,409,852
Construction in progress	-	16,362	-	16,362
Total capital assets, not being depreciated	<u>1,409,852</u>	<u>16,362</u>	<u>-</u>	<u>1,426,214</u>
Capital assets, being depreciated:				
Buildings and improvements	4,830,951	180,116	724,000	4,287,067
Machinery and equipment	7,122,758	589,900	70,234	7,642,424
Infrastructure	26,779,185	1,107,383	288,411	27,598,157
Subtotals	<u>38,732,894</u>	<u>1,877,399</u>	<u>1,082,645</u>	<u>39,527,648</u>
Less accumulated depreciation	<u>20,761,521</u>	<u>1,049,046</u>	<u>342,265</u>	<u>21,468,302</u>
Total capital assets, being depreciated, net	<u>17,971,373</u>	<u>828,353</u>	<u>740,380</u>	<u>18,059,346</u>
Governmental activities capital assets, net	<u>\$ 19,381,225</u>	<u>\$ 844,715</u>	<u>\$ 740,380</u>	19,485,560
Less related long-term debt outstanding				<u>6,855,350</u>
Net investment in capital assets				<u>\$ 12,630,210</u>

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Land	\$ 779,445	\$ -	\$ 54,794	\$ 724,651
Capital assets, being depreciated:				
Buildings and improvements	18,233,748	79,073	-	18,312,821
Land improvements	41,837,968	538,192	81,352	42,294,808
Machinery and equipment	18,356,441	38,704	-	18,395,145
Infrastructure	12,491,005	217,628	36,217	12,672,416
Subtotals	90,919,162	873,597	117,569	91,675,190
Less accumulated depreciation	33,018,747	2,403,690	117,569	35,304,868
Total capital assets, being depreciated, net	57,900,415	(1,530,093)	-	56,370,322
Business-type activities capital assets, net	\$ 58,679,860	\$ (1,530,093)	\$ 54,794	57,094,973
Less related long-term debt outstanding				17,793,590
Net investment in capital assets				<u>\$ 39,301,383</u>

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

Governmental activities		
General government		\$ 34,052
Public safety		130,465
Public works		830,445
Culture and recreation		54,084
Total depreciation expense - governmental activities		<u>\$ 1,049,046</u>
Business-type activities		
Water Utility		\$ 1,261,547
Wastewater Utility		838,317
Cemetery		11,957
Storm Water Utility		291,869
Total depreciation expense - business-type activities		<u>\$ 2,403,690</u>

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

5. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2015 are detailed below:

	Interfund Receivables	Interfund Payables
Temporary Advance for Deficit Cash Balance		
General Fund	\$ 418,793	\$ -
Nonmajor Governmental Funds		
Special Revenue Funds		
Taxi Program Fund	-	38
Room Tax Fund	-	1,123
Crime Prevention Fund	-	5,143
Capital Projects Funds		
TIF #12 Fund	-	27,479
DPW Garage Fund	-	345,363
Police Equipment Fund	-	39,647
Operating Accounts Between Funds		
General Fund	101,635	-
Enterprise Funds		
Wastewater Utility	-	101,635
Totals	<u>\$ 520,428</u>	<u>\$ 520,428</u>

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

	Transfer to:				Totals
	General Fund	TIF #3 Fund	Nonmajor Governmental Funds	Cemetery Fund	
Transfers from:					
General Fund	\$ -	\$ -	\$ 374,181	\$ 118,563	\$ 492,744
Debt Service Fund	-	-	354,965	-	354,965
Nonmajor Governmental Funds					
Special Revenue Funds	90,623	800,000	98,533	-	989,156
Proprietary Funds					
Water Utility	768,386	-	-	-	768,386
Internal Service Funds	-	-	62,963	-	62,963
Totals	<u>\$ 859,009</u>	<u>\$ 800,000</u>	<u>\$ 890,642</u>	<u>\$ 118,563</u>	<u>\$ 2,668,214</u>

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2015:

	Outstanding 1/1/15	Issued	Retired	Outstanding 12/31/15	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	\$ 7,050,000	\$ -	\$ 380,000	\$ 6,670,000	\$ 385,000
Notes	1,600,000	-	375,000	1,225,000	400,000
Total General Obligation Debt	<u>8,650,000</u>	<u>-</u>	<u>755,000</u>	<u>7,895,000</u>	<u>785,000</u>
Promissory notes	696,581	-	91,975	604,606	77,879
Compensated absences	900,123	36,102	-	936,225	-
Governmental activities Long-term obligations	<u>\$ 10,246,704</u>	<u>\$ 36,102</u>	<u>\$ 846,975</u>	<u>\$ 9,435,831</u>	<u>\$ 862,879</u>
Business-type activities:					
General Obligation Debt					
Notes	\$ 233,426	\$ -	\$ 12,117	\$ 221,309	\$ 12,538
Revenue bonds	15,564,777	2,830,000	935,017	17,459,760	1,227,882
Compensated absences	115,458	7,196	-	122,654	-
Premium on debt	102,135	18,966	8,580	112,521	10,025
Business-type activities Long-term obligations	<u>\$ 16,015,796</u>	<u>\$ 2,856,162</u>	<u>\$ 955,714</u>	<u>\$ 17,916,244</u>	<u>\$ 1,250,445</u>

Total interest paid during the year on long-term debt totaled \$695,327.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

Bonds

\$1,475,000 issued 3/20/08; \$65,000 to \$160,000 due annually through 2027; interest at 3.60% to 4.40%	\$ 1,295,000
\$1,520,000 issued 1/19/12; \$50,000 to \$175,000 due annually through 2025; interest at 1.00% to 2.00%	1,155,000
\$1,490,000 issued 12/20/12; \$75,000 to \$125,000 due annually through 2027; interest at 0.75% to 2.00%	1,340,000
\$3,100,000 issued 6/3/13; \$120,000 to \$285,000 due annually through 2032; interest at 2.00% to 3.20%	2,880,000

Notes

\$2,570,000 issued 11/16/10; \$300,000 due annually through 2017; interest 1.75% - 2.0%	600,000
\$336,443 State of Wisconsin safe drinking water loan \$273,219 drawn; \$12,538 to \$15,248 due annually through 2029; interest 3.478%	221,309
\$1,090,000 issued 9/28/11; \$90,000 to \$145,000 due annually through 2020; interest 2.0% - 2.3%	625,000

Total Outstanding General Obligation Debt \$ 8,116,309

Annual principal and interest maturities of the outstanding general obligation debt of \$8,116,309 on December 31, 2015 are as detailed below:

Year Ended December 31,	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 785,000	\$ 206,177	\$ 12,538	\$ 7,479	\$ 797,538	\$ 213,656
2017	830,000	190,912	12,974	7,035	842,974	197,947
2018	575,000	177,128	13,426	6,576	588,426	183,704
2019	590,000	164,926	13,893	6,101	603,893	171,027
2020	610,000	151,137	14,376	5,610	624,376	156,747
2021-2025	2,325,000	542,247	79,736	20,055	2,404,736	562,302
2026-2030	1,620,000	209,452	74,366	5,283	1,694,366	214,735
2031-2032	560,000	18,080	-	-	560,000	18,080
	<u>\$ 7,895,000</u>	<u>\$ 1,660,058</u>	<u>\$ 221,309</u>	<u>\$ 58,139</u>	<u>\$ 8,116,309</u>	<u>\$ 1,718,197</u>

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2015 was \$23,313,121 as follows:

Equalized valuation of the City		\$ 628,142,700
Statutory limitation percentage		<u>(x) 5%</u>
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		31,407,135
Total outstanding general obligation debt applicable to debt limitation	\$ 8,116,309	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>22,295</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>8,094,014</u>
Legal Margin for New Debt		<u><u>\$ 23,313,121</u></u>

Promissory Note

The City has entered into an agreement with Lake Park Trails, LLC (Developer) whereby the Developer agrees to loan the City all amounts necessary for completion of a project for Tax Incremental District No. 6 (TID No. 6), up to a total of \$1,732,000. Interest at 5% will accrue on the outstanding balance. The note and interest will be repaid with tax increments generated by TID No. 6. Should TID No. 6 not generate sufficient revenues over its life to repay the note, any remaining balance will be forgiven by the Developer. The balance of the note outstanding at December 31, 2015 is \$604,606.

Revenue Bonds

Revenue bond debt service requirements are financed from operations of the enterprise funds. Revenue bonds outstanding on December 31, 2015 totaled \$17,459,760 and were composed of the following issues:

Wastewater Treatment Plant

\$1,284,296 State of Wisconsin Clean Water Fund Loan \$1,151,786 drawn; \$65,211 to \$78,620 due annually through 2024; interest 2.365%		<u>\$ 645,598</u>
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Water Utility

\$3,875,190 issued during 2003 and 2004 on a State of Wisconsin safe drinking water loan; \$219,383 to \$258,163 due annually through 2022; interest 2.75%		1,668,344
\$1,151,786 State of Wisconsin safe drinking water loan issued 2005 and 2006; \$65,938 to \$77,659 due annually through 2023; interest 2.365%		573,292
\$11,107,582 State of Wisconsin safe drinking water loan \$10,871,073 drawn; \$537,351 to \$756,682 due annually through 2029; interest 2.668%		8,977,526
\$2,850,000 revenue bonds issued 1/7/14; \$70,000 to \$545,000 due annually through, 2027; interest 3.00% to 4.00%		2,765,000
\$2,830,000 revenue bonds issued 8/26/15; \$270,000 to \$350,000 due annually through, 2024; interest 2.25% to 3.125%		<u>2,830,000</u>
		<u>16,814,162</u>

Total Revenue Bonds		<u><u>\$ 17,459,760</u></u>
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CITY OF MARINETTE, WISCONSIN

Notes to Basic Financial Statements

December 31, 2015

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the above outstanding proprietary fund revenue bonds as of December 31, 2015 are shown below:

Year Ended December 31,	Business-type Activities		
	Principal	Interest	Total
2016	\$ 1,227,882	\$ 490,327	\$ 1,718,209
2017	1,271,353	445,034	1,716,387
2018	1,305,445	411,884	1,717,329
2019	1,340,177	377,844	1,718,021
2020	1,375,564	342,818	1,718,382
2021-2025	7,008,564	1,113,841	8,122,405
2026-2030	3,930,775	200,075	4,130,850
	<u>\$ 17,459,760</u>	<u>\$ 3,381,823</u>	<u>\$ 20,841,583</u>

The City has pledged future customer revenues, net of specified operating expenses, to repay the wastewater and water system revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the City. The bonds are payable solely from customer net revenues and are payable as detailed above. The total principal and interest remaining to be paid on the wastewater bonds is \$716,683 and the total principal and interest to be paid on the water bonds is \$20,124,900. Principal and interest paid for the current year and total customer net revenues for the Water Utility were \$1,288,199 and \$2,811,503, respectively. Principal and interest paid for the current year and total customer net revenues for the Wastewater Utility were \$79,727 and \$448,761, respectively.

7. Pension Plan

a. Plan Description

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

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

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

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

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

The WRS also provides death and disability benefits for employees.

b. Post-Retirement Adjustments

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

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

c. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, and Executives and Elected Officials. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$493,584 in contributions from the City.

Contribution rates as of December 31, 2015 are:

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

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

At December 31, 2015, the City reported an asset of \$1,268,388 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2013 rolled forward to December 31, 2014. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2014, the City's proportion was 0.05163872%, which was a decrease of 0.00035715% from its proportion measured as of December 31, 2013.

For the year ended December 31, 2015, the City recognized pension expense of \$452,869.

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

	Deferred Outflows of Resources
Differences between expected and actual experience	\$ 183,877
Net differences between projected and actual earnings on pension plan investments	614,215
Changes in proportion and differences between employer contributions and proportionate share of contributions	27,641
Employer contributions subsequent to the measurement date	454,221
Total	\$ 1,279,954

\$454,221 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflow of Resources
2015	\$ 201,778
2016	201,778
2017	201,778
2018	201,778
2019	18,621

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

e. Actuarial Assumption

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

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

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

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

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

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

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

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

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

	1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
City's proportionate share of the net pension asset (liability)	\$ (3,578,342)	\$ 1,268,388	\$ 5,096,140

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

f. Payable to the WRS

At December 31, 2015 the City reported a payable of \$65,619 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2015.

8. Short-term Notes Payable

On December 28, 2015, the City borrowed \$354,965 from Stephenson National Bank & Trust for the purposes of financing building, equipment, equipment repairs and improvements. The loan is due on March 27, 2016, with interest at 2.72%.

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

9. Fund Equity

Fund Statements

In the fund financial statements, portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2015, fund balance assigned was as follows:

General Fund	
Sick leave liability	\$ 500,000
Community development	712,583
Fire truck	500,000
Election supplies	6,453
Subsequent year's expenditures	200,000
	<u>1,919,036</u>
Special Revenue Funds	
Taxi program	22,934
Senior Center	5,404
Room tax	99,179
Downtown development	90,179
General economic development	447,337
Water front project	217,710
Fire education	67,101
Anti-drug abuse	29,767
Hazardous materials	12,369
Early retirement	47,538
	<u>1,039,518</u>
Capital Projects Funds	
Sidewalks	2,479
Capital projects	410,490
Hall Avenue	36,937
Water Street reconstruction	428
Recreation equipment	18,630
Assessor equipment	11,058
Fire Department equipment	61,696
	<u>541,718</u>
Total Assigned Fund Balances	<u><u>\$ 3,500,272</u></u>

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

NOTE D - OTHER INFORMATION

1. Risk Management

The City has purchased commercial insurance policies for various risks of loss related to torts; theft, damage or destruction of assets; errors or omissions; injuries to employees; or acts of God. Payments of premiums for these policies are recorded as expenditures or expenses in various funds of the City. Settlements have not exceeded insurance coverage for each of the past three years. There have also been no significant changes in insurance coverage from the prior year.

2. Tax Incremental Financing Districts

The City has established separate capital projects funds for the Tax Incremental Financing Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TID's were created, the property tax base within each TID was "frozen" and increment taxes resulting from increases to the property tax base are used to finance TID improvements, including principal and interest on long-term debt issued by the City to finance such improvements. State Statutes allow a tax incremental district to incur eligible project costs up to five years from the maximum termination date.

Since creation of the above TID's, the City has provided various financing sources to each TID and has also recorded eligible TID project costs in other funds of the City. The foregoing amounts are not recorded as liabilities in the TID capital project funds but can be recovered by the City from any future excess tax increment revenues. Detail of the amounts recoverable by the City as of December 31, 2015 from future excess tax increment revenues follows:

	Total	TID No. 6	TID No. 7	TID No. 8	TID No. 11	TID No. 12
Net Unreimbursed Project Costs	\$5,932,258	\$ 602,548	\$ 410,440	\$ 997,081	\$ 3,539,710	\$ 382,479

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

	Termination Date
TID No. 3	7/2/2018
TID No. 6	11/6/2028
TID No. 7	2/1/2032
TID No. 8	7/23/2027
TID No. 9	4/8/2036
TID No. 10	3/25/2030
TID No. 11	9/6/2031
TID No. 12	4/4/2039

CITY OF MARINETTE, WISCONSIN

Notes to Basic Financial Statements

December 31, 2015

NOTE D - OTHER INFORMATION (Continued)

3. Contingent Liabilities

The City has identified the following items as potential liabilities not recorded on the basic financial statements:

- a. The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The City's compliance with applicable grant requirements will be established at some future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.
- b. From time to time, the City is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management 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.

4. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2015 and 2016 budget year, the increase in the maximum allowable tax levy is limited to the percentage change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2015 budget was 1.65%. The actual limit for the City for the 2016 budget was .61%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

5. Cumulative Effect of Change in Accounting Principles

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

	Business-type Activities					Total	Total
	Governmental Activities	Cemetery	Water Utility	Wastewater Utility	Storm Water Utility		
Net Pension Asset	\$ 1,823,587	\$ 31,733	\$ 139,133	\$ 68,522	\$ 17,787	\$ 257,175	\$ 2,080,762
Deferred Outflows of Resources	408,605	7,110	31,175	15,353	3,985	57,623	466,228
Total Cumulative Effect of Change in Accounting Principle	\$ 2,232,192	\$ 38,843	\$ 170,308	\$ 83,875	\$ 21,772	\$ 314,798	\$ 2,546,990

6. Upcoming Accounting Pronouncements

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

REQUIRED SUPPLEMENTARY INFORMATION

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

	2015
Proportion of the net pension asset	0.05163872%
Proportionate share of the net pension asset	\$ 1,268,388
Covered-employee payroll	\$ 5,391,970
Plan fiduciary net position as a percentage of the total pension asset	102.74%

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

See Notes to Required Supplementary Information.

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

	2015
Contractually required contributions	\$ 493,584
Contributions in relation to the contractually required contributions	\$ 493,584
Contribution deficiency (excess)	\$ -
Covered-employee payroll	\$ 5,391,970
Contributions as a percentage of covered-employee payroll	9.15%

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

See Notes to Required Supplementary Information.

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

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

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

NOTE B – WISCONSIN RETIREMENT SYSTEM

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

SUPPLEMENTARY INFORMATION

CITY OF MARINETTE , WISCONSIN
Detailed Comparison of Budgeted and Actual Revenues
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes				
General property taxes	\$ 3,880,659	\$ 3,880,659	\$ 3,880,962	\$ 303
Mobile home fees	80,000	80,000	74,015	(5,985)
Payments in lieu of taxes	83,000	83,000	82,439	(561)
Interest and penalties on taxes	2,650	2,650	1,752	(898)
Total Taxes	4,046,309	4,046,309	4,039,168	(7,141)
Intergovernmental				
State shared taxes	4,646,967	4,646,967	4,645,747	(1,220)
Exempt computer aid	55,000	55,000	49,738	(5,262)
Municipal services payment	97,080	97,080	92,532	(4,548)
Local highway aids	511,904	511,904	510,914	(990)
Connecting streets	66,509	66,509	66,509	-
Recycling	42,000	42,000	42,784	784
Federal and state grants	98,190	98,190	94,994	(3,196)
Total Intergovernmental	5,517,650	5,517,650	5,503,218	(14,432)
Licenses and Permits				
Licenses				
Liquor and malt beverages	33,000	33,000	33,800	800
Operators' licenses	12,800	12,800	12,519	(281)
Cigarette licenses	2,500	2,500	2,000	(500)
Bicycle licenses	250	250	174	(76)
Dog licenses	800	800	1,208	408
Other miscellaneous	8,950	8,950	8,820	(130)
Electrical contractor	1,800	1,800	-	(1,800)
Trailer park	1,000	1,000	1,500	500
Cable franchise fees	128,000	128,000	126,677	(1,323)
Permits				
Building permits	28,000	28,000	39,793	11,793
Electrical permits	12,000	12,000	11,681	(319)
Plumbing permits	5,000	5,000	5,106	106
Occupancy permits	5,500	5,500	6,220	720
Other permits	17,950	17,950	22,113	4,163
Total Licenses and Permits	257,550	257,550	271,611	14,061

(Continued)

CITY OF MARINETTE, WISCONSIN
Detailed Comparison of Budgeted and Actual Revenues (Continued)
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Fines and Forfeits				
Municipal court fines and costs	200,004	200,004	264,483	64,479
Parking violations	8,500	8,500	15,985	7,485
Miscellaneous	900	900	116	(784)
Total Fines and Forfeits	209,404	209,404	280,584	71,180
Public Charges for Services				
Special assessment letters	9,200	9,200	9,585	385
Snow and ice removal	3,000	3,000	200	(2,800)
Law department	-	-	80	80
City clerk	2,800	2,800	2,033	(767)
Police department	1,800	1,800	1,724	(76)
Fire department	3,200	3,200	3,608	408
Weed control	800	800	500	(300)
Garbage and refuse collection	47,000	47,000	47,600	600
Park and recreation	110,350	110,350	101,958	(8,392)
Other	120	120	-	(120)
Total Public Charges for Services	178,270	178,270	167,288	(10,982)
Miscellaneous				
Interest income	8,450	8,450	10,236	1,786
Rent of City property	78,370	78,370	74,674	(3,696)
Sale of City property	100	100	105	5
Insurance claims and refunds	16,281	16,281	20,592	4,311
Private donations	5,000	5,000	7,447	2,447
Total Miscellaneous	108,201	108,201	113,054	4,853
Total Revenues	\$ 10,317,384	\$ 10,317,384	\$ 10,374,923	\$ 57,539

CITY OF MARINETTE, WISCONSIN
Detailed Comparison of Budgeted and Actual Expenditures
General Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government				
City council	\$ 41,448	\$ 41,448	\$ 36,246	\$ 5,202
Mayor	79,358	81,858	98,992	(17,134)
Municipal court	120,405	120,405	135,405	(15,000)
City Clerk	197,556	197,556	200,520	(2,964)
Finance	200,725	200,725	186,658	14,067
Assessment of property	219,746	219,746	215,601	4,145
Legal	224,200	224,200	211,682	12,518
Technology services	35,275	54,275	69,236	(14,961)
City hall	78,204	78,204	106,160	(27,956)
Other general government	398,810	339,053	293,958	45,095
Total General Government	1,595,727	1,557,470	1,554,458	3,012
Public Safety				
Police department	2,884,585	2,884,585	2,865,661	18,924
Fire department	1,726,646	1,726,646	1,762,823	(36,177)
Rescue squad	-	-	11,380	(11,380)
Total Public Safety	4,611,231	4,611,231	4,639,864	(28,633)
Public Works				
Roadways and streets	855,352	855,352	719,954	135,398
Engineering	136,042	136,042	131,551	4,491
Street construction	1,201,500	1,199,432	1,180,850	18,582
Administration	272,194	272,194	284,056	(11,862)
Street lighting	267,300	267,300	183,739	83,561
Garbage and refuse collection	735,829	735,829	725,335	10,494
Recycling	147,215	147,215	139,138	8,077
Total Public Works	3,615,432	3,613,364	3,364,623	248,741
Culture and Recreation				
Recreation program	629,050	629,050	621,016	8,034
Parks	248,164	249,321	273,195	(23,874)
Total Culture and Recreation	877,214	878,371	894,211	(15,840)
Conservation and Development				
Community development	33,372	33,372	26,553	6,819
Forestry	214,193	214,193	248,126	(33,933)
Total Conservation and Development	247,565	247,565	274,679	(27,114)
Capital Outlay				
Administration	37,400	74,468	75,442	(974)
Street equipment	-	-	568	(568)
Recreation program	3,000	3,000	3,467	(467)
Total Capital Outlay	40,400	77,468	79,477	(2,009)
Total Expenditures	\$ 10,987,569	\$ 10,985,469	\$ 10,807,312	\$ 178,157

CITY OF MARINETTE, WISCONSIN
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual Amounts	Variance Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 867,659	\$ 867,659	\$ 867,659	\$ -
Intergovernmental charges	13,696	13,696	13,696	-
Miscellaneous	-	-	23	23
Total Revenues	881,355	881,355	881,378	23
Expenditures				
Debt service				
Principal	835,538	835,538	460,000	375,538
Interest and fiscal charges	45,817	45,817	45,470	347
Total Expenditures	881,355	881,355	505,470	375,885
Excess of Revenues Over Expenditures	-	-	375,908	375,908
Other Financing Uses				
Transfers out	-	-	(354,965)	(354,965)
Net Change in Fund Balance	-	-	20,943	20,943
Fund Balance - January 1	1,352	1,352	1,352	-
Fund Balance - December 31	\$ 1,352	\$ 1,352	\$ 22,295	\$ 20,943

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

	Special Revenue Funds							
	HCRI Grant	Rehabilitation Loan	Business Development Loan	Taxi Program	Senior Center	Room Tax	Downtown Development	General Economic Development
ASSETS								
Cash and investments	\$ 10,753	\$ 80,039	\$ 414,354	\$ -	\$ 8,559	\$ -	\$ 88,924	\$ 447,337
Receivables								
Taxes	-	-	-	-	-	-	-	-
Accounts	-	-	-	47,882	-	102,364	1,325	-
Loans receivable	32,378	1,622,068	552,127	-	-	-	-	-
TOTAL ASSETS	\$ 43,131	\$ 1,702,107	\$ 966,481	\$ 47,882	\$ 8,559	\$ 102,364	\$ 90,249	\$ 447,337
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES								
Liabilities								
Accounts payable	\$ -	\$ -	\$ 598	\$ 22,844	\$ 1,469	\$ 1,514	\$ 70	\$ -
Short-term notes payable	-	-	-	-	-	-	-	-
Due to other governments	-	-	-	2,051	-	-	-	-
Accrued expenses	-	407	136	15	1,686	548	-	-
Due to other funds	-	-	-	38	-	1,123	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Total Liabilities	-	407	734	24,948	3,155	3,185	70	-
Deferred Inflows of Resources								
Property taxes	-	-	-	-	-	-	-	-
Fund Balances								
Restricted for								
Tax incremental district	-	-	-	-	-	-	-	-
Loans	43,131	1,701,700	965,747	-	-	-	-	-
Assigned	-	-	-	22,934	5,404	99,179	90,179	447,337
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	43,131	1,701,700	965,747	22,934	5,404	99,179	90,179	447,337
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 43,131	\$ 1,702,107	\$ 966,481	\$ 47,882	\$ 8,559	\$ 102,364	\$ 90,249	\$ 447,337

(Continued)

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

Special Revenue Funds (Continued)							
	Water Front Project	Fire Education	Anti-Drug Abuse Grant	Hazardous Materials Grant	Crime Prevention	Early Retirement	Totals
ASSETS							
Cash and investments	\$ 217,710	\$ 81,685	\$ 29,767	\$ 16,208	\$ -	\$ 47,538	\$ 1,442,874
Receivables							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	151,571
Loans receivable	-	-	-	-	-	-	2,206,573
TOTAL ASSETS	\$ 217,710	\$ 81,685	\$ 29,767	\$ 16,208	\$ -	\$ 47,538	\$ 3,801,018
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ 14,584	\$ -	\$ 62	\$ -	\$ -	\$ 41,141
Short-term notes payable	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	2,051
Accrued expenses	-	-	-	3,777	-	-	6,569
Due to other funds	-	-	-	-	5,143	-	6,304
Unearned revenues	-	-	-	-	-	-	-
Total Liabilities	-	14,584	-	3,839	5,143	-	56,065
Deferred Inflows of Resources							
Property taxes	-	-	-	-	-	-	-
Fund Balances							
Restricted for							
Tax incremental district	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	2,710,578
Assigned	217,710	67,101	29,767	12,369	-	47,538	1,039,518
Unassigned	-	-	-	-	(5,143)	-	(5,143)
Total Fund Balances (Deficits)	217,710	67,101	29,767	12,369	(5,143)	47,538	3,744,953
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 217,710	\$ 81,685	\$ 29,767	\$ 16,208	\$ -	\$ 47,538	\$ 3,801,018

(Continued)

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

	Capital Projects Funds						
	Sidewalk	General Capital Projects	TIF #6	TIF #7	Hall Avenue	TIF #8	TIF #9
ASSETS							
Cash and investments	\$ 2,479	\$ 809,912	\$ 2,059	\$ 54,560	\$ 36,937	\$ 297,917	\$ 8,853
Receivables							
Taxes	-	-	99,158	18,248	-	92,388	22,519
Accounts	-	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 2,479	\$ 809,912	\$ 101,217	\$ 72,808	\$ 36,937	\$ 390,305	\$ 31,372
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES							
Liabilities							
Accounts payable	\$ -	\$ 44,457	\$ -	\$ -	\$ -	\$ -	\$ -
Short-term notes payable	-	354,965	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Accrued expenses	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-
Total Liabilities	-	399,422	-	-	-	-	-
Deferred Inflows of Resources							
Property taxes	-	-	99,158	18,248	-	92,386	22,519
Fund Balances							
Restricted for							
Tax incremental district	-	-	2,059	54,560	-	297,919	8,853
Loans	-	-	-	-	-	-	-
Assigned	2,479	410,490	-	-	36,937	-	-
Unassigned	-	-	-	-	-	-	-
Total Fund Balances (Deficits)	2,479	410,490	2,059	54,560	36,937	297,919	8,853
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 2,479	\$ 809,912	\$ 101,217	\$ 72,808	\$ 36,937	\$ 390,305	\$ 31,372

(Continued)

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

Capital Projects Funds (Continued)						
	TIF #10	TIF #11	TIF #12	TIF#13	Water Street Reconstruction	Police Equipment
ASSETS						
Cash and investments	\$ 60,132	\$ 325,289	\$ -	\$ -	\$ 230,428	\$ -
Receivables						
Taxes	296,793	341,861	29,758	-	-	-
Accounts	-	-	-	-	-	-
Loans receivable	-	-	-	-	-	-
TOTAL ASSETS	\$ 356,925	\$ 667,150	\$ 29,758	\$ -	\$ 230,428	\$ -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 2,771	\$ -	\$ -	\$ 907	\$ -	\$ 2,968
Short-term notes payable	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-
Accrued expenses	-	-	-	-	1,752	-
Due to other funds	-	-	27,479	-	345,363	39,647
Unearned revenues	-	-	-	-	230,000	-
Total Liabilities	2,771	-	27,479	907	230,000	42,615
Deferred Inflows of Resources						
Property taxes	296,793	341,861	29,758	-	-	-
Fund Balances						
Restricted for						
Tax incremental district	57,361	325,289	-	-	-	-
Loans	-	-	-	-	-	-
Assigned	-	-	-	-	428	-
Unassigned	-	-	(27,479)	(907)	-	(42,615)
Total Fund Balances (Deficits)	57,361	325,289	(27,479)	(907)	428	(42,615)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 356,925	\$ 667,150	\$ 29,758	\$ -	\$ 230,428	\$ -

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

	Capital Projects Funds (Continued)				Total Nonmajor Governmental Funds
	Recreation Equipment	Assessor Equipment	Fire Department Equipment	Totals	
ASSETS					
Cash and investments	\$ 18,938	\$ 11,058	\$ 65,825	\$ 1,924,387	\$ 3,367,261
Receivables					
Taxes	-	-	-	900,725	900,725
Accounts	-	-	-	-	151,571
Loans receivable	-	-	-	-	2,206,573
TOTAL ASSETS	\$ 18,938	\$ 11,058	\$ 65,825	\$ 2,825,112	\$ 6,626,130
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 308	\$ -	\$ 4,129	\$ 61,518	\$ 102,659
Short-term notes payable	-	-	-	354,965	354,965
Due to other governments	-	-	-	-	2,051
Accrued expenses	-	-	-	1,752	8,321
Due to other funds	-	-	-	412,489	418,793
Unearned revenues	-	-	-	230,000	230,000
Total Liabilities	<u>308</u>	<u>-</u>	<u>4,129</u>	<u>1,060,724</u>	<u>1,116,789</u>
Deferred Inflows of Resources					
Property taxes	-	-	-	900,723	900,723
Fund Balances					
Restricted for					
Tax incremental district	-	-	-	746,041	746,041
Loans	-	-	-	-	2,710,578
Assigned	18,630	11,058	61,696	541,718	1,581,236
Unassigned	-	-	-	(424,094)	(429,237)
Total Fund Balances (Deficits)	<u>18,630</u>	<u>11,058</u>	<u>61,696</u>	<u>863,665</u>	<u>4,608,618</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 18,938	\$ 11,058	\$ 65,825	\$ 2,825,112	\$ 6,626,130

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

	Special Revenue Funds							
	HCRI Grant	Rehabilitation Loan	Business Development Loan	Taxi Program	Senior Center	Room Tax	Downtown Development	General Economic Development
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302,078	\$ -	\$ -
Intergovernmental	-	-	-	279,886	-	33,970	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-	-
Interdepartmental charges	-	-	-	-	-	-	-	-
Miscellaneous	12	90	14,496	-	17,701	30,862	16,181	510
Total Revenues	12	90	14,496	279,886	17,701	366,910	16,181	510
Expenditures								
Current								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	375,850	-	-	-	-
Culture and recreation	-	-	-	-	87,324	-	-	-
Conservation and development	-	17,389	7,109	-	-	133,586	15,784	532
Debt service								
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-
Total Expenditures	-	17,389	7,109	375,850	87,324	133,586	15,784	532
Excess of Revenues Over (Under)								
Expenditures	12	(17,299)	7,387	(95,964)	(69,623)	233,324	397	(22)
Other Financing Sources (Uses)								
Transfers in	-	-	-	96,255	69,626	-	-	-
Transfers out	-	-	-	-	-	(890,623)	-	-
Total Other Financing Sources (Uses)	-	-	-	96,255	69,626	(890,623)	-	-
Net Change in Fund Balances	12	(17,299)	7,387	291	3	(657,299)	397	(22)
Fund Balances (Deficits) - January 1	43,119	1,718,999	958,360	22,643	5,401	756,478	89,782	447,359
Fund Balances (Deficits) - December 31	\$ 43,131	\$ 1,701,700	\$ 965,747	\$ 22,934	\$ 5,404	\$ 99,179	\$ 90,179	\$ 447,337

(Continued)

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

	Special Revenue Funds (Continued)						
	Water Front Project	Fire Education	Anti-Drug Abuse Grant	Hazardous Materials Grant	Crime Prevention	Early Retirement	Totals
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 302,078
Intergovernmental	-	143,315	-	-	-	-	457,171
Fines, forfeitures and penalties	-	-	5,368	-	-	-	5,368
Public charges for services	10,145	-	-	-	-	-	10,145
Interdepartmental charges	-	-	-	-	-	-	-
Miscellaneous	2,031	3,596	34	16,643	2,000	132	104,288
Total Revenues	12,176	146,911	5,402	16,643	2,000	132	879,050
Expenditures							
Current							
General government	-	-	-	-	-	68,192	68,192
Public safety	-	136,989	6,235	15,650	-	-	158,874
Public works	-	-	-	-	-	-	375,850
Culture and recreation	20,721	-	-	-	-	-	108,045
Conservation and development	-	-	-	-	-	-	174,400
Debt service							
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	-	-	-	2,518	-	-	2,518
Total Expenditures	20,721	136,989	6,235	18,168	-	68,192	887,879
Excess of Revenues Over (Under)							
Expenditures	(8,545)	9,922	(833)	(1,525)	2,000	(68,060)	(8,829)
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	-	165,881
Transfers out	-	-	-	-	-	-	(890,623)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(724,742)
Net Change in Fund Balances	(8,545)	9,922	(833)	(1,525)	2,000	(68,060)	(733,571)
Fund Balances (Deficits) - January 1	226,255	57,179	30,600	13,894	(7,143)	115,598	4,478,524
Fund Balances (Deficits) - December 31	\$ 217,710	\$ 67,101	\$ 29,767	\$ 12,369	\$ (5,143)	\$ 47,538	\$ 3,744,953

(Continued)

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

	Capital Projects Funds						
	Sidewalk	General Capital Projects	TIF #6	TIF #7	Hall Avenue	TIF #8	TIF #9
Revenues							
Taxes	\$ -	\$ -	\$ 126,804	\$ 77,435	\$ -	\$ 111,969	\$ 32,859
Intergovernmental	-	-	-	2	-	894	285
Fines, forfeitures and penalties	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-
Interdepartmental charges	-	-	-	-	-	-	-
Miscellaneous	3	872	2	64	49	393	10
Total Revenues	3	872	126,806	77,501	49	113,256	33,154
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Conservation and development	-	-	239	739	-	240	29,813
Debt service							
Principal	-	-	91,975	40,000	-	60,000	-
Interest and fiscal charges	-	-	34,829	12,758	-	55,825	-
Capital outlay	-	389,615	-	-	-	-	-
Total Expenditures	-	389,615	127,043	53,497	-	116,065	29,813
Excess of Revenues Over (Under)							
Expenditures	3	(388,743)	(237)	24,004	49	(2,809)	3,341
Other Financing Sources (Uses)							
Transfers in	-	563,265	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	563,265	-	-	-	-	-
Net Change in Fund Balances	3	174,522	(237)	24,004	49	(2,809)	3,341
Fund Balances (Deficits) - January 1	2,476	235,968	2,296	30,556	36,888	300,728	5,512
Fund Balances (Deficits) - December 31	\$ 2,479	\$ 410,490	\$ 2,059	\$ 54,560	\$ 36,937	\$ 297,919	\$ 8,853

(Continued)

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

Capital Projects Funds (Continued)							
	TIF #10	TIF #11	TIF #12	TIF #13	Water Street Reconstruction	DPW Garage	Police Equipment
Revenues							
Taxes	\$ 211,805	\$ 361,878	\$ 31,748	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	516,900	6,745	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-
Interdepartmental charges	-	-	-	-	-	345,070	126,196
Miscellaneous	69	1,066	509	-	26	-	9,415
Total Revenues	211,874	879,844	39,002	-	26	345,070	135,611
Expenditures							
Current							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	79,693
Public works	-	-	-	-	-	364,444	-
Culture and recreation	-	-	-	-	-	-	-
Conservation and development	191,861	50,169	1,034	907	-	-	-
Debt service							
Principal	-	170,000	25,000	-	-	-	-
Interest and fiscal charges	-	99,122	7,258	-	-	-	-
Capital outlay	-	96,319	-	-	-	421,401	-
Total Expenditures	191,861	415,610	33,292	907	-	785,845	79,693
Excess of Revenues Over (Under)							
Expenditures	20,013	464,234	5,710	(907)	26	(440,775)	55,918
Other Financing Sources (Uses)							
Transfers in	-	-	-	-	-	87,682	-
Transfers out	-	-	-	-	-	-	(98,533)
Total Other Financing Sources (Uses)	-	-	-	-	-	87,682	(98,533)
Net Change in Fund Balances	20,013	464,234	5,710	(907)	26	(353,093)	(42,615)
Fund Balances (Deficits) - January 1	37,348	(138,945)	(33,189)	-	402	-	-
Fund Balances (Deficits) - December 31	\$ 57,361	\$ 325,289	\$ (27,479)	\$ (907)	\$ 428	\$ (353,093)	\$ (42,615)

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

	Capital Projects Funds (Continued)				Total Nonmajor Governmental Funds
	Recreation Equipment	Assessor Equipment	Fire Department Equipment	Totals	
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ 954,498	\$ 1,256,576
Intergovernmental	-	-	-	524,826	981,997
Fines, forfeitures and penalties	-	-	-	-	5,368
Public charges for services	-	-	-	-	10,145
Interdepartmental charges	11,583	352	50,614	533,815	533,815
Miscellaneous	16	13	3,160	15,667	119,955
Total Revenues	11,599	365	53,774	2,028,806	2,907,856
Expenditures					
Current					
General government	-	74	-	74	68,266
Public safety	-	-	23,357	103,050	261,924
Public works	-	-	-	364,444	740,294
Culture and recreation	8,787	-	-	8,787	116,832
Conservation and development	-	-	-	275,002	449,402
Debt service					
Principal	-	-	-	386,975	386,975
Interest and fiscal charges	-	-	-	209,792	209,792
Capital outlay	-	-	15,950	923,285	925,803
Total Expenditures	8,787	74	39,307	2,271,409	3,159,288
Excess of Revenues Over (Under) Expenditures	2,812	291	14,467	(242,603)	(251,432)
Other Financing Sources (Uses)					
Transfers in	15,818	10,767	47,229	724,761	890,642
Transfers out	-	-	-	(98,533)	(989,156)
Total Other Financing Sources (Uses)	15,818	10,767	47,229	626,228	(98,514)
Net Change in Fund Balances	18,630	11,058	61,696	383,625	(349,946)
Fund Balances (Deficits) - January 1	-	-	-	480,040	4,958,564
Fund Balances (Deficits) - December 31	\$ 18,630	\$ 11,058	\$ 61,696	\$ 863,665	\$ 4,608,618