

CITY OF APPLETON, WISCONSIN  
YEAR ENDING DECEMBER 31, 2021



**2021**  
**Comprehensive Annual**  
**Financial Report**

*“...meeting community needs ...enhancing quality of life.”*

**CITY OF APPLETON, WISCONSIN**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 2021**

Finance Department

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# **INTRODUCTORY SECTION**



## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Common Council  
City of Appleton, Wisconsin

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Appleton, Wisconsin (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Responsibilities of Management for the Financial Statements**

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

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



***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

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

***Other Matter***

***Report on Summarized Comparative Information***

We have previously audited the City's 2020 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in our report dated June 7, 2021. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2020, is consistent, in all material respects, with the audited financial statements from which it has been derived.

**Required Supplementary Information**

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

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State Single Audit Guidelines*, issued by the Wisconsin Department of Administration, and the Settlement of DHS Cost Reimbursement Award as required by the *State Single Audit Guidelines*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of the City as of and for the year ended December 31, 2020 (not presented herein), and have issued our report thereon dated June 7, 2021, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information. The financial information listed in the table of contents as supplementary information for the year ended December 31, 2020 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2020 basic financial statements. The information was subjected to the auditing procedures applied in the audit of the 2020 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the financial information listed in the table of contents as

Honorable Mayor and Common Council  
City of Appleton, Wisconsin

supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2020.

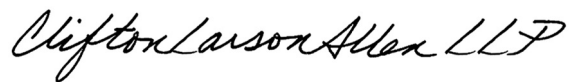
***Other Information***

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

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 7, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 7, 2022

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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As management of the City of Appleton, Wisconsin, we offer readers of the City's financial statement this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the City's financial statements.

### Financial Highlights

- The assets and deferred outflows of resources of the City of Appleton exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$711,323,276. Of this amount, \$85,878,258 may be used to meet the City's obligations to citizens and creditors. The remaining amount is either subject to external restrictions on the utilization of the funds, or is invested in infrastructure capital assets.
- At the close of the fiscal year, the City of Appleton's governmental funds reported combined ending fund balances of \$56,602,132, an increase of \$8,492,322 from the 2020 balance of \$48,109,810. The net increase was due to a loss in the City's general fund and positive operating results in other governmental funds. The general fund loss was attributable to the distribution of excess fund balance as of December 31, 2020. The positive operating results in the other governmental funds were mainly due to the receipt of debt proceeds that were unspent at December 31, 2021 and additional special revenue and capital project activity in tax incremental districts for reimbursement of prior years' project costs. In addition, a significant amount of budgeted expenditures were carried forward to 2022 due to supply chain delays and labor shortages.
- At the close of the fiscal year, the City of Appleton's enterprise funds reported combined ending net position of \$330,361,780, an increase of \$18,384,203 from the 2020 net position of \$311,977,577. The increase was a result of positive operating results in 2021 from all the City's enterprise funds led by the Stormwater Utility, \$6,168,159, Water Utility, \$6,149,787, Wastewater Utility, \$4,029,376, Valley Transit, \$1,855,586, Reid Golf Course, \$169,406, and Parking Utility, \$11,889. A more detailed discussion of the operating results of the major enterprise funds are contained later in this document.
- In accordance with GASB Statement No. 68 which require governmental entities participating in the Wisconsin Retirement System (WRS) to report their proportionate share of the plan's activity and net pension asset or liability, \$23,496,635 has been recorded as a net pension asset at December 31, 2021. As of the December 31, 2020 measurement date used for the 2021 financial statements, WRS reported total resources available to provide pension benefits of \$124.9 billion. They also reported a total liability for pensions of \$118.7 billion, resulting in a net pension asset of \$6.2 billion. The City's proportionate share of this asset is \$23,496,635.
- During 2021, the City issued \$14,500,000 of general obligation debt and retired \$8,990,000 of general obligation bonds and notes, resulting in an outstanding balance of \$82,170,000 at December 31, 2021. The major capital projects funded with the amount borrowed in 2021 include the start of the Library renovation project, the remodeling at City Hall, HVAC system at the Municipal Services building, and infrastructure projects. Under Wisconsin State Statutes Chapter 67, City of Appleton's aggregate general obligation indebtedness may not exceed 5% of the equalized value of taxable property located in the City. The net amount of debt that is applicable to the statutory limit is \$81,986,625 (\$82,170,000 less reserves on hand) which is 24.5% of the legal limit of \$334,418,040, well under the statutory limit.
- During 2021, the City issued \$17,110,000 of revenue bonds for their Water and Wastewater Utilities while retiring \$16,020,000 of outstanding revenue bond debt. This activity resulted in increasing total outstanding revenue bond debt from \$102,535,000 at December 31, 2020 to \$103,625,000 at December 31, 2021. This total outstanding revenue bond debt at December 31, 2021 included \$40,060,000 of Stormwater Utility bonds, \$40,665,000 of Water Utility bonds, and \$22,900,000 of Wastewater Utility bonds. Description of the individual outstanding revenue bond issues can be found in Note 4F of the financial statements.

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Overview of the Financial Statements

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

#### **GOVERNMENT-WIDE STATEMENTS**

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

The *Statement of Net Position* presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of the City is improving or deteriorating. To assess the overall health of the City, consideration must also be given to additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government; public safety; public works; education and recreation; and community development.

The major business-type activities of the City include Valley Transit and the Water, Stormwater, and Wastewater Utilities.

The government-wide financial statements include not only the City of Appleton itself (known as the primary government), but also two component units, the Appleton Redevelopment Authority and the Business Improvement District, that are separate legal entities for which the City of Appleton is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 21 to 23 of this report.

#### **FUND FINANCIAL STATEMENTS**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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

The City maintains 42 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and Debt Service Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 24 to 27 of this report.

*Proprietary Funds* – The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Wastewater, Water, Stormwater and Parking Utilities, Valley Transit and Reid Golf Course. The City uses internal service funds to account for its fleet management, facilities maintenance, insurance, and post-employment benefit programs. The services provided by these funds predominately benefit the government rather than the public. They have been included within the governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for Valley Transit and the Water, Wastewater and Stormwater Utilities since they are considered to be major funds of the City.

Data from the other enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major enterprise funds is provided in the form of combining statements elsewhere in this report. All internal service funds are also combined into a single, aggregated column in the proprietary fund financial statements. Individual fund information is provided in the Supplementary Section of this report.

The basic proprietary fund financial statements can be found on pages 28 to 37 of this report.

*Fiduciary Funds* – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City uses a fiduciary fund to account for its property tax collection activities. The basic fiduciary fund financial statements can be found on page 38 to 39 of this report.

*Notes to the Financial Statements* – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 43 to 99 of this report.

*Other Information* – In addition to the basic financial statements and accompanying notes, *required supplementary information* presents a detailed budgetary comparison schedule for the General Fund as well as a schedule of changes in total OPEB liability and related ratios for the City's post-employment benefits plan, and schedules of the City's proportionate share of the Wisconsin Retirement System net pension liability and employer annual contributions to the plan. These schedules and the related notes can be found on pages 101 to 104 of this report. The combining statements referred to earlier in connection with nonmajor governmental funds, proprietary funds, and other information related to the individual funds are presented following the required supplementary information. Combining and individual statements and schedules can be found on pages 106 to 132 of this report.

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **Financial Analysis of the City as a Whole**

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement of Activities. These two statements report the City's net position and changes therein.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Appleton, assets and deferred outflows of resources exceeded liabilities and deferred inflows by \$711,323,276 as of December 31, 2021.

The largest portion of the City's net position (approximately 80%) reflects its investment in capital assets less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, they are not liquid and available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.



# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CITY OF APPLETON'S NET POSITION

	Governmental Activities 2021	Business- Type Activities 2021	Totals
Current and Other Assets	\$ 167,965,745	\$ 92,071,768	\$ 260,037,513
Capital Assets	<u>396,528,334</u>	<u>357,476,022</u>	<u>754,004,356</u>
Total Assets	<u>564,494,079</u>	<u>449,547,790</u>	<u>1,014,041,869</u>
Deferred Outflows of Resources	<u>33,742,521</u>	<u>7,764,796</u>	<u>41,507,317</u>
Other Liabilities	18,030,539	7,222,270	25,252,809
Long-Term Liabilities	<u>97,973,605</u>	<u>113,110,694</u>	<u>211,084,299</u>
Total Liabilities	<u>116,004,144</u>	<u>120,332,964</u>	<u>236,337,108</u>
Deferred Inflows of Resources	<u>99,403,355</u>	<u>8,485,447</u>	<u>107,888,802</u>
Net Position:			
Net Investment in Capital Assets	315,796,455	256,784,008	572,580,463
Restricted	26,983,901	25,880,654	52,864,555
Unrestricted	<u>40,048,745</u>	<u>45,829,513</u>	<u>85,878,258</u>
Total Net Position	<u>\$ 382,829,101</u>	<u>\$ 328,494,175</u>	<u>\$ 711,323,276</u>

	Governmental Activities 2020	Business- Type Activities 2020	Totals
Current and Other Assets	\$ 142,737,338	\$ 87,334,093	\$ 230,379,403
Capital Assets	<u>392,025,205</u>	<u>340,790,870</u>	<u>732,816,075</u>
Total Assets	<u>535,070,515</u>	<u>428,124,963</u>	<u>963,195,478</u>
Deferred Outflows of Resources	<u>24,772,427</u>	<u>6,570,037</u>	<u>31,342,464</u>
Other Liabilities	10,962,538	6,611,955	17,574,493
Long-Term Liabilities	<u>92,920,456</u>	<u>111,399,007</u>	<u>204,319,463</u>
Total Liabilities	<u>103,882,994</u>	<u>118,010,962</u>	<u>221,893,956</u>
Deferred Inflows of Resources	<u>85,847,714</u>	<u>6,312,329</u>	<u>92,160,043</u>
Net Position:			
Net Investment in Capital Assets	314,847,490	241,797,026	557,446,544
Restricted	19,402,361	25,089,068	44,491,429
Unrestricted	<u>35,862,383</u>	<u>43,485,615</u>	<u>78,545,970</u>
Total Net Position	<u>\$ 370,112,234</u>	<u>\$ 310,371,709</u>	<u>\$ 680,483,943</u>

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

An additional portion of the City's net position (approximately 7.8%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position of \$85,878,258 may be used to meet the government's ongoing obligation to its citizens and creditors.

**Analysis of the City's Operations** - The following table provides a summary of the City's operations for the year ended December 31, 2021. Governmental activities increased the City of Appleton's net position by \$12,716,867 and business-type activities increased the City's net position by \$18,122,466.

### CITY OF APPLETON CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

	Governmental Activities 2021	Business- Type Activities 2021	Totals
<b>Revenues:</b>			
<b>Program Revenues:</b>			
Charges for services	\$ 9,887,373	\$ 48,381,150	\$ 58,268,523
Operating grants and contributions	7,921,916	9,339,299	17,261,215
Capital grants and contributions	3,143,565	8,028,366	11,171,931
<b>General Revenues:</b>			
Property taxes	52,489,737	-	52,489,737
Other taxes	2,596,734	-	2,596,734
Intergovernmental	11,926,527	-	11,926,527
Investment income	(300,437)	(510,045)	(810,482)
Gain (loss) on sale of assets	367,964	6,367	1,628,618
Miscellaneous	219,092	20,409	239,501
Total Revenues	88,252,471	65,265,546	153,518,017
<b>Expenses:</b>			
General government	7,957,567	-	7,957,567
Public safety	29,957,432	-	29,957,432
Public works	22,068,563	-	22,068,563
Education and recreation	11,352,944	-	11,352,944
Community development	4,348,254	-	4,348,254
Interest and fiscal charges	1,428,939	-	1,428,939
Water Utility	-	14,949,500	14,949,500
Wastewater Utility	-	11,337,623	11,337,623
Valley Transit	-	9,275,951	9,275,951
Stormwater Utility	-	7,412,284	7,412,284
Other non-major proprietary funds	-	2,589,627	2,589,627
Total Expenses	77,113,699	45,564,985	122,678,684
Change in net position before transfers	11,138,772	19,700,561	30,839,333
Transfers	1,578,095	(1,578,095)	-
Increase (decrease) in net position	12,716,867	18,122,466	30,839,333
Net Position – January 1, 2021	370,112,234	310,371,709	680,483,943
Net Position – December 31, 2021	\$ 382,829,101	\$ 328,494,175	\$ 711,323,276

# City of Appleton, Wisconsin

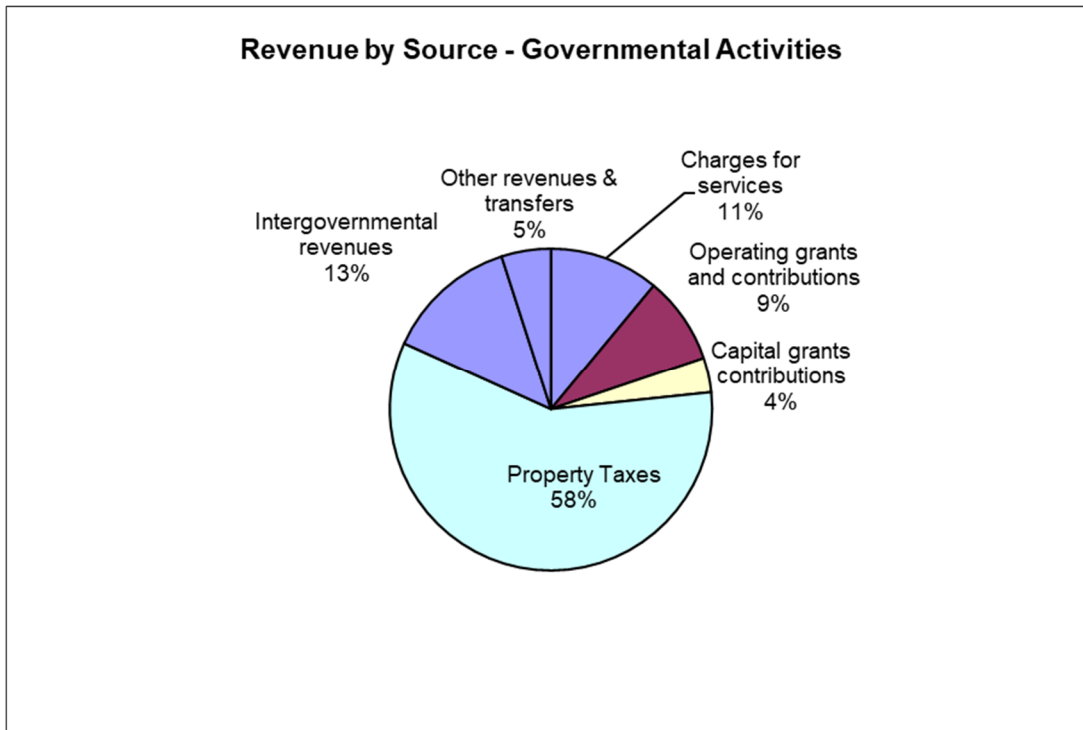
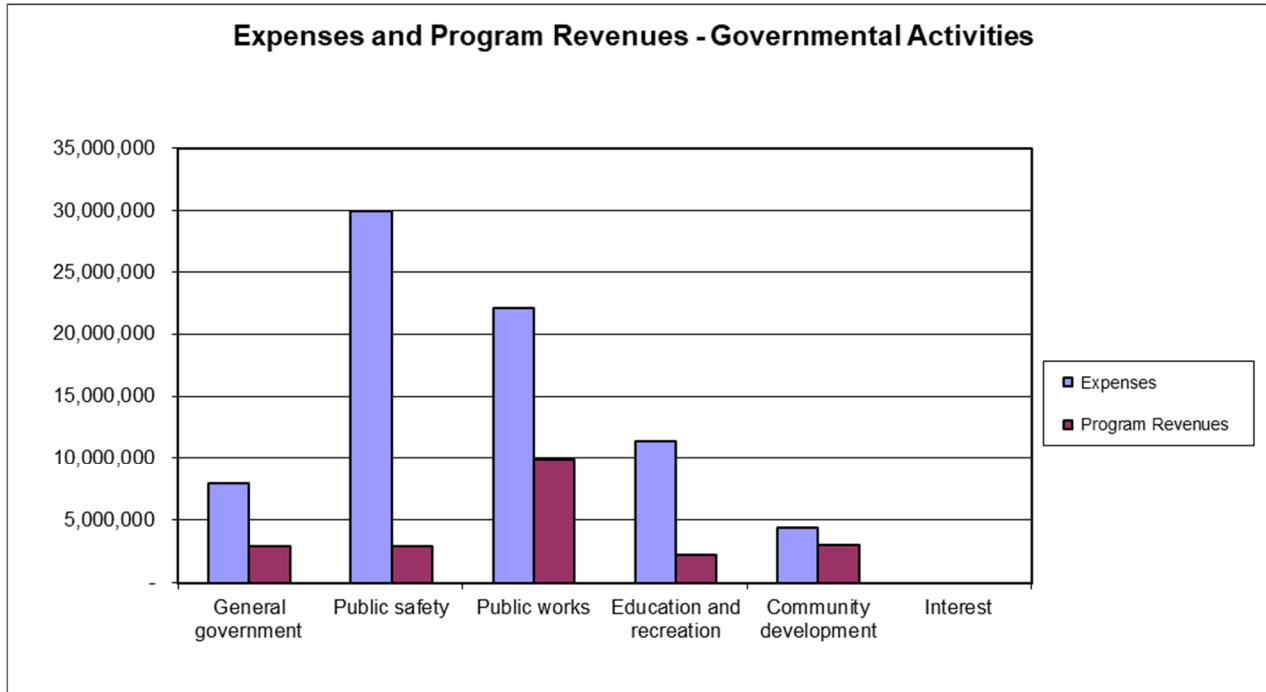
## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CITY OF APPLETON CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION (cont.)

	Governmental Activities 2020	Business- Type Activities 2020	Totals
Revenues:			
Program Revenues:			
Charges for services	\$ 8,356,886	\$ 45,252,325	\$ 53,609,211
Operating grants and contributions	9,513,273	8,795,406	18,308,679
Capital grants and contributions	1,958,429	1,623,129	3,581,558
General Revenues:			
Property taxes	49,901,044	-	49,901,044
Other taxes	2,296,548	-	2,296,548
Intergovernmental	11,969,608	-	11,969,608
Investment income	2,501,491	1,897,133	4,398,624
Gain (loss) on sale of assets	840,164	14,867	855,031
Miscellaneous	202,536	32,473	235,009
Total Revenues	<u>87,539,979</u>	<u>57,615,333</u>	<u>145,155,312</u>
Expenses:			
General government	7,437,182	-	7,437,182
Public safety	34,829,391	-	34,829,391
Public works	22,041,260	-	22,041,260
Education and recreation	11,668,689	-	11,668,689
Community development	4,109,547	-	4,109,547
Interest and fiscal charges	1,441,981	-	1,441,981
Water Utility	-	15,108,556	15,108,556
Wastewater Utility	-	11,414,045	11,414,045
Valley Transit	-	8,794,362	8,794,362
Stormwater Utility	-	8,150,321	8,150,321
Other non-major proprietary funds	-	2,775,308	2,775,308
Total Expenses	<u>81,528,050</u>	<u>46,242,592</u>	<u>127,770,642</u>
Change in net position before transfers	7,505,985	11,680,713	17,384,670
Transfers	<u>1,564,322</u>	<u>(1,564,322)</u>	<u>-</u>
Increase (decrease) in net position	7,576,251	9,808,419	17,384,670
Net Position – January 1, 2020	<u>362,535,983</u>	<u>300,563,290</u>	<u>663,099,273</u>
Net Position – December 31, 2020	<u>\$ 370,112,234</u>	<u>\$ 310,371,709</u>	<u>\$ 680,483,943</u>

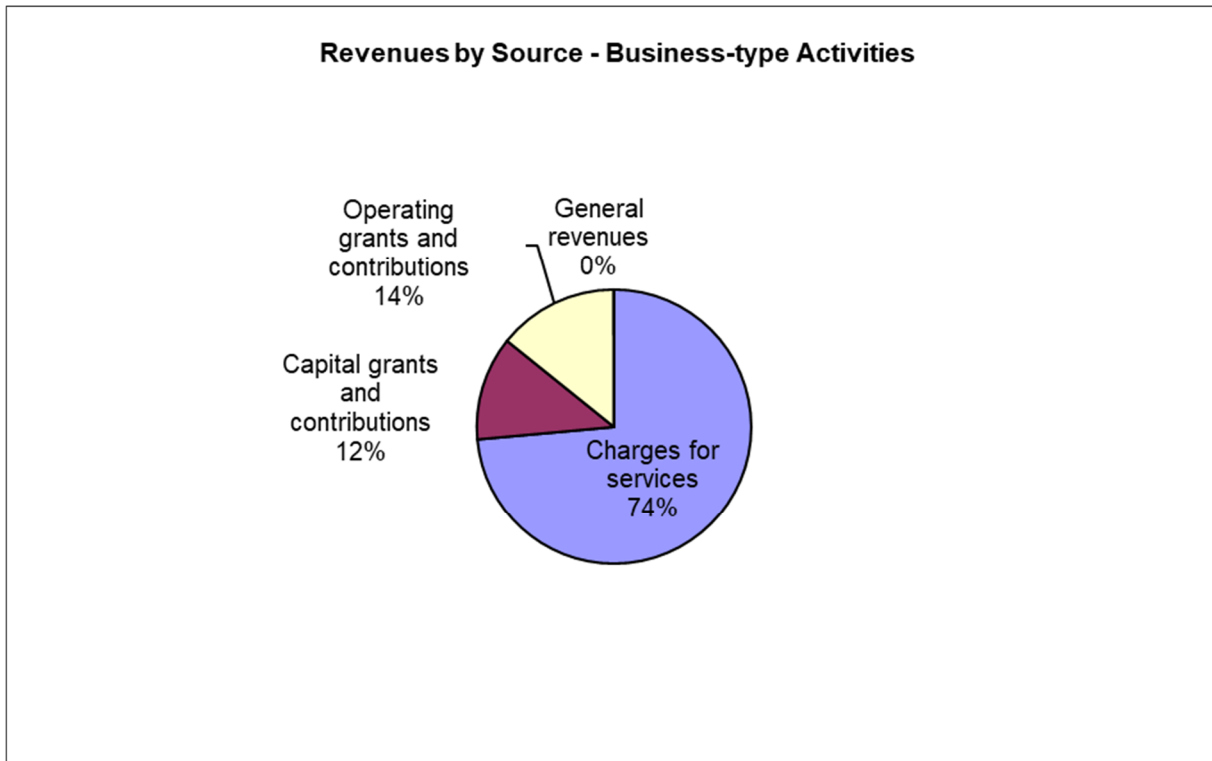
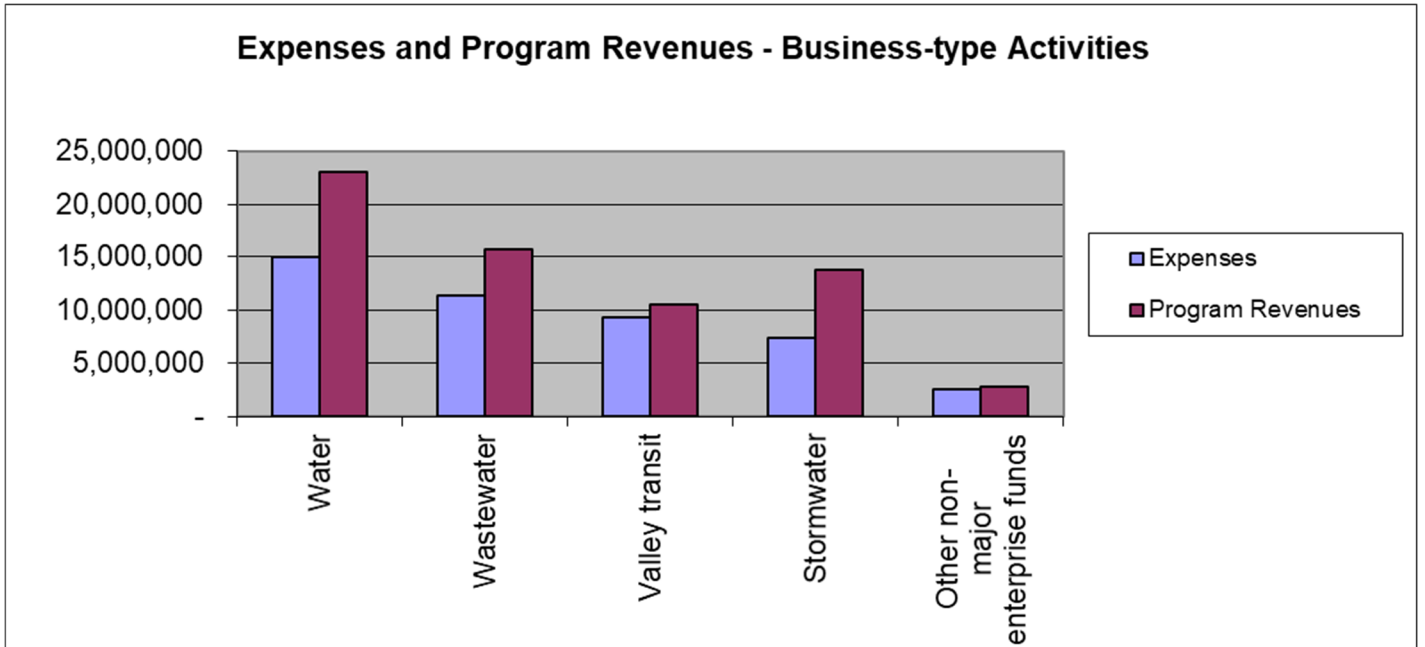
# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS



# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS



# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### **GOVERNMENTAL FUNDS**

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

At the end of the current fiscal year, the City of Appleton's governmental funds reported combined ending fund balances of \$56,602,132. In accordance with Governmental Accounting Standards Board Statement No. 54 – Fund Balance Reporting and Governmental Fund Type Definitions, the City has classified the governmental fund balance as follows: 1) non-spendable \$3,338,419; 2) restricted \$9,308,683; 3) committed \$1,720,639; 4) assigned \$28,500,698; and 5) unassigned \$13,733,693. Non-spendable funds include amounts that cannot be spent because they are not in spendable form (inventories or prepaid expenses, for example), or are legally required to remain intact. Restricted funds consist of amounts that have externally enforceable limitations placed on their use by creditors, grantors, contributors, or other governments, or by law through constitutional provisions or enabling legislation. Committed funds include amounts that are constrained for specific purposes through formal action of the highest level of decision-making authority, usually the City Council. Assigned funds consist of spendable amounts that are intended to be used for specific purposes but are not considered restricted or committed. Unassigned funds include the residual balance within the general fund which has not been classified within the other categories. Unassigned fund balance may also include deficit balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

General Fund: The general fund is the main operating fund of the City. The general fund has a detailed reserve policy that ensures the financial stability of the City of Appleton. The reserve policy stipulates that the total unreserved fund balance (excluding designations for debt service) will be 25% of the following year's budgeted appropriations. It also calls for a designated balance for debt service of 25% of the ensuing year's debt service requirements. 75% of any excess funds over these amounts will be used for the reduction of long-term liabilities. Use of the remaining excess funds is subject to recommendation from the Finance Committee and final Council approval. This policy has allowed the City to keep its outstanding debt well below the legal debt limit. The City is currently at 24.5% of the limit and has a general obligation debt per capita of \$1,071.

For the year ended December 31, 2021, general fund revenues and transfers in totaled \$64,490,816 while expenses and transfers out were \$69,376,390 resulting in a decrease of \$4,885,574 for the year. This was due to decreased revenues compared to the original general fund budget attributable to realized and unrealized losses on investments, and increased transfers to other funds resulting from a distribution of excess fund balance as of December 31, 2020.

### **PROPRIETARY FUNDS**

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

Water Utility: Water Utility operating income was \$6,911,947 in 2021, or a 4.82% rate of return on the net investment rate base. This compares to operating income of \$6,590,171 in 2020, or a 4.85% rate of return. The increase in operating income was a result of increased revenues, as well as a slight decrease in operating expense from 2020. Finished water production was up 3% from 2020, overall; however, water consumption have not fully returned to pre-pandemic levels. Other operating revenue increased due to the reinstatement of late fees that were waived during most of 2020 due to the requirements of the Wisconsin Public Service Commission (PSC). On the expense side, operating expenses decreased \$144,000 from 2020, due to a positive pension expense in 2021 and the completion of two operational studies in 2020. Capital Contribution revenue was \$2.88 million in 2021, this is up from \$247,000 in 2020; most of the increase was due to significant subdivision development completed in 2021. The Water Utility was impacted with unrealized losses on investments of \$261,831.

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Wastewater Utility: The Wastewater Utility recorded operating income of \$2,429,038 in 2021 compared to operating income of \$51,115 in 2020. The increase in operating income was due to the 20% rate increase that was effective January 1, 2021. Other operating revenue also increased due to the reinstatement of late fees that were waived during most of 2020 due to the pandemic. Operating expenses decreased by approximately \$149,000, due primarily to a positive pension expense in 2021. Capital Contribution revenue was \$2.66 million in 2021, this is up from \$647,000 in 2020; most of the increase was due to significant subdivision development completed in 2021. The Wastewater Utility was impacted with unrealized losses on investments of \$383,149.

Stormwater Utility: Stormwater Utility operating income was \$5,108,367 in 2021 compared to operating income of \$4,406,624 in 2020. Operating revenues increased slightly due to the addition of equivalent runoff units (ERU's) in 2020 from new development, and the reinstatement of late fees that were waived for most of 2020 due to the pandemic. Plan Review fee income also increased \$68,000 from 2020. Operating expenses for 2021 decreased 8%, or approximately \$565,355, from 2020. The decrease in operating expenses was due to positive pension expense in 2021 and additional expense in 2020, for planning and development costs for the Spartan Avenue northwest growth area. Additionally, operating expenses for operations and leaf collections were like costs in 2020. Capital Contribution revenue was \$2.5 million in 2021, this is up from \$717,000 in 2020; most of the increase is due to significant subdivision development completed in 2021. The Stormwater Utility was impacted with unrealized losses on investments of \$292,875.

Valley Transit: Operating revenues increased \$162,272 in 2021 mostly due to an increase of approximately \$82,400 in ADA and ancillary paratransit fares and an additional \$61,043 in non-transportation revenue. Non-transportation revenue consists largely of advertising revenue, commission on vending machines and scrap metal sales. Ridership continues to be low due to the COVID-19 global pandemic that shut down most of the country in mid-March 2020. Preventive measures included social distancing, travel restrictions, lockdowns and quarantines for people exposed or symptomatic. Precautions continued throughout 2021.

Operating expenses increased by \$588,767 mostly due to an increase in purchased transportation expense and increased depreciation expense. During 2021, Valley Transit saw a small rise in demand for ADA and ancillary paratransit services as some COVID restrictions were lifted and people began traveling again. Payroll expense increased due to collective bargaining agreements for represented staff and pay for performance adjustments for non-represented staff that totaled approximately \$152,188 which was offset by a decrease in fringes of \$206,902.

Valley Transit's 2021 net position has increased when compared to 2020. The largest factor contributing to the increase in net position is the capital funding received for five replacement buses purchased during 2021.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

The final amended General Fund budget had total appropriations (including transfers) of \$9,008,721 more than the original budget. The total original appropriations, including those for transfers out, were \$65,511,743, while the final appropriations were \$74,520,464. A large part of the increase, \$5,115,000, was the distribution of excess fund balance. These included \$4,340,000 in excess fund balance that was transferred to Capital Project funds and \$775,000 for expenditures in the General Fund related to activities in Public Works, Information Technology and Finance. Additionally, a transfer of \$1,300,000 for increased workers compensation claims and required reserves to the Risk Management Fund was approved. A majority of the remaining increase, \$2,051,881, was related to contingency funds established in the past that were carried over from 2020 into 2021 to safeguard against uncertainties in the economy. This contingency fund consists of reserves for fuel costs (\$137,315) and wage increases (\$700,000), an amount to guard against future potential State aid reductions (\$812,268), and an overall general contingency fund for unforeseen emergencies or catastrophic events (\$402,298).

The remaining increase in the 2021 Budget of \$721,186 was related to \$295,635 of unexpended 2020 budget funds carried over to pay for expenses that were incurred in 2021. Additionally, various budget increases were approved by the City Council throughout the year totaling \$425,551. The majority of these increases were related to expenses incurred in response to donations or grants received by the City during the year to fund public safety, library, and park and recreation programs.

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### ***CAPITAL ASSETS***

At the end of 2021, the City had invested a total of \$754,004,356 in capital assets (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, infrastructure and construction work in progress. Major capital asset events during the current fiscal year included the following:

#### Business-type Activities

Water: In 2021, the Water Utility completed \$4.5 million of additions and upgrades to the Lake Station and Lake Intake in a multi-year project. Transmission and distribution capital outlay accounted for approximately \$2.75 million of expenses in 2021 and will continue to be a focus due to an aging distribution system and to accommodate development on the north side of the City. Additionally, \$1 million in expense was recorded as work in progress for the northside transmission line to be completed in 2022.

Wastewater: In 2021, capital asset additions included approximately \$2 million in improvements to the wastewater collection system and work in progress of \$1 million for a large sewer collection main on the northside of the City to be completed in 2022. Other projects completed included \$900,000 for a new lift station to serve development in the far northeast side of the City, \$370,000 for concrete replacement at the treatment plant, \$500,000 for HVAC replacement at the treatment plant and \$2 million for a multi-year project for the process improvements. The multi-year electrical upgrade at the treatment plant saw the completion of the \$2.8 million substation and the addition of work in process at the end of 2021 of \$1.4 million for the final phase of the project. Additionally, \$2.5 million was added to work in progress for the piping improvements at the treatment plant.

Stormwater: Capital improvements necessary to continue our efforts in the management of stormwater in the City accounted for approximately \$1.6 million in capital outlay for additions and upgrades to mains and infrastructure. Additionally, \$600,000 of contributed capital added two ponds to the system.

Valley Transit: Net capital assets increased \$1,774,245 during 2021 as the result of capital purchases of \$2,783,471 financed by state and federal capital grants and local match dollars, offset by depreciation expense of \$1,008,462. Capital investments in 2021 consisted of five new buses at a total investment of \$2,455,372, operation staff vehicle (\$30,032), database software (\$100,649), new bus stop signs (\$27,826) and the beginning of a construction project at the Whitman facility (\$169,592).

#### Governmental Activities

Maintaining existing infrastructure, always a high priority of the City, accounted for the largest general fixed asset expenditures, with approximately \$10.4 million invested in various street, bridge and sidewalk improvement projects throughout the City. In conjunction with the maintenance of infrastructure, proper maintenance of City facilities is important to their longevity and safe operation. Investments made to various facilities in 2021 (including projects started in 2020 and completed in 2021) included \$1,084,675 in renovations in City Hall, \$1,161,652 for HVAC in two facilities, and \$473,262 on solar panels at the Municipal Services Building.

Investments in equipment in 2021 consisted predominantly of replacements of vehicles managed by the City's Central Equipment Agency (\$2,718,865). Additionally, work continued on the project to replace existing legacy mainframe computer systems with an enterprise resource planning (ERP) system (\$120,864).

Finally, quality of life enhancements continue to be a major emphasis for the City. The largest investment was for improvements for playgrounds at Pierce, Jones, and Linwood Parks (\$994,936). Other improvements included the ice center parking lot (\$401,360), upgrades and improvements at various parks (\$645,961) and trail development at Appleton Memorial Park (\$297,055).



# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAPITAL ASSETS AT YEAR-END NET OF ACCUMULATED DEPRECIATION

	Governmental Activities 2021	Business-Type Activities 2021	Totals
Land	\$ 10,031,409	\$ 12,214,126	\$ 22,245,535
Right-of-ways	82,859,164	-	82,859,164
Land improvements	38,721,202	-	38,721,202
Intangible assets	1,244,921	5,831,000	7,075,921
Improvements	21,851,750	-	21,851,750
Buildings	56,429,582	180,705,759	237,135,341
Equipment, furniture and fixtures	54,804,867	107,664,682	162,469,549
Infrastructure	-	287,865,601	287,865,601
Streets	201,840,645	-	201,840,645
Sidewalks	36,223,947	-	36,223,947
Traffic signals	7,528,904	-	7,528,904
Bridges	56,050,895	-	56,050,895
Construction in progress	2,962,235	11,145,092	14,107,327
Accumulated depreciation	<u>(174,021,187)</u>	<u>(247,950,238)</u>	<u>(421,971,425)</u>
<b>Totals</b>	<b><u>\$ 396,528,334</u></b>	<b><u>\$ 357,476,022</u></b>	<b><u>\$ 754,004,356</u></b>

	Governmental Activities 2020	Business-Type Activities 2020	Totals
Land	\$ 10,031,409	\$ 12,149,233	\$ 22,180,642
Right-of-ways	79,816,106	-	79,816,106
Land improvements	38,721,202	-	38,721,202
Intangible assets	1,244,921	3,005,232	4,250,153
Improvements	20,145,648	-	20,145,648
Buildings	53,497,377	175,310,084	228,807,461
Equipment, furniture and fixtures	53,439,148	97,265,174	150,704,322
Infrastructure	-	281,782,918	281,782,918
Streets	195,768,888	-	195,768,888
Sidewalks	35,485,275	-	35,485,275
Traffic signals	7,365,163	-	7,365,163
Bridges	55,760,153	-	55,760,153
Construction in progress	8,278,349	11,617,817	19,896,166
Accumulated depreciation	<u>(167,528,434)</u>	<u>(240,339,588)</u>	<u>(407,868,022)</u>
<b>Totals</b>	<b><u>\$ 392,025,205</u></b>	<b><u>\$ 340,790,870</u></b>	<b><u>\$ 732,816,075</u></b>

# City of Appleton, Wisconsin

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### LONG-TERM DEBT

During 2021, the City issued \$14,500,000 of general obligation debt and retired \$8,990,000 of general obligation bonds and notes, resulting in an outstanding balance of \$82,170,000 at December 31, 2021. Additionally, the City issued \$17,110,000 of revenue bonds in 2021 while retiring \$16,020,000 of bonds resulting in an outstanding balance of \$103,625,000.

Under Wisconsin State Statutes Chapter 67, the City of Appleton's aggregate indebtedness may not exceed 5% of the equalized value of taxable property located in the City. The net amount of debt that is applicable to the statutory limit is \$81,986,625 (\$82,170,000 less reserves on hand) which is 24.5% of the legal limit of \$334,418,040. Furthermore, City policy limits aggregate debt to 40% of the legal limit. The net debt outstanding at December 31, 2021 is 61.3% of the 40% policy limit.

### CITY OF APPLETON'S OUTSTANDING DEBT - GENERAL OBLIGATION AND REVENUE BONDS

	Governmental Activity 2021	Business-Type Activity 2021	Totals
General obligation bonds and notes payable	\$ 80,990,000	\$ 1,180,000	\$ 82,170,000
Revenue bonds	-	103,625,000	103,625,000
<b>Total Outstanding General Obligation and Revenue Bonds</b>	<b>\$ 80,990,000</b>	<b>\$ 104,805,000</b>	<b>\$ 185,795,000</b>

	Governmental Activity 2020	Business-Type Activity 2020	Totals
General obligation bonds and notes payable	\$ 75,260,000	\$ 1,400,000	\$ 76,660,000
Revenue bonds	-	102,535,000	102,535,000
<b>Total Outstanding General Obligation and Revenue Bonds</b>	<b>\$ 75,260,000</b>	<b>\$ 103,935,000</b>	<b>\$ 179,195,000</b>

Additional information on the City of Appleton's long-term debt can be found in Note 4F of this report.

### Currently Known Facts/Economic Conditions

As with local municipalities throughout the country, the City of Appleton is recovering from the financial effects of the COVID-19 virus pandemic. The ARP funds will assist with lost revenues as well as continuing costs for COVID-19 mitigation efforts. The "Great Resignation" is having an effect with staff retiring and the need to hire at higher rates than expected. Fortunately, the City's tax base continues to experience steady growth, and benefits from a diverse mix of stable employers. TIF 6 is expected to close in 2023, resulting in increased tax base in future years.

### Requests for Information

The financial report is designed to provide our citizens, customers, investors and creditors with a general overview of the City's finances. If you have questions about this report or need any additional information, contact the City of Appleton, Attn: Jeri A. Ohman, CPA, Finance Director at 1-920-832-5742 or at [jeri.ohman@appleton.org](mailto:jeri.ohman@appleton.org).

General information relating to the City of Appleton, Wisconsin, can be found at the City's website, [www.appleton.org](http://www.appleton.org).

**FINANCIAL  
SECTION**

## **BASIC FINANCIAL STATEMENTS**

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Governmental	Business-Type	Totals		Component
	Activities	Activities	2021	2020	Units
<b>ASSETS</b>					
Cash and Investments	\$ 91,744,572	\$ 56,558,078	\$ 148,302,650	\$ 133,491,117	\$ 293,293
Receivables:					
Taxes and Special Charges	35,063,363	-	35,063,363	28,687,096	-
Accounts	2,046,773	4,776,503	6,823,276	5,663,708	-
Special Assessments	95,728	339,398	435,126	612,544	81,533
Developer Loans	575,611	-	575,611	815,951	-
Housing Loans, Net	6,064,731	-	6,064,731	6,180,186	-
Accrued Interest	322,083	-	322,083	400,711	-
Other	550,996	6,104,960	6,655,956	6,514,345	-
Internal Balances	3,342,702	(3,342,702)	-	-	-
Due from Other Governments	525,230	438,067	963,297	1,577,699	-
Inventories	-	425,897	425,897	463,747	-
Prepaid Items	920,027	384,870	1,304,897	1,347,785	-
Deposit in CVMIC	2,020,950	-	2,020,950	2,020,950	-
Land Held for Future Use	5,034,500	10,082	5,044,582	6,339,674	420,130
Regulatory Asset - Early Retirement Loss	-	-	-	684,668	-
Restricted Assets:					
Cash and Investments	-	22,486,615	22,486,615	23,408,549	4,728,629
Accrued Interest	-	51,844	51,844	61,559	-
Net Pension Asset	19,658,479	3,838,156	23,496,635	12,109,114	-
Capital Assets, Nondepreciable	134,755,745	29,190,218	163,945,963	163,801,083	2,060,000
Capital Assets, Depreciable	261,772,589	328,285,804	590,058,393	569,014,992	28,673,908
Total Assets	564,494,079	449,547,790	1,014,041,869	963,195,478	36,257,493
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Loss on Advance Refunding	37,108	1,218,176	1,255,284	1,575,231	-
Pension Related Amounts	32,638,696	6,288,221	38,926,917	28,227,831	-
Other Postemployment Related Amounts	1,066,717	258,399	1,325,116	1,539,402	-
Total Deferred Outflows of Resources	33,742,521	7,764,796	41,507,317	31,342,464	-
<b>LIABILITIES</b>					
Accounts Payable	2,050,530	3,600,454	5,650,984	5,278,600	23,639
Other Accrued Liabilities	2,567,684	389,330	2,957,014	2,817,614	-
Claims Payable	5,359,694	-	5,359,694	5,837,000	-
Due to Other Governments	30	1,529,255	1,529,285	1,290,192	-
Accrued Interest Payable	562,889	504,449	1,067,338	1,033,398	321,203
Special Deposits	14,732	500	15,232	17,103	-
Unearned Revenues	7,474,980	1,198,282	8,673,262	1,370,129	-
Long-Term Obligations:					
Due Within One Year	14,508,237	10,453,039	24,961,276	20,305,492	125,000
Landfill Postclosure Care	1,260,000	-	1,260,000	1,350,000	-
Due in More Than One Year	77,673,451	101,559,863	179,233,314	176,943,945	31,040,000
Other Postemployment Benefits	4,531,917	1,097,792	5,629,709	5,720,026	-
Total Liabilities	116,004,144	120,332,964	236,337,108	221,963,499	31,509,842
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes Levied for Subsequent Year	56,014,687	-	56,014,687	55,424,169	235,485
Other	6,462	-	6,462	-	-
Pension Related Amounts	43,053,910	8,405,921	51,459,831	36,321,549	-
Other Postemployment Related Amounts	328,296	79,526	407,822	344,782	-
Total Deferred Inflows of Resources	99,403,355	8,485,447	107,888,802	92,090,500	235,485
<b>NET POSITION</b>					
Net Investment in Capital Assets	315,796,455	256,784,008	572,580,463	556,644,516	(431,092)
Restricted					
Debt Service	577,665	16,755,183	17,332,848	18,592,527	3,828,623
Housing Rehabilitation	3,102,366	-	3,102,366	5,639,828	-
Plant Replacement	-	3,938,659	3,938,659	3,993,908	-
Future Special Projects	1,024,911	-	1,024,911	879,711	900,006
Future Capital Projects	2,620,480	1,348,656	3,969,136	3,276,341	-
Pension Benefits	19,658,479	3,838,156	23,496,635	12,109,114	-
Unrestricted	40,048,745	45,829,513	85,878,258	79,347,998	214,629
Total Net Position	\$ 382,829,101	\$ 328,494,175	\$ 711,323,276	\$ 680,483,943	\$ 4,512,166

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>GOVERNMENTAL ACTIVITIES</b>				
General Government	\$ 7,957,567	\$ 2,742,894	\$ 156,898	\$ -
Public Safety	29,957,432	1,485,070	1,426,123	-
Public Works	22,068,563	3,686,626	3,451,052	2,791,497
Culture and Recreation	11,352,944	1,072,728	1,093,015	24,981
Conservation and Development	4,348,254	900,055	1,794,828	327,087
Interest and Fiscal Charges	1,428,939	-	-	-
Total Governmental Activities	77,113,699	9,887,373	7,921,916	3,143,565
<b>BUSINESS-TYPE ACTIVITIES</b>				
Water Utility	14,949,500	20,231,241	-	2,857,861
Wastewater Utility	11,337,623	12,992,845	-	2,663,325
Transit Utility	9,275,951	1,173,753	9,337,122	-
Stormwater Utility	7,412,284	11,205,953	-	2,507,180
Other Nonmajor Enterprise Funds	2,589,627	2,777,358	2,177	-
Total Business-Type Activities	45,564,985	48,381,150	9,339,299	8,028,366
Total Primary Government	<u>\$ 122,678,684</u>	<u>\$ 58,268,523</u>	<u>\$ 17,261,215</u>	<u>\$ 11,171,931</u>
<b>COMPONENT UNITS</b>	<u>\$ 2,658,185</u>	<u>\$ 230,931</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF ACTIVITIES (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position				Component Units
	Governmental Activities	Business-Type Activities	Totals		
			2021	2020	
<b>GOVERNMENTAL ACTIVITIES</b>					
General Government	\$ (5,057,775)	\$ -	\$ (5,057,775)	\$ (4,410,312)	\$ -
Public Safety	(27,046,239)	-	(27,046,239)	(31,060,813)	-
Public Works	(12,139,388)	-	(12,139,388)	(12,554,162)	-
Culture and Recreation	(9,162,220)	-	(9,162,220)	(9,902,973)	-
Conservation and Development	(1,326,284)	-	(1,326,284)	(2,329,221)	-
Interest and Fiscal Charges	(1,428,939)	-	(1,428,939)	(1,441,981)	-
Total Governmental Activities	(56,160,845)	-	(56,160,845)	(61,699,462)	-
<b>BUSINESS-TYPE ACTIVITIES</b>					
Water Utility	-	8,139,602	8,139,602	5,187,287	-
Wastewater Utility	-	4,318,547	4,318,547	(53,430)	-
Transit Utility	-	1,234,924	1,234,924	1,010,442	-
Stormwater Utility	-	6,300,849	6,300,849	3,636,731	-
Other Nonmajor Enterprise Funds	-	189,908	189,908	(352,762)	-
Total Business-Type Activities	-	20,183,830	20,183,830	9,428,268	-
Total Primary Government	(56,160,845)	20,183,830	(35,977,015)	(52,271,194)	-
<b>COMPONENT UNITS</b>	-	-	-	-	(2,427,254)
<b>GENERAL REVENUES AND TRANSFERS</b>					
Taxes					
Property Taxes, Levied for General Purposes	39,907,753	-	39,907,753	39,230,513	-
Property Taxes, Levied for Debt Service	2,730,110	-	2,730,110	2,715,286	-
Property Taxes, Levied for Capital Projects	9,851,874	-	9,851,874	7,955,245	-
Other Taxes	2,596,734	-	2,596,734	2,296,548	1,453,885
Federal and State Grants and Other					
Contributions not Restricted to					
Specific Functions	11,926,527	-	11,926,527	11,969,608	-
Miscellaneous	219,092	20,409	239,501	235,009	-
Gain on Sale of Asset	367,964	6,367	374,331	855,031	-
Investment Return	(300,437)	(510,045)	(810,482)	4,398,624	(1,305)
Transfers	1,578,095	(1,578,095)	-	-	-
Total General Revenues and Transfers	68,877,712	(2,061,364)	66,816,348	69,655,864	1,452,580
<b>CHANGE IN NET POSITION</b>	12,716,867	18,122,466	30,839,333	17,384,670	(974,674)
Net Position - Beginning of Year	370,112,234	310,371,709	680,483,943	663,099,273	5,486,840
<b>NET POSITION - END OF YEAR</b>	<u>\$ 382,829,101</u>	<u>\$ 328,494,175</u>	<u>\$ 711,323,276</u>	<u>\$ 680,483,943</u>	<u>\$ 4,512,166</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

ASSETS	General	Debt Service	Other Governmental Funds	Totals	
				2021	2020
Cash and Investments	\$ 47,714,229	\$ 5,347,773	\$ 35,798,525	\$ 88,860,527	\$ 78,482,104
Receivables:					
Taxes and Special Charges	23,209,935	6,665,929	5,187,499	35,063,363	28,687,096
Accounts	1,621,417	-	336,758	1,958,175	1,917,602
Special Assessments	10,359	-	85,369	95,728	137,398
Developer Loans	575,611	-	-	575,611	645,951
Housing Loans, Net	-	-	6,064,731	6,064,731	6,180,186
Notes Receivable - Component Unit	-	-	-	-	170,000
Accrued Interest Receivable	322,083	-	-	322,083	400,711
Other	388,139	-	162,857	550,996	658,431
Due from Other Funds	2,319,172	-	41,204	2,360,376	2,784,397
Advance to Other Funds	3,694,019	-	-	3,694,019	7,600,876
Due from Other Governments	-	-	522,203	522,203	1,150,416
Prepaid Items	806,363	-	-	806,363	885,509
<b>Total Assets</b>	<b>\$ 80,661,327</b>	<b>\$ 12,013,702</b>	<b>\$ 48,199,146</b>	<b>\$ 140,874,175</b>	<b>\$ 129,700,677</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 595,418	\$ -	\$ 1,370,016	\$ 1,965,434	\$ 2,009,435
Other Accrued Liabilities	2,401,150	-	86,362	2,487,512	2,370,379
Claims Payable	2,937,000	-	-	2,937,000	2,937,000
Due to Other Funds	776,789	-	348,490	1,125,279	1,189,534
Advance from Other Funds	-	-	3,454,019	3,454,019	7,460,876
Due to Other Governments	30	-	-	30	30
Special Deposits	14,732	-	-	14,732	16,603
Unearned Revenues	-	-	7,474,980	7,474,980	-
<b>Total Liabilities</b>	<b>6,725,119</b>	<b>-</b>	<b>12,733,867</b>	<b>19,458,986</b>	<b>15,983,857</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<b>39,393,275</b>	<b>10,874,291</b>	<b>14,545,491</b>	<b>64,813,057</b>	<b>65,607,010</b>
<b>FUND BALANCES</b>					
Nonspendable	3,338,419	-	-	3,338,419	6,107,298
Restricted	-	1,139,411	8,169,272	9,308,683	4,542,342
Committed	-	-	1,720,639	1,720,639	1,574,278
Assigned	14,675,803	-	13,824,895	28,500,698	23,967,867
Unassigned	16,528,711	-	(2,795,018)	13,733,693	11,918,025
<b>Total Fund Balances</b>	<b>34,542,933</b>	<b>1,139,411</b>	<b>20,919,788</b>	<b>56,602,132</b>	<b>48,109,810</b>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<b>\$ 80,661,327</b>	<b>\$ 12,013,702</b>	<b>\$ 48,199,146</b>	<b>\$ 140,874,175</b>	<b>\$ 129,700,677</b>

See accompanying Notes to Basic Financial Statements.



**CITY OF APPLETON, WISCONSIN  
BALANCE SHEET (CONTINUED)  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

<b>RECONCILIATION TO THE STATEMENT OF NET POSITION</b>	<b>2021</b>	<b>2020</b>
Total Fund Balances as Shown on Previous Page	\$ 56,602,132	\$ 48,109,810
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.	381,467,027	377,058,822
Land held for future use is reported in the funds as expenditures and revenues. However, in the statement of net position, the costs of these assets are capitalized.	5,034,500	6,329,592
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	8,791,908	10,113,298
Net position of the internal service fund is reported in the Statement of Net Position as governmental activities.	18,606,948	16,211,391
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.		
Deferred Outflows Related to Pensions	31,401,859	22,543,482
Deferred Inflows Related to Pensions	(41,395,176)	(28,839,093)
Deferred Outflows Related to Other Postemployment Benefits	1,015,700	1,175,025
Deferred Inflows Related to Other Postemployment Benefits	(312,595)	(263,172)
Long-term assets are not considered available; therefore, are not reported in the funds		
Net Pension Asset	18,901,099	9,614,564
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and Notes Payable	(80,946,625)	(75,221,000)
Premium on Debt	(3,489,700)	(3,576,306)
Compensated Absences	(7,225,884)	(7,584,532)
Employee Benefits	-	(50,853)
Postemployment Benefits Liability	(3,837,454)	(3,649,517)
Postclosure Care Costs Liability	(1,260,000)	(1,350,000)
Loss on Advance Refunding	37,108	49,715
Accrued Interest on Long-Term Obligations	(561,746)	(558,992)
	<b>\$ 382,829,101</b>	<b>\$ 370,112,234</b>
Net Position of Governmental Activities as Reported on the Statement of Net Position (see Page 21)	<b>\$ 382,829,101</b>	<b>\$ 370,112,234</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

	General	Debt Service	Other Governmental Funds	Totals	
				2021	2020
<b>REVENUES</b>					
Taxes	\$ 37,750,357	\$ 9,851,874	\$ 7,484,240	\$ 55,086,471	\$ 52,197,592
Special Assessments	301,889	-	493,191	795,080	646,968
Intergovernmental	16,387,714	-	3,506,223	19,893,937	21,612,150
Licenses and Permits	1,672,652	-	-	1,672,652	1,247,183
Fines and Forfeits	222,993	-	-	222,993	214,691
Public Charges for Services	1,828,483	-	1,812,458	3,640,941	2,566,133
Investment Income	1,354,763	-	(127,073)	1,227,690	4,290,257
Miscellaneous	1,448,942	-	4,633,816	6,082,758	6,000,743
Total Revenues	<u>60,967,793</u>	<u>9,851,874</u>	<u>17,802,855</u>	<u>88,622,522</u>	<u>88,775,717</u>
<b>EXPENDITURES</b>					
Current:					
General Government	7,804,563	-	145,397	7,949,960	7,629,387
Public Safety	32,855,073	-	1,153,769	34,008,842	32,977,187
Public Works	12,222,671	-	3,655,372	15,878,043	15,252,175
Culture and Recreation	8,388,434	-	129,333	8,517,767	7,724,610
Conservation and Development	1,902,112	-	2,529,905	4,432,017	3,966,207
Debt Service:					
Principal	-	8,774,375	-	8,774,375	7,339,875
Interest and Fiscal Charges	-	2,265,371	271,378	2,536,749	2,582,211
Capital Outlay	-	-	15,508,136	15,508,136	20,569,671
Total Expenditures	<u>63,172,853</u>	<u>11,039,746</u>	<u>23,393,290</u>	<u>97,605,889</u>	<u>98,041,323</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,205,060)	(1,187,872)	(5,590,435)	(8,983,367)	(9,265,606)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	14,500,000	14,500,000	15,000,000
Premium on Debt Issued	-	769,949	-	769,949	861,170
Proceeds from Sale of Capital Assets	30,816	-	1,540,253	1,571,069	583,726
Transfers In	3,492,207	255,387	4,642,576	8,390,170	4,451,107
Transfers Out	(6,203,537)	-	(1,551,962)	(7,755,499)	(2,622,698)
Total Other Financing Sources (Uses)	<u>(2,680,514)</u>	<u>1,025,336</u>	<u>19,130,867</u>	<u>17,475,689</u>	<u>18,273,305</u>
<b>NET CHANGE IN FUND BALANCES</b>	(4,885,574)	(162,536)	13,540,432	8,492,322	9,007,699
Fund Balances - Beginning of Year	<u>39,428,507</u>	<u>1,301,947</u>	<u>7,379,356</u>	<u>48,109,810</u>	<u>39,102,111</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 34,542,933</u>	<u>\$ 1,139,411</u>	<u>\$ 20,919,788</u>	<u>\$ 56,602,132</u>	<u>\$ 48,109,810</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

<b>RECONCILIATION TO THE STATEMENT OF ACTIVITIES</b>	2021	2020
Net Change in Fund Balances as Shown on Previous Page	\$ 8,492,322	\$ 9,007,699
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 Within Capital Outlay in Governmental Fund Statements	14,249,993	18,355,058
Capital Assets Contributed to the Redevelopment Authority	-	-
Contributed Capital Assets	-	830,259
Depreciation Expense Reported in the Statement of Activities	(8,839,151)	(8,695,855)
Net Book Value of Disposals	(1,002,637)	(2,318,323)
Land Held for Future Use	(1,295,092)	(358,293)
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.		
	(1,321,390)	(1,285,882)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditures in the governmental funds, but the repayment reduces the long-term liabilities in the Statement of Net Position.		
Long-Term Debt Issued	(14,500,000)	(15,000,000)
Premiums Issued on Long-Term Debt	(769,949)	(861,170)
Principal Repaid	8,774,375	7,339,875
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		
Accrued Interest on Long-Term Debt	(2,754)	(49,574)
Amortization of Premiums, Discounts, and Loss on Advance Refunding	843,948	748,685
Landfill Postclosure Costs	90,000	90,000
Compensated Absences and Other Benefits	409,501	(457,873)
Net Pension Asset	9,286,535	9,614,564
Net Pension Liability	-	10,440,981
Deferred Outflows of Resources Related to Pensions	8,858,377	(5,779,022)
Deferred Inflows of Resources Related to Pensions	(12,556,083)	(14,372,843)
Other Postemployment Benefits	(187,937)	(762,964)
Deferred Outflows of Resources Related to Other Postemployment Benefits	(159,325)	525,630
Deferred Inflows of Resources Related to Other Postemployment Benefits	(49,423)	(168,390)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities.		
	2,395,557	733,689
Change in Net Position of Governmental Activities as Reported		
Reported in the Statement of Activities (see Pages 22 - 23)	\$ 12,716,867	\$ 7,576,251

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)

	Enterprise Funds				
	Water Utility	Wastewater Utility	Valley Transit	Stormwater Utility	Nonmajor Funds
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 14,287,588	\$ 21,879,939	\$ 1,776,985	\$ 16,798,232	\$ 1,815,334
Receivables:					
Customer Accounts	1,362,484	1,995,765	446,778	931,209	40,267
Special Assessments	-	282,579	-	56,819	-
Other	3,468,305	1,268,494	-	1,236,451	-
Due from Other Funds	297,729	288,233	-	149,623	-
Due from Other Governments:					
Federal Government	-	-	434,077	-	-
State Government	-	-	-	-	-
Local Government	2,041	-	1,949	-	-
Inventories	338,179	87,718	-	-	-
Prepaid Items	-	7,000	377,870	-	-
Restricted Assets:					
Cash and Investments	723	927,805	-	2,987,484	-
Total Current Assets	<u>19,757,049</u>	<u>26,737,533</u>	<u>3,037,659</u>	<u>22,159,818</u>	<u>1,855,601</u>
Noncurrent Assets:					
Long-Term Receivable	-	-	-	131,710	-
Restricted Assets:					
Cash and Investments	6,592,018	7,301,901	1,348,656	3,328,028	-
Accrued Interest	12,659	23,253	-	15,932	-
Total Restricted Assets	<u>6,604,677</u>	<u>7,325,154</u>	<u>1,348,656</u>	<u>3,475,670</u>	<u>-</u>
Other Assets:					
Regulatory Asset - Early Retirement Loss	-	-	-	-	-
Investment in WMIC	-	-	-	-	-
Assets Held for Resale	10,082	-	-	-	-
Net Pension Asset	679,710	1,225,429	1,059,717	636,728	236,572
Total Other Assets	<u>689,792</u>	<u>1,225,429</u>	<u>1,059,717</u>	<u>636,728</u>	<u>236,572</u>
Capital Assets:					
Nondepreciable	4,737,187	9,173,218	1,081,158	12,103,406	2,095,249
Depreciable	123,466,077	90,793,679	9,849,077	97,880,216	6,296,755
Total Capital Assets	<u>128,203,264</u>	<u>99,966,897</u>	<u>10,930,235</u>	<u>109,983,622</u>	<u>8,392,004</u>
Total Assets	155,254,782	135,255,013	16,376,267	136,255,838	10,484,177
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Loss on Advance Refunding	646,345	-	-	571,831	-
Pension Related Amounts	1,111,339	1,995,143	1,755,548	1,043,632	382,559
Other Postemployment Related Amounts	69,039	52,475	85,205	29,948	21,732
Total Deferred Outflows of Resources	<u>1,826,723</u>	<u>2,047,618</u>	<u>1,840,753</u>	<u>1,645,411</u>	<u>404,291</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Totals		Governmental Activities - Internal Service Funds	
	2021	2020	2021	2020
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 56,558,078	\$ 53,162,228	\$ 2,884,045	\$ 1,846,785
Receivables:				
Customer Accounts	4,776,503	3,693,318	88,598	52,788
Special Assessments	339,398	475,146	-	-
Other	5,973,250	5,759,701	-	-
Due from Other Funds	735,585	376,068	-	-
Due from Other Governments:				
Federal Government	434,077	413,483	-	-
State Government	-	-	3,027	9,366
Local Government	3,990	4,434	-	-
Inventories	425,897	463,747	-	-
Prepaid Items	384,870	359,803	113,664	102,473
Restricted Assets:				
Cash and Investments	3,916,012	4,255,783	-	-
Total Current Assets	<u>73,547,660</u>	<u>68,963,711</u>	<u>3,089,334</u>	<u>2,011,412</u>
Noncurrent Assets:				
Long-Term Receivable	131,710	96,213	-	-
Restricted Assets:				
Cash and Investments	18,570,603	19,152,766	-	-
Accrued Interest	51,844	61,559	-	-
Total Restricted Assets	<u>18,754,157</u>	<u>19,310,538</u>	<u>-</u>	<u>-</u>
Other Assets:				
Regulatory Asset - Early Retirement Loss	-	684,668	-	-
Investment in WMIC	-	-	2,020,950	2,020,950
Assets Held for Resale	10,082	10,082	-	-
Net Pension Asset	3,838,156	2,081,893	757,380	412,657
Total Other Assets	<u>3,848,238</u>	<u>2,776,643</u>	<u>2,778,330</u>	<u>2,433,607</u>
Capital Assets:				
Nondepreciable	29,190,218	26,772,282	242,664	52,309
Depreciable	328,285,804	314,018,588	14,818,643	14,914,074
Total Capital Assets	<u>357,476,022</u>	<u>340,790,870</u>	<u>15,061,307</u>	<u>14,966,383</u>
Total Assets	453,626,077	431,841,762	20,928,971	19,411,402
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on Advance Refunding	1,218,176	1,525,516	-	-
Pension Related Amounts	6,288,221	4,742,490	1,236,837	941,859
Other Postemployment Related Amounts	258,399	302,031	51,017	62,346
Total Deferred Outflows of Resources	<u>7,764,796</u>	<u>6,570,037</u>	<u>1,287,854</u>	<u>1,004,205</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)

	Enterprise Funds				
	Water Utility	Wastewater Utility	Valley Transit	Stormwater Utility	Nonmajor Funds
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	\$ 883,402	\$ 1,640,077	\$ 302,596	\$ 516,985	\$ 255,287
Other Accrued Liabilities	113,297	90,930	121,744	31,589	33,877
Claims Payable	-	-	-	-	-
Due to Other Funds	1,970,682	-	-	-	-
Due to Other Governments	-	-	1,529,255	-	-
Accrued Interest Payable	-	-	-	-	8,488
Compensated Absences	201,177	126,587	184,299	66,600	53,790
Special Deposits	-	-	500	-	-
Unearned Revenue	-	-	1,063,592	-	134,690
Advance from Other Funds	-	-	-	-	-
Current Portion of Long-Term Debt	-	-	-	-	210,000
Payable from Restricted Assets:					
Current Portion of Long-Term Debt	4,036,778	1,767,730	-	3,806,078	-
Accrued Interest Payable	-	126,298	-	369,663	-
Total Current Liabilities	<u>7,205,336</u>	<u>3,751,622</u>	<u>3,201,986</u>	<u>4,790,915</u>	<u>696,132</u>
Long-Term Obligations, Less Current Portion:					
Advance from Other Funds	-	-	-	-	240,000
General Obligation Debt	-	-	-	-	970,000
Revenue Bonds	37,100,000	21,405,000	-	36,570,000	-
Debt Premium	1,760,704	1,712,926	-	1,505,653	-
Compensated Absences	146,678	80,612	122,964	129,979	55,347
Other Postemployment Benefits	293,308	222,936	361,990	127,231	92,327
Total Long-Term Liabilities	<u>39,300,690</u>	<u>23,421,474</u>	<u>484,954</u>	<u>38,332,863</u>	<u>1,357,674</u>
Total Liabilities	46,506,026	27,173,096	3,686,940	43,123,778	2,053,806
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Pension Related Amounts	1,488,629	2,683,805	2,320,880	1,394,493	518,114
Other Postemployment Related Amounts	<u>21,248</u>	<u>16,150</u>	<u>26,223</u>	<u>9,217</u>	<u>6,688</u>
Total Deferred Inflows Of Resources	1,509,877	2,699,955	2,347,103	1,403,710	524,802
<b>NET POSITION</b>					
Net Investment in Capital Assets	89,540,213	77,108,069	10,930,235	71,994,250	7,211,241
Restricted	7,285,110	9,352,090	2,408,373	6,598,509	236,572
Unrestricted	<u>12,240,279</u>	<u>20,969,421</u>	<u>(1,155,631)</u>	<u>14,781,002</u>	<u>862,047</u>
Total Net Position	<u>\$ 109,065,602</u>	<u>\$ 107,429,580</u>	<u>\$ 12,182,977</u>	<u>\$ 93,373,761</u>	<u>\$ 8,309,860</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF NET POSITION (CONTINUED)**  
**PROPRIETARY FUNDS**  
**DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2020)**

	Totals		Governmental Activities - Internal Service Funds	
	2021	2020	2021	2020
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 3,598,347	\$ 3,155,771	\$ 85,096	\$ 97,129
Other Accrued Liabilities	391,437	391,864	80,172	71,636
Claims Payable	-	-	2,422,694	2,900,000
Due to Other Funds	1,970,682	1,970,931	-	-
Due to Other Governments	1,529,255	1,290,162	-	-
Accrued Interest Payable	8,488	10,138	1,143	1,334
Compensated Absences	632,453	645,800	174,529	199,248
Special Deposits	500	500	-	-
Unearned Revenue	1,198,282	1,300,586	-	-
Advance from Other Funds	-	5,000	-	-
Current Portion of Long-Term Debt	210,000	220,000	35,500	30,625
Payable from Restricted Assets:				
Current Portion of Long-Term Debt	9,610,586	5,742,066	-	-
Accrued Interest Payable	495,961	462,934	-	-
Total Current Liabilities	<u>19,645,991</u>	<u>15,195,752</u>	<u>2,799,134</u>	<u>3,299,972</u>
Long-Term Obligations, Less Current Portion:				
Advance from Other Funds	240,000	135,000	-	-
General Obligation Debt	970,000	1,180,000	147,875	183,375
Revenue Bonds	95,075,000	97,730,000	-	-
Debt Premium	4,979,283	4,264,507	-	-
Compensated Absences	535,580	494,365	161,575	126,760
Other Postemployment Benefits	1,097,792	1,122,269	694,463	948,240
Total Long-Term Liabilities	<u>102,897,655</u>	<u>104,926,141</u>	<u>1,003,913</u>	<u>1,258,375</u>
Total Liabilities	122,543,646	120,121,893	3,803,047	4,558,347
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Related Amounts	8,405,921	6,244,683	1,658,734	1,237,773
Other Postemployment Related Amounts	79,526	67,646	15,701	13,964
Total Deferred Inflows Of Resources	8,485,447	6,312,329	1,674,435	1,251,737
<b>NET POSITION</b>				
Net Investment in Capital Assets	256,784,008	241,797,026	14,877,932	14,752,383
Restricted	25,880,654	25,089,068	757,380	412,657
Unrestricted	47,697,118	45,091,483	1,104,031	(559,517)
Total Net Position	330,361,780	311,977,577	<u>\$ 16,739,343</u>	<u>\$ 14,605,523</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				
	(1,867,605)	(1,605,868)		
Net Position of Business-Type Activities as Reported on the Statement of Net Position (see Page 21)	<u>\$ 328,494,175</u>	<u>\$ 310,371,709</u>		

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

	Enterprise Funds				
	Water Utility	Wastewater Utility	Valley Transit	Stormwater Utility	Nonmajor Funds
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 19,594,261	\$ 10,533,719	\$ 1,029,333	\$ 11,057,866	\$ 2,440,621
Other	636,980	2,459,126	144,920	148,087	338,914
Total Operating Revenues	<u>20,231,241</u>	<u>12,992,845</u>	<u>1,174,253</u>	<u>11,205,953</u>	<u>2,779,535</u>
<b>OPERATING EXPENSES</b>					
Operation and Maintenance	8,411,418	7,314,261	8,187,838	3,429,350	1,964,832
Depreciation	4,223,208	3,249,546	1,008,462	2,668,236	561,503
Amortization of Deferred Loss on Early Asset Retirement	684,668	-	-	-	-
Total Operating Expenses	<u>13,319,294</u>	<u>10,563,807</u>	<u>9,196,300</u>	<u>6,097,586</u>	<u>2,526,335</u>
<b>OPERATING INCOME (LOSS)</b>	6,911,947	2,429,038	(8,022,047)	5,108,367	253,200
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	117,922	180,842	18,698	164,146	(9,104)
Unrealized Losses on Investments	(261,831)	(383,149)	(44,694)	(292,875)	-
Subsidies from Other Governmental Units	-	-	6,553,151	-	-
Gain (Loss) on Disposal of Capital Assets	(177,896)	(78,370)	3,470	794	-
Interest and Fiscal Charges	(1,524,319)	(687,198)	-	(1,523,295)	(35,601)
Debt Issuance Costs	(123,211)	(124,752)	-	(8,000)	-
Amortization of Prior Losses on Refunding of Bonds	(179,806)	-	-	(127,533)	-
Amortization of Debt Discount/Premium	402,761	206,518	-	351,875	-
Other	19,509	3,003	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(1,726,871)</u>	<u>(883,106)</u>	<u>6,530,625</u>	<u>(1,434,888)</u>	<u>(44,705)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	5,185,076	1,545,932	(1,491,422)	3,673,479	208,495
Capital Contributions	2,886,762	2,663,325	2,783,471	2,507,180	-
Transfers In	-	-	563,537	-	-
Transfers Out - Tax Equivalent	(1,908,251)	-	-	-	-
Transfers Out	(13,800)	(179,881)	-	(12,500)	(27,200)
<b>CHANGE IN NET POSITION</b>	6,149,787	4,029,376	1,855,586	6,168,159	181,295
Net Position - Beginning of Year	<u>102,915,815</u>	<u>103,400,204</u>	<u>10,327,391</u>	<u>87,205,602</u>	<u>8,128,565</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 109,065,602</u>	<u>\$ 107,429,580</u>	<u>\$ 12,182,977</u>	<u>\$ 93,373,761</u>	<u>\$ 8,309,860</u>

See accompanying Notes to Basic Financial Statements.



**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Totals		Governmental Activities - Internal Service Funds	
	2021	2020	2021	2020
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 44,655,800	\$ 42,064,789	\$ 7,517,728	\$ 7,480,776
Other	3,728,027	3,190,929	75,299	63,774
Total Operating Revenues	<u>48,383,827</u>	<u>45,255,718</u>	<u>7,593,027</u>	<u>7,544,550</u>
<b>OPERATING EXPENSES</b>				
Operation and Maintenance	29,307,699	30,015,084	6,804,072	8,451,758
Depreciation	11,710,955	11,355,089	2,561,468	2,642,281
Amortization of Deferred Loss on Early Asset Retirement	684,668	684,668	-	-
Total Operating Expenses	<u>41,703,322</u>	<u>42,054,841</u>	<u>9,365,540</u>	<u>11,094,039</u>
<b>OPERATING INCOME (LOSS)</b>	6,680,505	3,200,877	(1,772,513)	(3,549,489)
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Investment Income	472,504	1,896,831	(12,179)	13,892
Unrealized Losses on Investments	(982,549)	-	-	-
Subsidies from Other Governmental Units	6,553,151	6,247,001	-	-
Gain (Loss) on Disposal of Capital Assets	(252,002)	(25,606)	306,499	255,108
Interest and Fiscal Charges	(3,770,413)	(3,702,685)	(4,763)	(5,766)
Debt Issuance Costs	(255,963)	(299,518)	-	-
Amortization of Prior Losses on Refunding of Bonds	(307,339)	(355,242)	-	-
Amortization of Debt Discount/Premium	961,154	1,004,298	-	-
Other	22,512	32,473	6,796	8,557
Total Nonoperating Revenues (Expenses)	<u>2,441,055</u>	<u>4,797,552</u>	<u>296,353</u>	<u>271,791</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	9,121,560	7,998,429	(1,476,160)	(3,277,698)
Capital Contributions	10,840,738	4,173,914	2,666,556	3,475,872
Transfers In	563,537	581,409	1,300,000	-
Transfers Out - Tax Equivalent	(1,908,251)	(1,911,116)	-	-
Transfers Out	(233,381)	(234,615)	(356,576)	(264,087)
<b>CHANGE IN NET POSITION</b>	18,384,203	10,608,021	2,133,820	(65,913)
Net Position - Beginning of Year	<u>311,977,577</u>	<u>301,369,556</u>	<u>14,605,523</u>	<u>14,671,436</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 330,361,780</u>	<u>\$ 311,977,577</u>	<u>\$ 16,739,343</u>	<u>\$ 14,605,523</u>
Change in Net Position Reported Above	\$ 18,384,203	\$ 10,608,021		
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>(261,737)</u>	<u>(799,602)</u>		
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities (see Pages 22 - 23)	<u>\$ 18,122,466</u>	<u>\$ 9,808,419</u>		

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2021  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Enterprise Funds				
	Water Utility	Wastewater Utility	Valley Transit	Stormwater Utility	Nonmajor Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 20,048,057	\$ 11,959,861	\$ 1,147,427	\$ 11,286,789	\$ 2,542,923
Cash Paid for Services Provided	-	-	-	-	-
Cash Paid for Employee Wages and Benefits	(2,831,615)	(2,519,918)	(3,478,446)	(1,519,779)	(1,100,232)
Cash Paid to Suppliers	(5,304,296)	(5,192,898)	(5,190,700)	(2,256,939)	(685,504)
Net Cash Provided (Used) by Operating Activities	11,912,146	4,247,045	(7,521,719)	7,510,071	757,187
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Tax Equivalent Paid to Municipality	(1,908,251)	-	-	-	-
Loan Advanced to Component Unit	-	3,003	-	-	-
Intergovernmental Operating Subsidies	-	-	7,335,363	-	-
Nonoperating Revenue	19,509	-	-	-	-
Change in Due to/from Other Funds	(249)	-	-	-	-
Transfer In (Out)	(13,800)	(179,881)	-	(12,500)	(27,200)
Net Cash Provided (Used) by Noncapital Financing Activities	(1,902,791)	(176,878)	7,335,363	(12,500)	(27,200)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition of Capital Assets	(8,209,324)	(7,830,592)	(2,784,097)	(1,673,647)	(367,387)
Capital Contributions	-	-	-	-	-
Sale of Capital Assets	2	-	4,860	794	-
Contributed Capital - Federal and State	-	-	2,783,471	-	-
Special Assessments Billed	-	(299,988)	-	(43,351)	-
Special Assessments Received	-	403,626	-	75,461	-
Proceeds from Issued Long-Term Debt	8,265,000	8,845,000	-	-	-
Premium Issued on Long-Term Debt	802,165	997,286	-	-	-
Debt Issuance Costs	-	(124,752)	-	(8,000)	-
Principal Paid on Long-Term Debt	(6,975,000)	(1,230,000)	-	(3,575,000)	(220,000)
Principal Paid on Advance	-	-	-	-	100,000
Payments to Refunding Escrow Agent	(1,940,000)	(2,300,000)	-	-	-
Interest Paid on Long-Term Debt	(1,647,530)	(633,289)	-	(1,544,177)	(37,251)
Net Cash Provided (Used) by Capital and Related Financing Activities	(9,704,687)	(2,172,709)	4,234	(6,767,920)	(524,638)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Investment Income	120,693	338,713	(25,996)	264,361	(9,104)
Interest Received on Special Assessments	-	13,388	-	2,629	-
Investments Sold and Matured	2,108,255	2,483,768	-	1,152,469	-
Purchases of Investments	(2,159,874)	(3,015,181)	-	(1,231,554)	-
Net Cash Provided by Investing and Related Financing Activities	69,074	(179,312)	(25,996)	187,905	(9,104)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>					
	373,742	1,718,146	(208,118)	917,556	196,245
Cash and Cash Equivalents - Beginning of Year	14,454,360	23,126,282	3,333,759	18,229,456	1,619,089
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<b>\$ 14,828,102</b>	<b>\$ 24,844,428</b>	<b>\$ 3,125,641</b>	<b>\$ 19,147,012</b>	<b>\$ 1,815,334</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Totals		Governmental Activities - Internal Service Funds	
	2021	2020	2021	2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Customers	\$ 46,985,057	\$ 46,684,231	\$ 7,557,217	\$ 7,509,941
Cash Paid for Services Provided	-	-	(588)	-
Cash Paid for Employee Wages and Benefits	(11,449,990)	(10,656,168)	(3,358,898)	(2,833,304)
Cash Paid to Suppliers	(18,630,337)	(18,707,393)	(4,385,935)	(4,741,071)
Net Cash Provided (Used) by Operating Activities	16,904,730	17,320,670	(188,204)	(64,434)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Tax Equivalent Paid to Municipality	(1,908,251)	(1,911,116)	-	-
Loan Advanced to Component Unit	3,003	12,818	-	-
Intergovernmental Operating Subsidies	7,335,363	7,983,656	-	-
Nonoperating Revenue	19,509	19,655	13,135	2,707
Change in Due to/from Other Funds	(249)	33,479	-	-
Transfer In (Out)	(233,381)	(234,615)	943,424	(264,087)
Net Cash Provided (Used) by Noncapital Financing Activities	5,215,994	5,903,877	956,559	(261,380)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(20,865,047)	(19,661,077)	10,164	-
Capital Contributions	-	15,820	-	-
Sale of Capital Assets	5,656	-	306,499	255,108
Contributed Capital - Federal and State	2,783,471	2,545,822	-	-
Special Assessments Billed	(343,339)	(688,129)	-	-
Special Assessments Received	479,087	421,630	-	-
Proceeds from Issued Long-Term Debt	17,110,000	20,680,000	-	150,000
Premium Issued on Long-Term Debt	1,799,451	1,179,336	-	-
Debt Issuance Costs	(132,752)	(200,796)	-	-
Principal Paid on Long-Term Debt	(12,000,000)	(11,335,000)	(30,625)	(180,125)
Principal Paid on Advance	100,000	-	-	-
Payments to Refunding Escrow Agent	(4,240,000)	(3,105,000)	-	-
Interest Paid on Long-Term Debt	(3,862,247)	(3,830,603)	(4,954)	(5,948)
Net Cash Provided (Used) by Capital and Related Financing Activities	(19,165,720)	(13,977,997)	281,084	219,035
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment Income	688,667	1,091,817	(12,179)	13,892
Interest Received on Special Assessments	16,017	13,840	-	-
Investments Sold and Matured	5,744,492	7,588,826	-	-
Purchases of Investments	(6,406,609)	(7,073,799)	-	-
Net Cash Provided by Investing and Related Financing Activities	42,567	1,620,684	(12,179)	13,892
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,997,571	10,867,234	1,037,260	(92,887)
Cash and Cash Equivalents - Beginning of Year	60,762,946	49,895,712	1,846,785	1,939,672
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 63,760,517</u>	<u>\$ 60,762,946</u>	<u>\$ 2,884,045</u>	<u>\$ 1,846,785</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Enterprise Funds				
	Water Utility	Wastewater Utility	Valley Transit	Stormwater Utility	Nonmajor Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ 6,911,947	\$ 2,429,038	\$ (8,022,047)	\$ 5,108,367	\$ 253,200
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Amortization of Deferred Loss on Early Asset Retirement	684,668	-	-	-	-
Depreciation	4,223,208	3,249,546	1,008,462	2,668,236	561,503
Depreciation Charged to Sewer Utility	213,810	-	-	-	-
Change in Pension Related Activities:					
Pension Asset/Liability	(302,563)	(549,388)	(504,850)	(294,035)	(105,427)
Deferred Outflows of Resources	(253,775)	(469,791)	(473,861)	(261,146)	(87,158)
Deferred Inflows of Resources	357,369	656,005	656,543	366,579	124,742
Change in Other Postemployment Related Activities:					
Total OPEB Liability	3,875	(8,725)	4,488	(21,490)	(2,625)
Deferred Outflows of Resources	8,855	9,871	11,008	10,076	3,822
Deferred Inflows of Resources	3,802	2,186	4,674	253	965
Change in Operating Assets and Liabilities:					
Customer Accounts Receivable	(162,901)	(775,218)	(143,289)	16,068	(17,845)
Other Accounts Receivable	(20,551)	(257,766)	-	64,768	-
Due from Other Funds	(170,166)	(123,596)	-	(65,755)	-
Due from Other Governments	268	-	-	-	-
Claims Payable	-	-	-	-	-
Inventories and Prepaid Items	60,055	17,698	(64,970)	-	-
Accounts Payable	267,607	70,065	(117,166)	(22,135)	244,205
Other Accrued Liabilities	16,701	(1,094)	(8,305)	(5,548)	(2,181)
Unearned Revenue	-	-	116,463	-	(218,767)
Compensated Absences	69,937	(1,786)	11,131	(54,167)	2,753
Net Cash Provided (Used) by Operating Activities	<u>\$ 11,912,146</u>	<u>\$ 4,247,045</u>	<u>\$ (7,521,719)</u>	<u>\$ 7,510,071</u>	<u>\$ 757,187</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>					
Cash and Cash Equivalents in Current Assets	\$ 14,287,588	\$ 21,879,939	\$ 1,776,985	\$ 16,798,232	\$ 1,815,334
Restricted Cash and Investments:					
Current	723	927,805	-	2,987,484	-
Non-Current	6,592,018	7,301,901	1,348,656	3,328,028	-
Less: Non-Cash Investments	<u>(6,052,227)</u>	<u>(5,265,217)</u>	<u>-</u>	<u>(3,966,732)</u>	<u>-</u>
Total Cash and Cash Equivalents	<u>\$ 14,828,102</u>	<u>\$ 24,844,428</u>	<u>\$ 3,125,641</u>	<u>\$ 19,147,012</u>	<u>\$ 1,815,334</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Contributed Capital Assets	\$ 2,886,762	\$ 2,663,325	\$ 2,783,471	\$ 2,507,180	\$ -
Unrealized Losses on Investments	<u>(261,831)</u>	<u>(548,218)</u>	<u>(44,694)</u>	<u>(394,965)</u>	<u>-</u>
Total	<u>\$ 2,624,931</u>	<u>\$ 2,115,107</u>	<u>\$ 2,738,777</u>	<u>\$ 2,112,215</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**  
**(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Totals		Governmental Activities - Internal Service Funds	
	2021	2020	2021	2020
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Operating Income (Loss)	\$ 6,680,505	\$ 3,200,877	\$ (1,772,513)	\$ (3,549,489)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Amortization of Deferred Loss on Early Asset Retirement	684,668	684,668	-	-
Depreciation	11,710,955	11,355,089	2,561,468	2,642,281
Depreciation Charged to Sewer Utility	213,810	178,634	-	-
Change in Pension Related Activities:				
Pension Asset/Liability	(1,756,263)	(4,409,205)	(344,723)	(873,182)
Deferred Outflows of Resources	(1,545,731)	1,534,769	(294,978)	299,421
Deferred Inflows of Resources	2,161,238	3,020,133	420,961	599,701
Change in Other Postemployment Related Activities:				
Total OPEB Liability	(24,477)	147,712	(253,777)	(211,551)
Deferred Outflows of Resources	43,632	(137,304)	11,329	(27,806)
Deferred Inflows of Resources	11,880	43,603	1,737	8,923
Change in Operating Assets and Liabilities:				
Customer Accounts Receivable	(1,083,185)	630,831	(35,810)	(34,609)
Other Accounts Receivable	(213,549)	(4,122)	-	-
Due from Other Funds	(359,517)	52,220	-	-
Due from Other Governments	268	628,689	-	-
Claims Payable	-	-	(477,306)	1,000,000
Inventories and Prepaid Items	12,783	(3,832)	(11,191)	(45,542)
Accounts Payable	442,576	102,916	(12,033)	55,212
Other Accrued Liabilities	(427)	90,881	8,536	13,128
Unearned Revenue	(102,304)	173,115	-	-
Compensated Absences	27,868	30,996	10,096	59,079
Net Cash Provided (Used) by Operating Activities	<u>\$ 16,904,730</u>	<u>\$ 17,320,670</u>	<u>\$ (188,204)</u>	<u>\$ (64,434)</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>				
Cash and Cash Equivalents in Current Assets	\$ 56,558,078	\$ 53,162,228	\$ 2,884,045	\$ 1,846,785
Restricted Cash and Investments:				
Current	3,916,012	4,255,783	-	-
Non-Current	18,570,603	19,152,766	-	-
Less: Non-Cash Investments	(15,284,176)	(15,807,831)	-	-
Total Cash and Cash Equivalents	<u>\$ 63,760,517</u>	<u>\$ 60,762,946</u>	<u>\$ 2,884,045</u>	<u>\$ 1,846,785</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Contributed Capital Assets	\$ 10,840,738	\$ 4,158,094	\$ 2,666,556	\$ 3,475,872
Unrealized Losses on Investments	(1,249,708)	813,791	-	-
Total	<u>\$ 9,591,030</u>	<u>\$ 4,971,885</u>	<u>\$ 2,666,556</u>	<u>\$ 3,475,872</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**DECEMBER 31, 2021**  
(WITH COMPARATIVE AMOUNTS AS OF DECEMBER 31, 2020)

	Custodial Fund	
	2021	2020
<b>ASSETS</b>		
Current Assets:		
Cash and Investments	\$ 29,910,850	\$ 35,868,544
Receivables:		
Taxes	46,601,559	38,189,414
Total Assets	76,512,409	74,057,958
 <b>DEFERRED INFLOWS OF RESOURCES</b>		
Property Taxes Levied for Subsequent Year	76,512,409	74,057,958
 <b>NET POSITION</b>		
Fiduciary Net Position - Held for Others	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUND**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2020)

	Custodial Fund	
	2021	2020
<b>ADDITIONS</b>		
Taxes and Special Charges Collected	\$ 74,057,958	\$ 63,770,392
<b>DEDUCTIONS</b>		
Payments to Other Taxing Districts	74,057,958	63,770,392
<b>CHANGE IN NET POSITION</b>	-	-
Net Position - Beginning of Year	-	-
<b>NET POSITION - END OF YEAR</b>	\$ -	\$ -

*See accompanying Notes to Basic Financial Statements.*

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF NET POSITION  
COMPONENT UNITS  
DECEMBER 31, 2021**

	Business Improvement District	Appleton Redevelopment Authority	Totals
<b>ASSETS</b>			
Cash and Investments	\$ 205,599	\$ 87,694	\$ 293,293
Receivables:			
Special Assessments	81,533	-	81,533
Assets Held for Resale	-	420,130	420,130
Restricted Assets:			
Cash and Investments	-	4,728,629	4,728,629
Capital Assets, Nondepreciable	-	2,060,000	2,060,000
Capital Assets, Depreciable	-	28,673,908	28,673,908
Total Assets	287,132	35,970,361	36,257,493
<b>LIABILITIES</b>			
Accounts Payable	\$ 23,639	-	23,639
Accrued Interest Payable	-	321,203	321,203
Long-Term Obligations:			
Due Within One Year	-	125,000	125,000
Due in More Than One Year	-	31,040,000	31,040,000
Total Liabilities	23,639	31,486,203	31,509,842
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	235,485	-	235,485
<b>NET POSITION</b>			
Net Investment in Capital Assets	-	(431,092)	(431,092)
Restricted	-	4,728,629	4,728,629
Unrestricted	28,008	186,621	214,629
Total Net Position	\$ 28,008	\$ 4,484,158	\$ 4,512,166

See accompanying Notes to Basic Financial Statements.



**CITY OF APPLETON, WISCONSIN  
 COMBINING STATEMENT OF ACTIVITIES  
 COMPONENT UNITS  
 YEAR ENDED DECEMBER 31, 2021**

	<u>Expenses</u>	<u>Charges for Services</u>	<u>Revenues</u>	
			<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Business Improvement District	\$ 230,919	\$ 230,931	\$ -	\$ -
Appleton Redevelopment Authority	2,427,266	-	-	-
Total Component Units	<u>\$ 2,658,185</u>	<u>\$ 230,931</u>	<u>\$ -</u>	<u>\$ -</u>

*See accompanying Notes to Basic Financial Statements.*

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF ACTIVITIES  
COMPONENT UNITS  
YEAR ENDED DECEMBER 31, 2021**

	Net (Expense) Revenue and Changes in Net Position		
	Business Improvement District	Appleton Redevelopment Authority	Totals
Business Improvement District	\$ 12	\$ -	\$ 12
Appleton Redevelopment Authority	-	(2,427,266)	(2,427,266)
Total Component Units	12	(2,427,266)	(2,427,254)
<b>GENERAL REVENUES AND TRANSFERS</b>			
Taxes:			
Other Taxes	-	1,453,885	1,453,885
Investment Income (Loss)	(1,030)	(275)	(1,305)
Total General Revenues and Transfers	(1,030)	1,453,610	1,452,580
<b>CHANGE IN NET POSITION</b>	(1,018)	(973,656)	(974,674)
Net Position - Beginning of Year	29,026	5,457,814	5,486,840
<b>NET POSITION - END OF YEAR</b>	\$ 28,008	\$ 4,484,158	\$ 4,512,166

See accompanying Notes to Basic Financial Statements.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**A. Reporting Entity**

The City is a municipal corporation governed by an elected Mayor and fifteen-member council. In accordance with U.S. GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization, or (b) there is potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

The City has identified the following component units that are required to be included in the basic financial statements:

Business Improvement District

The Business Improvement District of the City of Appleton (District) is a legally separate organization. The board of the District is appointed by the mayor of Appleton and approved by Common Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the District, and also create a potential financial benefit to or burden on the City. See Note 5.A. As a component unit, the District's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2021. Separately issued financial statements of the Business Improvement District of the City of Appleton may be obtained from Appleton Downtown Incorporated which is located at 333 W. College Avenue, Appleton, Wisconsin 54912.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**A. Reporting Entity (Continued)**

Redevelopment Authority of the City of Appleton

The Redevelopment Authority of the City of Appleton (Redevelopment Authority) is a legally separate organization. The board of the Redevelopment Authority is appointed by the mayor of Appleton and approved by Common Council. Wisconsin Statutes provide for circumstances whereby the City can impose its will on the Redevelopment Authority, and also create a potential financial benefit to or burden on the City. See Note 5.A. As a component unit, the Redevelopment Authority's financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended December 31, 2021. Separately issued financial statements of the Redevelopment Authority of the City of Appleton may be obtained from Redevelopment Authority's office, which is located at 100 North Appleton Street, Appleton, Wisconsin 54911.

**B. Related Organizations**

The City's officials are responsible for appointing board members of the City of Appleton Housing Authority, but the City's accountability for this organization does not extend beyond making the appointments.

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City and its component units. 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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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*.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements (Continued)**

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

The City reports the following major governmental funds:

General Fund

This is the City's 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 government funds.

The City reports the following major enterprise funds:

Water Utility

This fund accounts for all activities necessary to provide water service to residents and businesses of the City.

Wastewater Utility

This fund accounts for all activities necessary to provide wastewater treatment services to residents and businesses of the City.

Valley Transit

This fund accounts for all activities necessary to provide bus transit service to residents and businesses of the City and surrounding communities.

Storm Water Utility

This fund accounts for all activities necessary to provide storm water management services to residents and businesses of the City.

Additionally, the City reports the following fund types:

*Internal Service Funds* account for central equipment acquisition, operation, and maintenance, insurance and risk protection services, facilities management and postemployment benefits provided to other departments or agencies of the City on a cost reimbursement basis.

*Fiduciary Fund - Custodial Fund:* The custodial fund accounts for property taxes and specials collected on behalf of other governments.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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

Only the portion of special assessments receivable collected during the current year are recorded as revenue. All other revenue items are considered to be measurable and available only when cash is received by the City.

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

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

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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

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

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

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**2. Property Taxes and Special Charges Receivable**

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

The City bills and collects its own property taxes and also collects taxes levied by the Appleton School District, Freedom Area School District, Hortonville Area School District, Kimberly Area School District, Menasha Area School District, Outagamie County, Calumet County, Winnebago County, and Fox Valley Technical College. Collection and remittances of taxes for other entities are accounted for in the tax collection custodial fund.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**3. Accounts Receivable**

Accounts receivable are recorded at gross amounts with uncollectible amounts recognized under the direct write-off method. An allowance for doubtful accounts has been established for certain deferred housing loans in the amount of \$509,941.

**4. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Installments placed on the 2022 tax roll are recognized as revenue in 2022. Special assessments are subject to collection procedures.

**5. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements. Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds". Noncurrent portions of the interfund receivables for the governmental funds are classified as nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

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

**6. Inventories**

Inventories in business-type activities 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.



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**7. Prepaid Items**

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

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

**8. 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 \$10,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

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

Assets	Years
Buildings and Improvements, Including	
Parking Ramps	15 - 70
Equipment, Furniture, and Vehicles	3 - 25
Infrastructure	40 - 100
Intangibles	10

Annual depreciation expense for the enterprise funds reported on the statement of cash flows may exceed depreciation expense reported on the statement of revenues, expenses and changes in net position. The difference results from depreciation expense applicable to transportation and certain other operating equipment of the water utility enterprise fund being charged to operating expense accounts other than the depreciation expense account. This accounting procedure is required by the Public Service Commission of the State of Wisconsin.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**9. Regulatory Asset**

During 2018, the City identified capital assets that are no longer in service due to a change in the water treatment process. The assets were recorded at a cost of \$9,022,244 and had accumulated depreciation of \$6,283,571, resulting in a net loss of \$2,738,673. The City subsequently requested the Public Service Commission of Wisconsin (PSC) allow the City to recover these costs in future years. The PSC subsequently authorized the City to amortize this cost over 4 years and allowed an annual amortized expense of \$684,668 to be included in the City's water utility expenses beginning in 2018. The City amortized the remaining asset in 2021 in accordance with the PSC order.

**10. Land Held for Future Use**

Land held for future use consists of land and improvements held for resale and for future use and are valued at cost of acquisition, demolition, and site improvements. Properties include both land intended for resale and land designated as a public area. Business park land is recorded at lower of cost or market value.

**11. Compensated Absences**

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. All 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, or if they represent additional amounts the City has funded.

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

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

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments, notes and loans receivable, and interest receivable. These inflows are recognized as revenues in the government-wide financial statements.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**13. Long-Term Obligations**

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

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

**14. Pensions**

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense (revenue), 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.

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

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**16. Fund Equity**

Governmental Fund Financial Statements

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

- **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed fund balance.** Amounts that are constrained for specific purposes by action of the Common Council. These constraints can only be removed or changed by the Common Council using the same action that was used to create them.
- **Assigned fund balance.** Amounts that are constrained for specific purposes by action of City management. The Common Council has authorized, through the adoption of a fund balance policy, the City's finance director to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**16. Fund Equity (Equity)**

Government-Wide and Proprietary Fund Statements

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

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

**F. 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.

**G. Prior Year Information**

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the City's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2020, from which the summarized information was derived.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

**Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets used in governmental funds are not current financial resources and, therefore, are not reported in the funds.” The detail of this difference is as follows:

Capital Assets Per Statement of Net Position:	
Land	\$ 131,611,775
Construction in Progress	2,962,235
Intangible Assets	181,735
Depreciable Capital Assets, Net of Depreciation	<u>261,772,589</u>
Subtotal	396,528,334
Less: Internal Service Fund Capital Assets	<u>(15,061,307)</u>
 Net Adjustment for Capital Assets	 <u><u>\$ 381,467,027</u></u>

**NOTE 3 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

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

1. Prior to the end of July, department heads submit to the mayor proposed budgets, including expenditures and applicable revenue projections.
2. The mayor and staff then develop the budget and service plan and submit it to the common council at the first council meeting in October. The executive budget includes proposed expenditures and the means of financing them. Copies of the document are made available for public review.
3. Public hearings are conducted to obtain taxpayer comments.
4. The budget is adopted formally by resolution of the common council at the first finance committee meeting in November.
5. Activities of the general fund, special revenue funds, the debt service fund, capital projects funds, permanent fund, enterprise funds, and internal service funds are budgeted. The budget as adopted shows total expenditures/expenses by individual fund. Expenditures/expenses cannot legally exceed appropriations at this level without two-thirds common council approval. Council policies include additional budgetary controls beyond this legal level.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**A. Budgets and Budgetary Accounting (Continued)**

6. Under council policy, new appropriations up to \$15,000 require written approval by the mayor, countersigned by the Director of Finance, and reported to the Finance Committee as an informational item if funded by grants, user fees, or other non-tax revenues. New appropriations in excess of \$15,000 and those funded by taxes or debt also require the approval of the finance committee and two-thirds of the common council.
7. Formal budgetary integration is employed as a management control device during the year for all funds. A comparison of budget and actual is included in the accompanying financial statements for the major funds. The budget presentations are at the function level, whereas the legal level of control is at the total expenditures level.
8. All budgets adopted conform to generally accepted accounting principles (U.S. GAAP). Budget amounts are as originally adopted or as amended. Individual amendments were legally authorized as described above.
9. Budgets for all governmental funds, except grant-funded special revenue funds, lapse at year end. Reappropriations of any funds are made by council action.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2021.

**B. Excess of Expenditures Over Budget Appropriations**

For the year ended December 31, 2021, there were no expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations.

**C. Deficit Fund Equity**

The following funds reported deficit fund balance as of December 31, 2021:

Funds	Deficit Fund Balance
Special Revenue Fund:	
Tax Incremental District No. 3	\$ 2,107,799
Capital Project Funds:	
Tax Incremental District No. 11	653,373
Tax Incremental District No. 12	33,846

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 3 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**C. Deficit Fund Equity (Continued)**

TIF District deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for districts created before October 1, 1995 and 23 years for districts created through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20 - 27 years) and may be extended in some cases.

**D. 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 2021 and 2022 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2021 budget was 1.16%. The actual limit for the City for the 2022 budget was 1.25%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**NOTE 4 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

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

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

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

The carrying amount of the City's cash and investments totaled \$200,700,115 on December 31, 2021 as summarized below:

Petty Cash and Cash on Hand	\$	37,194
Deposits with Financial Institutions		15,967,766
Investments:		
U.S. Treasury and Agency Securities		82,723,689
Wisconsin Local Government Investment Pool		101,971,466
Total		\$ 200,700,115



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Reconciliation to the Basic Financial Statements:

Government-Wide Statement of Net Position:

Cash and Investments	\$ 148,302,650
Restricted Cash and Investments	22,486,615

Fiduciary Fund Statement of Net Position:

Cash and Investments	29,910,850
Total	<u><u>\$ 200,700,115</u></u>

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2021:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
U.S. Treasury Securities	\$ 29,825,551	\$ -	\$ -
First Am Govt OB FD CLY	585,489	-	-
FNMA	-	16,044,276	-
FHLMC	-	4,372,160	-
FFCB	-	19,941,364	-
FHLB	-	11,941,238	-
GNMA	-	13,611	-
Total	<u><u>\$ 30,411,040</u></u>	<u><u>\$ 52,312,649</u></u>	<u><u>\$ -</u></u>

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

Custodial Credit Risk

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Custodial Credit Risk (Continued)

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. The State of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2021, \$9,033,531 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. All amounts were collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name.

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City's investment policy requires a custody agreement for all securities managed by the City's investment manager. The custody agreement must contain language that documents that all securities are held at a minimum of uninsured, but collateral held by the pledging financial institution trust department or agent not in the City's name. Presented below is the actual rating as of the year-end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Exempt from Disclosure</u>	<u>AAA</u>	<u>Not Rated</u>
U.S. Treasury Securities	\$ 29,825,551	\$ 29,825,551	\$ -	\$ -
First Am Govt OB FD CLY	585,489	-	-	585,489
Wisconsin Local Government Investment Pool	101,971,466	-	-	101,971,466
FNMA	16,044,276	-	15,527,614	516,662
FHLMC	4,372,160	-	4,372,160	-
FFCB	19,941,364	-	19,941,364	-
FHLB	11,941,238	-	11,941,238	-
GNMA	13,611	-	-	13,611
Totals	<u>\$ 184,695,155</u>	<u>\$ 29,825,551</u>	<u>\$ 51,782,376</u>	<u>\$ 103,087,228</u>

At December 31, 2021, the City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City's investment policy requires investment in shorter-term securities, money market mutual funds, or similar investment pools as a means of managing its exposure to fair value losses arising from increasing interest rates.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury Securities	\$ 29,825,551	\$ 1,050,840	\$ -	\$ 7,664,927	\$ 21,109,784
U.S. Treasury Bonds	-				
Wisconsin Local Government Investment Pool	101,971,466	101,971,466	-	-	-
FNMA	16,044,276	2,686,769	26,205	8,313,373	5,017,929
FHLMC	4,372,160	4,227,949	20,286	23,842	100,083
FFCB	19,941,364	-	100,944	14,444,802	5,395,618
FHLB	11,941,238	3,782,290	-	6,283,850	1,875,098
GNMA	13,611	-	-	3,675	9,936
First Am Govt OB FD CLY	585,489	585,489	-	-	-
Totals	<u>\$ 184,695,155</u>	<u>\$ 114,304,803</u>	<u>\$ 147,435</u>	<u>\$ 36,734,469</u>	<u>\$ 33,508,448</u>

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$101,971,466 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, 2021, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value. As of December 31, 2021 the Wisconsin Local Government Investment Pool had a weighted average maturity of 74 days.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Restricted Cash and Investment Assets**

Restricted assets on December 31, 2021 totaled \$22,538,459 and consisted of cash and investments of \$22,486,615 and accrued interest of \$51,844 held for the following purposes:

Funds	Cash and Investments	Accrued Interest	Total Restricted Assets
Water Utility:			
Bond Reserve Fund	\$ 3,673,608	\$ 12,659	\$ 3,686,267
Bond Redemption Fund	723	-	723
Construction Fund	2,918,410	-	2,918,410
Total	<u>6,592,741</u>	<u>12,659</u>	<u>6,605,400</u>
Sewer Utility:			
Bond Reserve Account	2,232,916	10,532	2,243,448
Bond Redemption Fund	927,805	-	927,805
DNR Replacement Fund	3,925,938	12,721	3,938,659
Construction Fund	1,143,047	-	1,143,047
Total	<u>8,229,706</u>	<u>23,253</u>	<u>8,252,959</u>
Stormwater Utility:			
Bond Reserve Account	3,328,028	15,932	3,343,960
Bond Redemption Fund	2,987,484	-	2,987,484
Total	<u>6,315,512</u>	<u>15,932</u>	<u>6,331,444</u>
Valley Transit:			
Capital Equipment Replacement	1,348,656	-	1,348,656
Total	<u>\$ 22,486,615</u>	<u>\$ 51,844</u>	<u>\$ 22,538,459</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 10,031,409	\$ -	\$ -	\$ 10,031,409
Right of Ways	79,816,106	3,043,058	-	82,859,164
Improvements	38,721,202	-	-	38,721,202
Intangible Assets	181,735	-	-	181,735
Construction in Progress	8,278,349	2,088,149	7,404,263	2,962,235
Total Capital Assets, Nondepreciable	137,028,801	5,131,207	7,404,263	134,755,745
Capital Assets, Depreciable:				
Intangible Assets	1,063,186	-	-	1,063,186
Improvements	20,145,648	1,870,372	164,270	21,851,750
Buildings	53,497,377	2,999,447	67,242	56,429,582
Equipment, Furniture and Fixtures	53,439,148	3,995,136	2,629,417	54,804,867
Streets	195,768,888	8,694,702	2,622,945	201,840,645
Sidewalk	35,485,275	1,188,278	449,606	36,223,947
Traffic Signals	7,365,163	203,237	39,496	7,528,904
Bridges	55,760,153	290,742	-	56,050,895
Subtotals	422,524,838	19,241,914	5,972,976	435,793,776
Less Accumulated Depreciation for:				
Intangible Assets	125,425	106,319	-	231,744
Improvements	5,725,713	618,951	105,610	6,239,054
Buildings	19,744,354	1,105,323	28,439	20,821,238
Equipment, Furniture and Fixtures	24,796,213	3,140,262	2,619,253	25,317,222
Streets	89,968,831	4,801,767	1,938,954	92,831,644
Sidewalk	14,915,626	892,519	215,610	15,592,535
Traffic Signals	2,372,693	174,970	-	2,547,663
Bridges	9,879,579	560,508	-	10,440,087
Subtotals	167,528,434	11,400,619	4,907,866	174,021,187
Total Capital Assets, Depreciable, Net	254,996,404	7,841,295	1,065,110	261,772,589
Governmental Activities Capital Assets, Net	\$ 392,025,205	\$ 12,972,502	\$ 8,469,373	396,528,334
Less: Capital Related Debt, Less Unexpended Debt Proceeds				77,176,429
Less: Debt Premium				3,489,700
Less: Retainage Payable				102,858
Add: Deferred Charge on Refunding				37,108
Net Investment in Capital Assets				\$ 315,796,455

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 12,149,233	\$ 64,893	\$ -	\$ 12,214,126
Intangible Assets	3,005,232	2,825,768	-	5,831,000
Construction in Progress	11,617,817	9,102,746	9,575,471	11,145,092
Total Capital Assets, Nondepreciable	26,772,282	11,993,407	9,575,471	29,190,218
Capital Assets, Depreciable:				
Buildings and Land Improvements	175,310,084	6,747,773	1,352,098	180,705,759
Machinery and Equipment	97,265,174	11,194,840	795,332	107,664,682
Infrastructure	281,782,918	8,507,024	2,424,341	287,865,601
Subtotals	554,358,176	26,449,637	4,571,771	576,236,042
Less Accumulated Depreciation for:				
Buildings and Land Improvements	116,758,492	4,674,653	1,691,450	119,741,695
Machinery and Equipment	66,737,382	4,033,415	225,544	70,545,253
Infrastructure	56,843,714	3,216,696	2,397,120	57,663,290
Subtotals	240,339,588	11,924,764	4,314,114	247,950,238
Total Capital Assets, Depreciable, Net	314,018,588	14,524,873	257,657	328,285,804
Business-Type Activities Capital Assets, Net	<u>\$ 340,790,870</u>	<u>\$ 26,518,280</u>	<u>\$ 9,833,128</u>	357,476,022
Less: Capital Related Debt				95,570,448
Less: Debt Premium				6,039,869
Less: Retainage Payable				299,873
Add: Deferred Charge on Refunding				<u>1,218,176</u>
Net Investment in Capital Assets				<u>\$ 256,784,008</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

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

Governmental Activities:	
General Government	\$ 458,304
Public Safety	607,597
Public Works	6,674,552
Culture and Recreation	1,098,698
Subtotal	<u>8,839,151</u>
Capital Assets Held by City's Internal Service Fund are Charged to Various Functions Based on their Usage of the Assets	
	<u>2,561,468</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 11,400,619</u>
Business-Type Activities:	
Water Utility	\$ 4,223,208
Wastewater Utility	3,249,546
Valley Transit	1,008,462
Stormwater	2,668,236
Parking	498,702
Reid Municipal Golf Course	62,801
Total Depreciation Expense - Business-Type Activities	<u>11,710,955</u>
Depreciation Charged to Other Functions and Costs of Removal	<u>213,809</u>
Total Increase in Accumulated Depreciation	<u>\$ 11,924,764</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers**

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2021 are detailed below:

	Interfund Receivables	Interfund Payables
General Fund	\$ 2,319,172	\$ 776,789
Special Revenue Funds:		
Sanitation & Recycling Program	41,204	-
Community Development Block Grant	-	25,068
COVID-19 Response	-	172,790
Police Grants	-	18,769
Wheel Tax	-	81,981
Continuum of Care	-	16,919
Emergency Shelter	-	32,963
Enterprise Funds:		
Water Utility	297,729	1,970,682
Wastewater Utility	288,233	-
Stormwater Utility	149,623	-
Subtotal	\$ 3,095,961	3,095,961
Government-Wide Adjustments:		
Fund Eliminations		(8,546,268)
Advance to Reid Municipal Golf Course		240,000
Internal Service Fund Allocation		1,867,605
Internal Balances - Government-Wide Statement of Net Position		\$ (3,342,702)

The outstanding balances between funds result mainly from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

In 1999, the City approved charging interest on the advances to the Tax Incremental Districts at 5%, compounded annually. Accumulated interest is shown as deferred revenue in the general fund and charged to expenditures annually in the payable fund. The advances will be repaid as monies are available.

In 2002, the City advanced the Reid Municipal Golf Course \$495,000 to fund capital improvements. Interest was being charged at 5%. During 2011, the Common Council approved retroactively charging 0% interest on the advance. Previous interest payments made on the advance were applied to the principal balance during 2011. A repayment schedule has been established.



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers (Continued)**

During 2015, the City prepared projections estimating the TIF districts and the Reid Municipal Golf Course's ability to repay the interfund advances (principal and interest) from the general fund and the parking utility. As of this analysis, the following allowance has been established:

Receivable Fund	Payable Fund	Principal	Interest	Total Allowance
Parking Utility	Special Revenue - Tax Incremental District No. 3	<u>\$ 24,282,496</u>	<u>\$ 2,727,923</u>	<u>\$ 27,010,419</u>

Interfund advances for the year ended December 31, 2021 were as follows:

Receivable Fund	Payable Fund	Principal	Interest	Total Advance	Amount not Due Within One Year
General	Special Revenue - Tax Incremental District No. 3	\$ 755,862	\$ 1,586,565	\$ 2,342,427	\$ 1,092,427
General	Capital Project - Tax Incremental District No. 11	876,559	140,643	1,017,202	717,202
General	Capital Project - Tax Incremental District No. 12	84,024	10,366	94,390	-
General	Enterprise - Reid Municipal Golf Course	<u>240,000</u>	<u>-</u>	<u>240,000</u>	<u>-</u>
Subtotal - Fund Financial Statements		<u>\$ 1,956,445</u>	<u>\$ 1,737,574</u>	3,694,019	<u>\$ 1,809,629</u>
Less: Fund Eliminations				<u>(3,454,019)</u>	
Total - Government-Wide Statements				<u>\$ 240,000</u>	

The principal purpose of these advances is due to expenditures/expenses exceeding revenues.

The following repayment schedule has been established. No interest is being charged.

Years	General Fund Advance to Reid Golf Course
2025	\$ 60,000
2026	80,000
2027	20,000
2028	20,000
2029	20,000
2030	20,000
2031	20,000
Totals	<u>\$ 240,000</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers (Continued)**

Interfund transfers for the year ended December 31, 2021 were as follows:

Transfers from	General	Debt Service	Nonmajor Governmental Funds	Valley Transit	Internal Service	Total
Governmental Activities:						
General Fund	\$ -	\$ -	\$ 4,340,000	\$ 563,537	\$ 1,300,000	\$ 6,203,537
Nonmajor Governmental Funds	1,296,575	255,387	-	-	-	1,551,962
Business-Type Activities:						
Water Utility Enterprise Fund	1,922,051	-	-	-	-	1,922,051
Wastewater Utility Enterprise Fund	179,881	-	-	-	-	179,881
Stormwater Utility Enterprise Fund	12,500	-	-	-	-	12,500
Parking Utility Enterprise Fund	9,300	-	-	-	-	9,300
Reid Golf Course Enterprise Fund	17,900	-	-	-	-	17,900
Internal Service Funds	54,000	-	302,576	-	-	356,576
Total Transfers to:	<u>\$ 3,492,207</u>	<u>\$ 255,387</u>	<u>\$ 4,642,576</u>	<u>\$ 563,537</u>	<u>\$ 1,300,000</u>	10,253,707
Less: Government-Wide Eliminations						<u>(8,675,612)</u>
Total Government-Wide Statement of Activities						<u>\$ 1,578,095</u>

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Deferred Inflows of Resources**

Governmental activities and governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned. Governmental funds also defer revenue recognition related to receivables that are not considered to be available to liquidate liabilities of the current period. At the end of the current fiscal year, the various components of unavailable revenue were as follows:

	Tax Levy / Unearned	Unavailable	Total
Property Taxes Receivable	\$ 56,014,687	\$ -	\$ 56,014,687
Interest on Advances	-	1,737,574	1,737,574
Interest Income	-	183,750	183,750
Developer Loans	-	335,000	335,000
Rehabilitation Loans	-	6,064,731	6,064,731
Special Assessments not Yet Due	-	97,891	97,891
Intergovernmental Cooperative Agreement	-	379,424	379,424
	<u>\$ 56,014,687</u>	<u>8,798,370</u>	<u>\$ 64,813,057</u>
Reconciliation to Government-Wide Financial Statements		<u>(8,798,370)</u>	
Total		<u>\$ -</u>	

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2021:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Notes - General	\$ 75,046,000	\$ 14,500,000	\$ 8,739,375	\$ 80,806,625	\$ 9,834,500
Notes - Internal Service	214,000	-	30,625	183,375	35,500
Total General Obligation					
Debt	75,260,000	14,500,000	8,770,000	80,990,000	9,870,000
Promissory Note	175,000	-	35,000	140,000	45,000
Debt Premium	3,576,306	769,949	856,555	3,489,700	885,598
Compensated Absences:					
General	7,584,532	3,373,893	3,732,540	7,225,885	3,443,111
Internal Service	326,007	209,343	199,247	336,103	174,528
Landfill Liability	1,350,000	-	90,000	1,260,000	90,000
Disability Benefits	50,854	-	50,854	-	-
Governmental Activities Long-Term Obligations	<u>\$ 88,322,699</u>	<u>\$ 18,853,185</u>	<u>\$ 13,734,196</u>	<u>\$ 93,441,688</u>	<u>\$ 14,508,237</u>
<b>Business-Type Activities:</b>					
General Obligation Debt:					
Bonds	\$ 325,000	\$ -	\$ 75,000	\$ 250,000	\$ 80,000
Notes	1,075,000	-	145,000	930,000	130,000
Total General Obligation					
Debt	1,400,000	-	220,000	1,180,000	210,000
Revenue Bonds	102,535,000	17,110,000	16,020,000	103,625,000	8,550,000
Debt Premium	5,201,573	1,799,451	961,155	6,039,869	1,060,586
Compensated Absences	1,140,165	671,512	643,644	1,168,033	632,453
Business-Type Activities Long-Term Obligations	<u>\$ 110,276,738</u>	<u>\$ 19,580,963</u>	<u>\$ 17,844,799</u>	<u>\$ 112,012,902</u>	<u>\$ 10,453,039</u>

Total interest paid during the year on long-term debt totaled \$5,817,961.

The water revenue bond debt service payments are primarily due on January 1st and July 1st. The water utility makes the January 1st payment on December 31st of the prior year. Therefore, no current principal amount is shown on the statement of net position.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Governmental Activities:					
General Obligation Notes:					
Series 2012A	11/07/12	04/01/22	2.00-3.00%	\$ 5,460,000	\$ 425,000
Series 2014A	09/10/14	04/01/24	1.50-2.375%	6,525,000	2,555,000
Series 2015A	10/28/15	04/01/25	2.00-3.00%	5,775,000	2,690,000
Series 2016	10/04/16	04/01/26	2.00-4.00%	18,920,000	10,570,000
Series 2018	10/09/18	04/01/28	4.00-5.00%	13,840,000	10,565,000
Series 2019	10/02/19	04/01/29	2.00-3.00%	17,955,000	15,695,000
Series 2020	08/06/20	07/01/30	2.00%	15,000,000	14,640,000
Series 2021	08/11/21	04/01/31	1.50-2.00%	14,500,000	14,500,000
General Obligation Refunding Notes:					
Series 2017	10/02/17	04/01/27	2.00-3.00%	14,170,000	9,350,000
Total Governmental Activities					80,990,000
Business-Type Activities:					
General Obligation Refunding Bonds:					
Series 2012B	08/30/12	04/01/25	0.40-3.00%	735,000	250,000
General Obligation Notes:					
Series 2016	10/04/16	04/01/26	2.00-4.00%	705,000	380,000
General Obligation Notes:					
Series 2019	10/02/19	04/01/29	2.00-3.00%	705,000	550,000
Total Business-Type Activities					1,180,000
Total Outstanding General Obligation Debt					\$ 82,170,000

Annual principal and interest maturities of the outstanding general obligation debt of \$82,170,000 on December 31, 2021 are detailed below:

Year Ended December 31,	Governmental Activities		Business-Type Activities	
	Bonds and Notes		Bonds and Notes	
	Principal	Interest	Principal	Interest
2022	\$ 9,870,000	\$ 2,104,314	\$ 210,000	\$ 30,800
2023	12,055,000	1,738,231	215,000	24,050
2024	10,390,000	1,396,584	215,000	17,225
2025	10,065,000	1,082,825	170,000	11,450
2026	9,735,000	785,100	150,000	6,650
2027 - 2031	28,875,000	1,155,863	220,000	6,700
Total	\$ 80,990,000	\$ 8,262,917	\$ 1,180,000	\$ 96,875

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

General Obligation Debt (Continued)

Year Ended December 31,	Totals	
	Principal	Interest
2022	\$ 10,080,000	\$ 2,135,114
2023	12,270,000	1,762,281
2024	10,605,000	1,413,809
2025	10,235,000	1,094,275
2026	9,885,000	791,750
2027 - 2031	29,095,000	1,162,563
Total	<u>\$ 82,170,000</u>	<u>\$ 8,359,792</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund. Estimated payments of accumulated employee benefits and other commitments are not included in the repayment schedule. Fund balance amounts available to service the general obligation debt and other long-term obligations include the following:

General Fund - General Obligation Debt	\$ 3,034,921
General Fund - Compensated Absences	5,296,676
Debt Service Fund - General Obligation Debt	<u>1,139,411</u>
Total Available	<u>\$ 9,471,008</u>

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2021 was \$252,431,415 as follows:

Equalized Valuation of the City	\$ 6,688,360,800
Statutory Limitation Percentage	<u>(x) 5%</u>
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	334,418,040
Total Outstanding General Obligation Debt Applicable to Debt Limitation	<u>81,986,625</u>
Legal Margin for New Debt	<u>\$ 252,431,415</u>

In addition to the debt service fund, the City has assigned fund balance in the general fund of \$3,034,921 which may be used for debt service requirements.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Revenue Bonds

Revenue bonds outstanding on December 31, 2021 totaled \$103,625,000 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21
Water Utility:					
Water System Revenue Bonds:					
Series 2012	08/08/12	01/01/32	2.00-3.25%	\$ 2,510,000	\$ 1,495,000
Series 2013	08/07/13	01/01/33	2.00-4.50%	7,180,000	4,790,000
Series 2014	09/10/14	07/01/34	2.00-4.00%	3,850,000	2,705,000
Series 2020	08/06/20	01/01/40	2.00-3.00%	6,865,000	6,865,000
Water System Revenue Bonds: Refunding Bonds:					
Series 2015	10/28/15	01/01/35	2.00-4.00%	22,735,000	13,900,000
Series 2016	10/04/16	01/01/36	2.00-4.00%	23,830,000	2,800,000
Series 2021	08/11/21	01/01/41	2.00-4.00%	8,265,000	<u>8,110,000</u>
Total Water Utility					<u>40,665,000</u>
Wastewater Utility:					
Sewerage System Revenue Bonds:					
Series 2020	08/06/20	05/01/40	2.00-4.00%	7,745,000	7,745,000
Sewerage System Revenue Refunding Bonds:					
Series 2018	10/09/18	05/01/28	2.00-5.00%	5,245,000	3,725,000
Series 2020	08/06/20	05/01/40	2.00-4.00%	3,105,000	2,585,000
Series 2021	08/11/21	05/01/41	2.50-4.00%	8,845,000	<u>8,845,000</u>
Total Wastewater Utility					<u>22,900,000</u>
Stormwater Utility:					
Stormwater System Revenue Bonds:					
Series 2012	08/08/12	04/01/32	2.00-4.00%	13,190,000	4,380,000
Series 2013	08/07/13	04/01/33	2.00-4.50%	6,440,000	4,585,000
Series 2014	09/10/14	04/01/34	2.00-4.00%	3,450,000	2,585,000
Series 2017	10/02/17	04/01/38	2.00-4.00%	5,000,000	4,765,000
Series 2018	10/09/18	04/01/39	2.50-4.00%	3,000,000	3,000,000
Series 2020	08/06/20	04/01/41	2.00-3.00%	2,965,000	2,965,000
Stormwater System Revenue Refunding Bonds:					
Series 2015	10/28/15	04/01/35	2.00-4.00%	9,425,000	6,440,000
Series 2016	10/04/16	01/01/36	2.00-4.00%	14,935,000	<u>11,340,000</u>
Total Stormwater Utility					<u>40,060,000</u>
Total Outstanding Revenue Bonds					<u><u>\$ 103,625,000</u></u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Revenue Bonds (Continued)

Annual principal and interest maturities of the outstanding revenue bonds of \$103,625,000 on December 31, 2021 are detailed below:

<u>Year Ended December 31,</u>	<u>Business-Type Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 8,550,000	\$ 3,455,539	\$ 12,005,539
2023	8,850,000	3,132,832	11,982,832
2024	8,880,000	2,800,657	11,680,657
2025	8,950,000	2,465,280	11,415,280
2026	8,350,000	2,141,622	10,491,622
2027-2031	32,135,000	6,592,095	38,727,095
2032-2036	18,550,000	2,315,724	20,865,724
2037-2041	9,360,000	460,066	9,820,066
Total	<u>\$ 103,625,000</u>	<u>\$ 23,363,815</u>	<u>\$ 126,988,815</u>

Utility Revenues Pledged

Revenue bonds are payable only from revenues derived from the operation of the water, wastewater, and stormwater utilities and do not constitute debt which with faith and credit or taxing powers of the City are pledged. The utilities have pledged future utility revenues, net of specified operating expenses, to repay the revenue bonds through 2041. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. A summary of net customer revenues and remaining principal and interest due on revenue bonds follows:

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Stormwater Utility</u>
Net Customer Revenues:			
Charges for Services	\$ 19,594,261	\$ 10,533,719	\$ 11,057,866
Other Revenues	636,980	2,459,126	148,087
Total Operating Revenues	20,231,241	12,992,845	11,205,953
Less: Operating Expenses	8,411,418	7,314,261	3,429,350
Net Customer Revenues	<u>\$ 11,819,823</u>	<u>\$ 5,678,584</u>	<u>\$ 7,776,603</u>
Debt Service:			
Principal	\$ 6,975,000	\$ 1,230,000	\$ 3,575,000
Interest	1,524,319	603,918	1,544,177
Total Debt Service	<u>\$ 8,499,319</u>	<u>\$ 1,833,918</u>	<u>\$ 5,119,177</u>
Remaining Principal and Interest	<u>\$ 49,190,760</u>	<u>\$ 28,291,763</u>	<u>\$ 49,506,292</u>



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Utility Revenues Pledged (Continued)

A statutory mortgage lien upon the City's utility systems and any additions, improvements and extensions thereto is created by Section 66.0621 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issues. The City's systems and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

The City believes they are in compliance with all significant bond issue requirements.

Promissory Note

During 2012, the Appleton Redevelopment Authority received a \$300,000 Wisconsin DNR Ready for Reuse Loan. In order for the Appleton Redevelopment Authority to be approved for this loan, the City of Appleton was required to issue an obligation under Chapter 67 of the Wisconsin State Statutes. During 2017, the property funded with the loan was sold, and the obligation for the DNR Ready for Reuse Loan payments reverted back to the City. No interest is being charged. The repayment schedule is as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>
2022	\$ 45,000
2023	45,000
2024	50,000
	<u>\$ 140,000</u>

Other Debt Information

Estimated payments of other long-term liabilities are not included in the debt service requirement schedules. The compensated absences liability, landfill liability, disability benefits liability will be liquidated primarily by the general fund.

Current Refunding

During 2021, the City currently refunded sewerage system revenue bonds series 2011. The City issued sewerage system revenue refunding bonds of \$8,845,000 of which \$2,300,000 was issued to call the refunded debt. The current refunding was undertaken to refinance and to reduce the principal and interest payments. Total debt service payments over the next 10 years were reduced by \$370,366 and the economic gain (difference between the present value of the debt service payments of the refunded and refunding debt) is \$347,844.

During 2021, the City currently refunded water system revenue bonds series 2011. The City issued water system revenue refunding bonds of \$8,265,000 of which \$1,940,000 was issued to call the refunded debt. The current refunding was undertaken to refinance and to reduce the principal and interest payments. Total debt service payments over the next 10 years were reduced by \$288,373 and the economic gain (difference between the present value of the debt service payments of the refunded and refunding debt) is \$272,219.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**F. Long-Term Obligations (Continued)**

Closure and Postclosure Care Cost

State and federal laws and regulations require the City to place a final cover on its Mackville Landfill, which no longer receives solid waste, and to perform certain maintenance and monitoring functions at the site for 40 years after closure. Construction of the cover was completed at December 31, 2002. The City does have postclosure care responsibility at the Mackville Landfill. As of December 31, 2021, a \$1,260,000 liability was estimated based on what it would cost to perform all postclosure care in 2022 and thereafter. Actual costs may be higher due to inflation, changes in technology or changes in regulations. The City incurred approximately \$124,800 of closure costs in 2021.

**G. Conduit Debt Obligations**

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

As of December 31, 2021, there is one series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$30,000,000.

**H. Pension Plan**

**1. Plan Description**

Wisconsin Retirement System (WRS) Pension Plan Description

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

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**1. Plan Description (Continued)**

Vesting

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

Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before December 31, 2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**2. Postretirement 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:

<u>Year</u>	<u>Core Fund Adjustment %</u>	<u>Variable Fund Adjustment %</u>
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21

**3. Contributions**

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

For the year ended December 31, 2021, the WRS recognized \$4,382,211 in contributions from the employer.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**3. Contributions (Continued)**

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including Teachers, Executives, Elected Officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

**4. Pension Asset, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the City reported an asset of \$23,496,635 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019 rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension 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, 2021, the City's proportion was 0.37635933%, which was an increase of 0.00081962% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2021, the City recognized pension revenue of \$2,592,798.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 34,006,843	\$ 7,325,013
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	44,113,018
Changes in Assumptions	532,949	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	4,914	21,800
Employer Contributions Subsequent to the Measurement Date	4,382,211	-
Total	<u>\$ 38,926,917</u>	<u>\$ 51,459,831</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**4. Pension Asset, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

\$4,382,211 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2022	\$ (4,360,112)
2023	(1,180,716)
2024	(7,991,799)
2025	(3,382,498)
Total	<u>\$ (16,915,125)</u>

**5. Actuarial Assumptions**

The total pension liability in the December 31, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	Wisconsin 2018 Mortality Table
Postretirement Adjustments*	1.9%

\* *No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.9% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The total pension liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Core Fund Asset Class:			
Global Equities	51.0	7.2	4.7
Fixed Income	25.0	3.2	0.8
Inflation Sensitive Assets	16.0	2.0	(0.4)
Real Estate	8.0	5.6	3.1
Private Equity/Debt	11.0	10.2	7.6
Multi-Asset	4.0	5.8	3.3
Cash	(15.0)	0.9	N/A
Total Core Fund	100.0	6.6	4.1
Variable Fund Asset Class:			
U.S. Equities	70.0	6.6	4.1
International Equities	30.0	7.4	4.9
Total Variable Fund	100.0	7.1	4.6

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

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

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

**Single Discount Rate.** A single discount rate of 7.00% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the City’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate.** The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City’s Proportionate Share of the Net Pension Liability (Asset)	\$ 22,365,540	\$ (23,496,635)	\$ (57,182,060)

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



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Pension Plan (Continued)**

**6. Payables to the Pension Plan**

At December 31, 2021, the City reported a payable of \$577,367 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2021.

**I. Other Postemployment Benefits**

**Single-employer Defined Postemployment Benefit Plan**

**1. Plan Description**

The City administers a single-employer defined benefit healthcare plan (the Retiree Health Plan). The City's group health insurance plan provides coverage to active employees and retirees (or other qualified terminated employees) at blended premium rates. This results in another postemployment benefit (OPEB) for retirees, commonly referred to as an implicit rate subsidy. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**2. Benefits Provided**

Employees and their eligible dependents can elect to continue medical coverage into retirement on the City's group plan on a pay-all basis. The City does not pay any portion of the cost of coverage. Coverage continues until the retiree reaches Medicare eligibility given that the required contributions are paid.

**3. Employees Covered by Benefit Terms**

At December 31, 2021, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Benefit Payments	58
Active Employees	575
Total	633

**4. Contributions**

All retired plan members and beneficiaries currently receiving benefits are required to pay the entire cost of insurance premiums based on the employee group and their retirement date.

**5. Total OPEB Liability**

The City's total OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of January 1, 2020.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Other Postemployment Benefits (Continued)**

**Single-employer Defined Postemployment Benefit Plan (Continued)**

**5. Total OPEB Liability (Continued)**

**Actuarial Assumptions.** The total OPEB liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method:	Entry Age Normal
Discount Rate:	2.25%
Inflation:	3.0%
Salary Increases:	4.0%
Healthcare Cost Trend Rates:	5.0% for 2020 Decreasing to an Ultimate Rate of 4.5% by 2036

Mortality, disability, retirement and withdrawal rates are the same as those used in the December 31, 2019 Wisconsin Retirement System's (WRS) actuarial valuation report. The actuarial assumptions used in the January 1, 2020 valuation were based on the "Wisconsin Retirement System 2015-2017 Experience Study".

**Discount Rate.** The discount rate used to measure the total OPEB liability changed from 1.93% used in the fiscal year 2020 valuation to 2.25%, which is the S&P Municipal Bond 20 Year High-Grade Rate Index as of December 31, 2021. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

**6. Changes in the Total OPEB Liability**

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at Beginning of Year	\$ 5,720,026	\$ -	\$ 5,720,026
Changes for the Year:			
Service Cost	340,470	-	340,470
Interest	106,405	-	106,405
Changes of Assumptions Changes or Inputs	(123,680)	-	(123,680)
Benefit Payments	(413,512)	-	(413,512)
Net Changes	(90,317)	-	(90,317)
Balance at End of Year	<u>\$ 5,629,709</u>	<u>\$ -</u>	<u>\$ 5,629,709</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Other Postemployment Benefits (Continued)**

**Single-employer Defined Postemployment Benefit Plan (Continued)**

**6. Changes in the Total OPEB Liability (Continued)**

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25%) or 1-percentage-point higher (3.25%) than the current rate:

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
Total OPEB Liability	\$ 5,262,714	\$ 5,629,709	\$ 6,027,454

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (3.0%) or 1 percentage-point higher (6.0%) than the current healthcare cost trend rates:

	1% Increase (4.0% decreasing to 3.0%)	Healthcare Cost Trend Rates (5.0% decreasing to 4.0%)	1% Decrease (6.0% decreasing to 5.0%)
Total OPEB Liability	\$ 6,240,226	\$ 5,629,709	\$ 5,106,701

**7. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2021, the City recognized OPEB expense of \$600,522.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Other Postemployment Benefits (Continued)**

**Single-employer Defined Postemployment Benefit Plan (Continued)**

**7. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 464,076	\$ 207,912
Changes in Assumptions	861,040	199,910
Total	<u>\$ 1,325,116</u>	<u>\$ 407,822</u>

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

<u>Year Ended December 31,</u>	<u>Expense</u>
2022	\$ 153,646
2023	153,646
2024	153,646
2025	153,646
2026	153,646
Thereafter	149,064
Total	<u>\$ 917,294</u>

**8. Payable to the OPEB Plan**

At December 31, 2021, the City reported no outstanding contribution to the Plan required for the year ended December 31, 2021.

**9. Plan Financial Report**

The Plan does not prepare a separate standalone financial report.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Equity**

Government-Wide and Proprietary Fund Statements

Net position of the governmental activities reported on the government-wide statement of net position at December 31, 2021 include the following:

Net Investment in Capital Assets:	
Land	\$ 131,611,775
Intangible Assets	181,735
Construction in Progress	2,962,235
Other Capital Assets, Net of Accumulated Depreciation/Amortization	261,772,589
Less: Related Long-Term Debt Outstanding (Excluding Unspent Capital Related Debt Proceeds)	(77,279,287)
Less: Unamortized Debt Premium	(3,489,700)
Add: Unamortized Loss on Refunding	37,108
Total Net Investment In Capital Assets	315,796,455
Restricted:	
Debt Service	577,665
Housing Rehabilitation	3,102,366
Future Special Projects:	
Hazardous Materials	437,539
ARPA	2,174
Health Grants	52,799
Room Tax	5,705
Parks	526,694
Future Capital Projects:	
TIF Development Activity	2,619,857
City Center Facilities	623
Pension Benefits	19,658,479
Total Restricted	26,983,901
Unrestricted	37,579,985
Total Governmental Activities Net Position	\$ 380,360,341

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Equity (Continued)**

Government-Wide and Proprietary Fund Statements

Net position of the business-type activities reported on the government-wide statement of net position at December 31, 2021 include the following:

Net Investment in Capital Assets:	
Land	\$ 12,214,126
Intangible Assets	5,831,000
Construction in Progress	11,145,092
Other Capital Assets, Net of Accumulated Depreciation/Amortization	328,285,804
Less: Related Long-Term Debt Outstanding (Excluding Unspent Capital Related Debt Proceeds)	(105,104,873)
Less: Unamortized Debt Premium	(6,039,869)
Add: Unamortized Loss on Refunding	1,218,176
Add: Borrowed Reserve and Depreciation Fund	9,234,552
Total Net Investment in Capital Assets	<u>256,784,008</u>
Restricted:	
Debt Service	16,755,183
Plant Replacement - DNR Fund	3,938,659
Future Capital Projects	1,348,656
Pension Benefits	3,838,156
Total Restricted	<u>25,880,654</u>
Unrestricted	<u>45,829,513</u>
Total Business-Type Activities Net Position	<u><u>\$ 328,494,175</u></u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Equity (Continued)**

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact.

At December 31, 2021, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Prepaid Items	\$ 806,363
Advance to Other Funds (Principal Portion)	1,956,445
Developer Loans	<u>575,611</u>

Total Nonspendable Fund Balance	<u><u>\$ 3,338,419</u></u>
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**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Equity (Continued)**

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2021, restricted fund balance was as follows:

Special Revenue Funds:

Restricted for:

Community Development Block Grant	\$ 8,973
Hazardous Materials Level A - Public Safety	437,539
ARPA Grant	2,174
Health Grants	52,799
Continuum of Care - Housing Rehabilitation	2,887
HOME Homeowner - Housing Rehabilitation	435,407
Housing Rehabilitation Grant - Housing Rehabilitation	74,157
Business and Neighborhood Revitalization Grant	1,388
Lead Hazard Control Grant - Housing Rehabilitation	47,498
Room Tax	5,705
Library Grants	128,041
Peabody Estate - Parks	70,792
Lutz Park - Parks	147,512
Park Purpose Open Space - Parks	145,793
Union Spring Park - Parks	225
Project City Park - Parks	6,433
Miracle League Baseball - Parks	27,898
Total Special Revenue Funds	1,595,221

Debt Service Fund:

Restricted for:

Retirement of Long-Term Debt	1,139,411
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Capital Projects Funds:

Restricted for:

Tax Incremental District No. 6	644,608
Tax Incremental District No. 7	1,278,017
Tax Incremental District No. 8	117,407
Tax Incremental District No. 9	471,143
Tax Incremental District No. 10	108,682
Public Works Equipment	150,883
Facilities Capital Projects	3,802,688
City Center Facilities	623
Total Capital Projects Funds	6,574,051

Total Restricted Fund Balance	\$ 9,308,683
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**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 4 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**J. Fund Equity (Continued)**

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by Common Council action. At December 31, 2021, governmental fund balance was committed as follows:

Special Revenue Fund:	
Committed for:	
Sanitation and Recycling	<u>\$ 1,720,639</u>

Assigned Fund Balance

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, 2021, fund balance was assigned as follows:

General Fund:	
PILOT Applied to the 2021 Budget	\$ 1,970,682
Carryover Appropriations	3,212,972
Compensated Absences	5,296,676
Health Insurance	1,160,552
Debt Service	<u>3,034,921</u>
Subtotal	14,675,803

Capital Projects Funds:

Assigned for Subsequent Year's Expenditures:

Capital Improvements:	
Subdivision Development Projects	814,952
Industrial Park Land	2,194,814
Public Safety Facilities	8,184
Public Works Equipment	1,826,684
CEA Replacement	4,141,858
Community Development	78,251
Facilities Capital Projects	4,350,165
Information Technology	<u>409,987</u>
Subtotal	<u>13,824,895</u>
 Total	 <u>\$ 28,500,698</u>

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION**

**A. Component Units**

This report also contains financial information for the Business Improvement District of the City of Appleton (the Business Improvement District) and the Redevelopment Authority of the City of Appleton (the Redevelopment Authority), which are included as discretely presented component units in the statement of net position and the statement of activities.

In addition to the basic financial statements and the preceding notes to the basic financial statements, the following additional disclosures are considered necessary for a fair presentation.

Business Improvement District (BID)

**1. Basis of Accounting/Measurement Focus**

The BID follows the accrual basis of accounting and the flow of economic resources measurement focus.

**2. Cash and Investments**

At year end, the carrying amount of the BID's deposits was \$205,599 and is part of the City's commingled cash.

Redevelopment Authority

**1. Basis of Accounting/Measurement Focus**

The Redevelopment Authority follows the accrual basis of accounting and the flow of economic resources measurement focus.

**2. Cash and Investments**

At year end, the carrying amount of the Redevelopment Authority's deposits was \$87,694 and is part of the City's commingled cash.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Component Units (Continued)**

Redevelopment Authority (Continued)

**3. Restricted Cash and Investments**

At year end, the Redevelopment Authority held accounts with Associated Trust related to the issuance of Taxable Lease Revenue Bonds for the construction of the Fox Cities Exhibition Center. The City of Appleton signed a Pledge and Security agreement with Associated Trust along with the member municipalities of the Fox Cities Tourism Zone authorizing Associated Trust to manage the collection and distributions of Hotel Room Taxes in the appropriate allocations set forth by the Agreement dated May 1, 2018. Cash and Investments held at Associated Trust in the name of the Redevelopment Authority as of December 31, 2021 are segregated into the following accounts:

Associated Trust Investment Accounts	Cash and Investments
Bond Reserve Fund	\$ 2,414,324
Room Tax Stabilization Fund	900,006
Debt Service Fund	1,414,299
Total	\$ 4,728,629

The segregation of these funds is stipulated by the Indenture of Trust Agreement between the Redevelopment Authority and Associated Trust dated May 1, 2018. Descriptions and purposes for the restriction on the balances of the funds noted above are as follows:

Funds	Restricted Purpose
Bond Reserve	To Make Up Deficiencies in the Debt Service Fund
Room Tax Stabilization	To Make Up Deficiencies in the Debt Service Fund
Debt Service	For Payment of Principal and Interest on Bonds When Due
Capitalized Interest	Transfer to Debt Service Fund on Interest Payment Dates

**4. Land Held for Resale**

Land held for resale consists of land and improvements and is valued at cost of acquisition, demolition and site improvements. Properties include both land intended for resale and land designated as a public area. Land held for resale is recorded at the lower of cost or market value.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Component Units (Continued)**

Redevelopment Authority (Continued)

**5. Capital Assets**

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

	Beginning Balance	Increases	Decreases	Ending Balance
Appleton Redevelopment Authority:				
Capital Assets, Nondepreciable:				
Land	\$ 2,060,000	\$ -	\$ -	\$ 2,060,000
Capital Assets, Depreciable:				
Buildings and Improvements	32,451,767	-	-	32,451,767
Machinery and Equipment	10,250	-	-	10,250
Subtotals	32,462,017	-	-	32,462,017
Less Accumulated Depreciation for:				
Buildings and Improvements	2,703,821	1,081,725	-	3,785,546
Machinery and Equipment	1,538	1,025	-	2,563
Subtotals	2,705,359	1,082,750	-	3,788,109
Total Capital Assets, Depreciable, Net	29,756,658	(1,082,750)	-	28,673,908
Governmental Activities Capital Assets, Net	\$ 31,816,658	\$ (1,082,750)	\$ -	30,733,908
Less: Capital Related Debt				31,165,000
Net Investment in Capital Assets				\$ (431,092)

**6. Taxable Lease Revenue Bonds**

On May 1, 2018, the Redevelopment Authority issued \$31,865,000 of Taxable Lease Revenue Bonds, Series 2018, in order to reimburse the City of Appleton for construction costs related to the Fox Cities Exhibition Center. Changes in the taxable lease revenue bonds follows:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Taxable Lease Revenue Bonds	\$ 31,265,000	\$ -	\$ 100,000	\$ 31,165,000	\$ 125,000

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**A. Component Units (Continued)**

Redevelopment Authority (Continued)

**6. Taxable Lease Revenue Bonds (Continued)**

Interest paid by the Redevelopment Authority on these Taxable Lease Revenue Bonds during the year totaled \$1,286,259.

Details of this outstanding obligation of the Redevelopment Authority as of December 31, 2021 are as follows:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>
Taxable Lease Revenue Bonds	05/01/18	10/01/51	2.80-4.28%	\$ 31,865,000	\$ 31,165,000

Annual principal and interest maturities of the outstanding taxable lease revenue bonds of \$31,165,000 on December 31, 2021 are detailed below:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 125,000	\$ 1,282,882	\$ 1,407,882
2023	150,000	1,278,588	1,428,588
2024	200,000	1,272,926	1,472,926
2025	225,000	1,265,790	1,490,790
2026	270,000	1,257,215	1,527,215
2027 - 2031	2,070,000	6,087,857	8,157,857
2032 - 2036	3,850,000	4,961,195	8,811,195
2037 - 2041	5,785,000	4,533,188	10,318,188
2042 - 2046	8,315,000	3,095,936	11,410,936
2047 - 2051	10,175,000	1,008,225	11,183,225
Total	<u>\$ 31,165,000</u>	<u>\$ 26,043,802</u>	<u>\$ 57,208,802</u>

**B. Tax Incremental Financing Districts**

The City has established separate capital projects funds and one special revenue fund for 12 Tax Incremental District (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes, with 8 TID's currently active. At the time each District was created, the property tax base within the District was "frozen" and incremental taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. Except for certain exceptions under Section 66.1105(6)(am)1, the Statutes allow five years prior to the termination date for a tax incremental district to incur project costs eligible for financing from tax increments. It is the intention of the City to recover all project costs and debt service payments due prior to termination of the respective districts.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**C. Tax Abatements**

The City has created tax incremental financing districts (the Districts) in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the Districts, the City entered into agreements with developers for a creation of tax base within the Districts. The agreements require the City to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2021 the City abated property taxes totaling \$2,927,967 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- A property tax abatement of \$1,329,423 to a developer within Tax Incremental District No. 6.
- A property tax abatement of \$334,179 to a developer within Tax Incremental District No. 7.
- A property tax abatement of \$1,247,500 to a developer within Tax Incremental District No. 8.

**D. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters, environmental pollution, injuries to employees and workers' compensation. The City is self-insured for health and dental coverage and for workers' compensation. The cost of providing these risk management services is allocated by charging a "premium" to each fund based on historical estimates of the amounts needed to pay prior and current year claims and administration costs. The charge considers recent trends in actual claims experience of the City as a whole and makes provision for losses relating to catastrophes. "Premiums" are allocated by fund based on estimated current-year payroll, property values and other appropriate factors.

Risk Management Fund

All funds of the City participate in the Risk Management Fund. For 2021, the Risk Management Fund provided coverage for up to \$500,000 for each worker's compensation claim; \$200,000 for each general, automobile, police professional or public officials liability claim up to \$800,000 in a year; and \$1,000-10,000 for each property damage claim. Deductibles range from \$1,000 to \$25,000 based on coverage. The City purchases commercial insurance for claims in excess of coverage provided by the fund and other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. There were no significant reductions in coverage compared to the prior year.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

Risk Management Fund (Continued)

A total reserve for claims losses at December 31, 2021 of \$2,422,694 has been recorded and is expected to be paid within one year. The reserve liability includes expenses and losses expected to arise from claims outstanding as of December 31, 2021 and amounts expected to arise from claims which have been incurred but have not been reported to the City as of December 31, 2021. The reserve is based on a 2021, actuarial study and actual claims activity in recent years. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The study took into account settled claims, the frequency of claims, industry averages and other economic and social factors. Because actual claims liabilities depend on such complex factors as inflation and damage awards, the process used to compute claims liability does not necessarily result in an exact amount. At December 31, 2021, the City has a net position of \$954,900 in the risk management fund.

Changes in the claims payable follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2020	\$ 1,900,000	\$ 1,751,742	\$ 751,742	\$ 2,900,000
2021	2,900,000	187,073	664,379	2,422,694

Health Care

The City provides health and dental care benefits to employees through a self-funded plan with specific insurance coverage. The plans are administered by UMR and Delta Dental. Insurance premiums, based on historical cost, are paid into the general fund from all other City funds and are available to pay claims, administrative costs, and stop loss insurance.

Under this program, the City pays up to a maximum of \$250,000 annually for each covered employee's and each covered dependent's health care costs. The City has purchased excess loss insurance for claims in excess of this amount. Expected claims are calculated at the end of each plan year by the third party administrator based on the number of single and family contracts covered and the expected claims. Administrative costs for 2021 totaled approximately \$463,341.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

Health Care (Continued)

The estimated liability for self-funded losses is based on reported claims for the year and those received subsequent to year end. The City does not allocate overhead costs or other nonincremental costs to the claims liability. The estimated liability for self-insured losses for this program, which is expected to be paid within one year, consisted of the following at December 31, 2021:

Reported and Known Claims	\$ 1,051,387
Incurred but not Reported Claims	1,885,613
Total	\$ 2,937,000

Changes in the claims payable follow:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2020	\$ 2,937,000	\$ 7,307,404	\$ 7,307,404	\$ 2,937,000
2021	2,937,000	8,955,576	8,955,576	2,937,000

Transit Mutual Insurance Corporation of Wisconsin (TMi)

Transit Mutual Insurance Corporation of Wisconsin (TMi) is a municipal mutual insurance corporation, which insures auto liability and vehicle physical damage for municipally-owned transit systems in Wisconsin. Each insured property is an owner of the mutual insurance corporation. The City insures its transit systems' auto liability and physical damage with TMi and is an owner of the corporation.

In 2021, TMi issued to the City an auto liability insurance policy with a \$250,000 per person policy limit and a \$7,000,000 per accident policy limit. Of the per accident policy limit, TMi insures \$2,500,000 and reinsures \$4,500,000 with Great American Insurance. In addition, the City's policy provides for \$25,000 per person and \$50,000 per accident in uninsured motorist insurance.

The physical damage policy issued by TMi to the City provides collision and comprehensive coverage for the lesser of the agreed value or the cost of repairs minus a \$500 per accident deductible for private passenger and service units and a \$1,000 per accident deductible for bus units.

Management of TMi consists of a board of directors comprised of one representative for each member. The City does not exercise any control over the activities of the corporation beyond its representation on the board of directors.



**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

Transit Mutual Insurance Corporation of Wisconsin (TMI)

Premiums are determined in advance of each premium year, which begins on January 1. TMI is an assessable mutual; accordingly, the board of directors may require that supplemental contributions be made by members to ensure adequate funds are available to meet the obligations applicable to the premium year. Members are required by Wisconsin statute and TMI bylaws to fund any deficit attributable to a premium year during which they were a member. TMI was incorporated in 1985 and began issuing insurance policies in 1986; there has never been a member assessment beyond the annual premiums. In 2021 and 2020, Transit Mutual returned surplus to Valley Transit pursuant to its surplus management policy; in addition, dividends were paid to Valley Transit in 2021 and 2020.

The City's share of this corporation is 5.02% for auto liability and 5.88% of physical damage liability. A list of the other members and their share of participation is available in the TMI report which is available from TMI, PO Box 1135, Appleton, WI 54912-1135 or by email from maureen@transitmutal.com.

Municipal Mutual Insurance

- Wisconsin Municipal Insurance Commission (WMIC)
- Cities and Villages Mutual Insurance Company (CVMIC)

CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC that was established under Section 66.30 of the Wisconsin Statutes governing intergovernmental cooperation commissions.

CVMIC insures the municipalities up to \$5,000,000 per occurrence above the self-insured retention amount selected by each individual city or village. CVMIC also provides excess insurance of \$5,000,000 over the CVMIC layer thru a group purchase program paid proportionately by members for a total limit of \$10,000,000 per occurrence. Members pay premiums based on their self-insured retention amount, claims experience and population.

Management of CVMIC and WMIC consists of a board of directors and officers elected by the membership from each class of participants based on population. The board of directors hires the company executive director who in turn hires the management staff of CVMIC. The City does not exercise any control over the activities of CVMIC and WMIC beyond the election of the officer and board.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**D. Risk Management (Continued)**

Municipal Mutual Insurance

Financial statements of CVMIC can be obtained directly from CVMIC's offices. The City's Mutual Member Participation Calculation for 2021 is calculated at 3.767%. This calculation is based on premiums, claims and self-insured retention of the City as compared to the entire membership. The City's participation portion of available funds would be distributed upon dissolution. WMIC is not required to have an audit.

The City pays an annual premium to CVMIC for its general liability insurance as noted. The City's self-insured retention amount annually is \$200,000 per occurrence and \$800,000 in the aggregate.

The City's equity portion of available funds in CVMIC will be distributed only upon CVMIC's dissolution. The original investment is reported at \$2,020,950 in the insurance internal service fund. This investment has been fully repaid (both principal and interest) by CVMIC.

**E. Commitments and Contingencies**

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental fund types if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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

The City and the utilities have active construction projects as of December 31, 2021. Work that has been completed but not yet paid for (including contract retainages) is reflected as accounts payable and expenses.

**CITY OF APPLETON, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2021**

**NOTE 5 OTHER INFORMATION (CONTINUED)**

**E. Commitments and Contingencies (Continued)**

The City has the following encumbrance outstanding at year end and expected to be honored upon performance by the vendor:

Enterprise Funds:	
Water Utility	\$ 616,386
Wastewater Utility	5,585,752
Stormwater Utility	783,497
Parking Utility	235,000
Valley Transit Utility	2,509,451
Special Revenue Funds:	
Sanitation	18,037
Subdivision	2,000
Capital Project Funds:	
TIF No. 11	17,457
TIF No. 12	16,310
CEA Replacement	978,833
Facilities	5,095,046
Public Works	812,424
Internal Service Funds:	
CEA	7,712
General Fund	262,384
Total	<u>\$ 16,940,289</u>

The City has issued municipal revenue obligations as part of developer agreements. The obligations are payable solely to the developer from tax increments collected on specific portions of the development in the City's TIF districts. The obligation does not constitute a charge upon any funds of the City. In the event that future tax increments are not sufficient to pay off the obligation, the obligation terminates with no further liability to the City. Since the amount of future payments is contingent on the collection of future TIF increments, the obligation is not reported as a liability in the accompanying financial statements.

**F. Risks and Uncertainties**

Coronavirus Disease (COVID-19) Pandemic

The Coronavirus Disease 2019 (COVID-19) has affected global markets, supply chains, employees of organizations and local communities. Specific to the City, COVID-19 may impact parts of its 2022 operations and financial results. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimate as of June 7, 2022.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF APPLETON, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL – GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2021**  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)

	Budget		Actual	Variance	2020 Actual
	Original	Final		Final Budget - Positive (Negative)	
<b>REVENUES</b>					
Taxes	\$ 37,581,000	\$ 37,581,000	\$ 37,750,357	\$ 169,357	\$ 37,046,831
Special Assessments	255,000	255,000	301,889	46,889	260,470
Intergovernmental	16,455,608	16,455,609	16,387,714	(67,895)	17,162,876
Licenses and Permits	1,226,450	1,226,450	1,672,652	446,202	1,247,183
Fines and Forfeits	275,000	275,000	222,993	(52,007)	214,691
Public Charges for Services	1,817,926	1,817,926	1,828,483	10,557	888,329
Investment Income	2,823,945	2,823,945	1,354,763	(1,469,182)	3,965,190
Miscellaneous	1,242,518	1,421,863	1,448,942	27,079	1,513,411
Total Revenues	<u>61,677,447</u>	<u>61,856,793</u>	<u>60,967,793</u>	<u>(889,000)</u>	<u>62,298,981</u>
<b>EXPENDITURES</b>					
Current:					
General Government	8,098,384	10,786,321	7,804,563	2,981,758	7,491,654
Public Safety	33,431,944	33,500,696	32,855,073	645,623	30,561,800
Public Works	12,487,755	12,975,508	12,222,671	752,837	11,606,794
Culture and Recreation	8,711,049	8,914,674	8,388,434	526,240	7,610,809
Conservation and Development	1,895,906	1,995,906	1,902,112	93,794	1,816,954
Total Expenditures	<u>64,625,038</u>	<u>68,173,105</u>	<u>63,172,853</u>	<u>5,000,252</u>	<u>59,088,011</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>					
	(2,947,591)	(6,316,312)	(2,205,060)	4,111,252	3,210,970
<b>OTHER FINANCING SOURCES (USES)</b>					
Proceeds from Sale of Capital Assets	2,000	2,000	30,816	28,816	5,411
Transfers In	3,652,950	3,652,950	3,492,207	(160,743)	3,425,210
Transfers Out	(707,359)	(6,347,359)	(6,203,537)	143,822	(1,020,729)
Total Other Financing Sources (Uses)	<u>2,947,591</u>	<u>(2,692,409)</u>	<u>(2,680,514)</u>	<u>11,895</u>	<u>2,409,892</u>
<b>NET CHANGE IN FUND BALANCE</b>					
	-	(9,008,721)	(4,885,574)	4,123,147	5,620,862
Fund Balance - Beginning of Year	<u>39,428,507</u>	<u>39,428,507</u>	<u>39,428,507</u>	<u>-</u>	<u>33,807,645</u>
<b>FUND BALANCE - END OF YEAR</b>					
	<u>\$ 39,428,507</u>	<u>\$ 30,419,786</u>	<u>\$ 34,542,933</u>	<u>\$ 4,123,147</u>	<u>\$ 39,428,507</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF APPLETON, WISCONSIN**  
**SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS \***

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 340,470	\$ 273,356	\$ 287,520	\$ 264,768
Interest	106,406	157,658	169,794	129,126
Changes of Benefit Terms	-	-	-	-
Differences Between Expected and Actual Experience	-	(267,392)	-	807,779
Changes of Assumptions	(123,680)	591,498	91,479	77,784
Benefit Payments	(413,512)	(369,524)	(386,226)	(414,239)
Other Changes	-	313,529	548	(69,052)
Net Change in Total OPEB Liability	(90,316)	699,125	163,115	796,166
Total OPEB Liability - Beginning	5,720,025	5,020,900	4,857,785	4,061,619
Total OPEB Liability - Ending	<u>\$ 5,629,709</u>	<u>\$ 5,720,025</u>	<u>\$ 5,020,900</u>	<u>\$ 4,857,785</u>
Covered-Employee Payroll	\$ 45,283,317	\$ 44,636,757	\$ 43,662,627	\$ 39,405,798
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	12.43%	12.81%	11.50%	12.33%

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

**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
WISCONSIN RETIREMENT SYSTEM  
LAST 10 MEASUREMENT PERIODS**

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (Plan Year)	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.35168290%	\$ (8,638,294)	\$ 39,160,783	22.06%	102.74%
12/31/15	0.35716023%	5,803,784	41,437,908	14.01%	98.20%
12/31/16	0.36096444%	2,975,209	41,016,384	7.25%	99.12%
12/31/17	0.36792471%	(10,924,121)	41,706,138	26.19%	102.93%
12/31/18	0.37183767%	13,228,818	42,848,352	30.87%	96.45%
12/31/19	0.37553971%	(12,109,114)	43,662,657	27.73%	102.96%
12/31/20	0.37635933%	(23,496,635)	44,636,757	52.64%	105.26%

**SCHEDULE OF CONTRIBUTIONS  
WISCONSIN RETIREMENT SYSTEM**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 3,535,167	\$ 3,535,167	\$ -	\$ 41,437,908	8.53%
12/31/16	3,449,998	3,449,998	-	41,016,384	8.41%
12/31/17	3,794,993	3,794,993	-	41,706,138	9.10%
12/31/18	3,887,066	3,887,066	-	42,848,352	9.07%
12/31/19	3,916,087	3,916,087	-	43,662,627	8.97%
12/31/20	4,294,951	4,294,951	-	44,636,757	9.62%
12/31/21	4,382,211	4,382,211	-	45,283,317	9.68%

See accompanying Notes to Required Supplementary Information.

**CITY OF APPLETON, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2021**

**NOTE 1 BUDGETARY INFORMATION**

Budgetary information is derived from the annual operating budget and is presented using the same basis of accounting for each fund as described in Note 3.A. of the notes to the basic financial statements. The budget presentations are at the function level, whereas the legal level of control is at the total expenditure level.

**NOTE 2 WISCONSIN RETIREMENT SYSTEM**

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

*Changes of assumptions.* No significant change in assumptions were noted from the prior year.

The amounts reported for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. The City is required to present the last 10 fiscal years of data; however accounting standards allow the presentation of as many years as are available until 10 fiscal years are presented.

**NOTE 3 OTHER POSTEMPLOYMENT BENEFIT PLANS**

**Single-employer Defined Postemployment Benefit Plan**

In addition to changes required by GASB Statement No. 75, the updated actuarial valuation decreased the discount rate used from 1.93% to 2.25%. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

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



## **SUPPLEMENTARY INFORMATION**

**CITY OF APPLETON, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES,  
AND OTHER FINANCING SOURCES  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Budget		Actual	Variance	2020 Actual
	Original	Final		Final Budget - Positive (Negative)	
<b>Taxes:</b>					
General Property	\$ 36,600,000	\$ 36,600,000	\$ 36,600,000	\$ -	\$ 36,083,000
Payment in Lieu of Taxes	405,000	405,000	436,452	31,452	388,423
Sales Tax	576,000	576,000	713,905	137,905	575,408
<b>Total Taxes</b>	<b>37,581,000</b>	<b>37,581,000</b>	<b>37,750,357</b>	<b>169,357</b>	<b>37,046,831</b>
<b>Special Assessments:</b>					
Asphalt Paving	-	-	52,035	52,035	-
Concrete Paving	15,000	15,000	19,493	4,493	12,522
Sidewalks	10,000	10,000	-	(10,000)	8,020
Snow Removal	142,000	142,000	139,288	(2,712)	143,284
Weed Cutting	16,000	16,000	12,881	(3,119)	19,300
Street Light Revenue	71,000	71,000	77,224	6,224	76,607
Miscellaneous	1,000	1,000	968	(32)	737
<b>Total Special Assessments</b>	<b>255,000</b>	<b>255,000</b>	<b>301,889</b>	<b>46,889</b>	<b>260,470</b>
<b>Intergovernmental:</b>					
Federal	-	-	-	-	741,088
<b>State:</b>					
State Shared Taxes	10,004,809	10,004,809	9,957,986	(46,823)	10,022,896
Tax Exempt Computer Aid	421,000	421,000	421,924	924	421,924
Highway Aid - Connection Streets	229,500	229,500	229,565	65	228,572
State Tax Disparity Act	1,206,663	1,206,663	1,206,663	-	1,238,325
Local Streets Aid	3,020,800	3,020,800	3,016,915	(3,885)	2,855,382
Fire Insurance Dues	245,000	245,000	263,841	18,841	249,683
Miscellaneous State Aids	221,600	221,601	188,914	(32,687)	327,211
<b>Local:</b>					
Miscellaneous Local Aids	7,500	7,500	10,100	2,600	7,500
Library Grants and Aids	1,091,736	1,091,736	1,091,736	-	1,070,138
Health Grants	7,000	7,000	70	(6,930)	157
<b>Total Intergovernmental</b>	<b>16,455,608</b>	<b>16,455,609</b>	<b>16,387,714</b>	<b>(67,895)</b>	<b>17,162,876</b>
<b>Licenses and Permits:</b>					
<b>Licenses:</b>					
Amusement Devices	7,500	7,500	8,110	610	8,230
Cigarette	5,000	5,000	5,900	900	5,800
Health	156,500	156,500	168,338	11,838	149,869
Heating	100	100	-	(100)	25
Liquor and Malt Beverages	100,000	100,000	100,474	474	113,909
Operators	55,000	55,000	58,230	3,230	37,125
Commercial Solicitation	2,500	2,500	4,505	2,005	5,145
Taxi Cab/Limousine	850	850	750	(100)	810
Taxi Driver	2,000	2,000	1,250	(750)	1,950
Sundry	5,800	5,800	4,673	(1,127)	4,680
Secondhand/Pawnbroker	1,800	1,800	2,115	315	1,980
Special Events	6,500	6,500	12,135	5,635	13,365
Dog	20,000	20,000	12,448	(7,552)	10,416
Cat	8,000	8,000	4,504	(3,496)	4,162
Weights and Measures	62,300	62,300	56,933	(5,367)	51,807

**CITY OF APPLETON, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES,  
AND OTHER FINANCING SOURCES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Budget		Actual	Variance	2020 Actual
	Original	Final		Final Budget - Positive (Negative)	
<b>Permits:</b>					
Building	350,000	350,000	413,657	63,657	372,566
Electrical	130,000	130,000	171,114	41,114	121,491
Heating	70,000	70,000	94,686	24,686	84,417
Plumbing and Sewer	65,000	65,000	86,237	21,237	71,594
Burning	28,000	28,000	28,429	429	33,086
Trailer Parking	9,200	9,200	12,419	3,219	11,140
State Building	2,000	2,000	4,400	2,400	3,160
Signs	5,000	5,000	4,600	(400)	4,762
Street Occupancy	9,000	9,000	11,075	2,075	8,314
Street Excavating and Patching	122,500	122,500	403,915	281,415	126,645
Sundry	1,900	1,900	1,755	(145)	735
Total Licenses and Permits	1,226,450	1,226,450	1,672,652	446,202	1,247,183
<b>Fines and Forfeits:</b>					
Court Fines and Penalties	275,000	275,000	222,993	(52,007)	214,691
<b>Public Charges for Services:</b>					
Legal Services	800	800	425	(375)	260
Mayor	2,500	2,500	-	(2,500)	1,250
Finance	4,000	4,000	4,091	91	3,949
Human Resources	-	-	107	107	-
Library	30,000	30,000	3,980	(26,020)	14,728
Community Development	350	350	599	249	295
Parks and Recreation	923,432	923,432	820,589	(102,843)	166,784
<b>Public Works:</b>					
Street Division	26,500	26,500	101,333	74,833	99,066
Traffic	60,000	60,000	103,226	43,226	80,339
Forestry	-	-	540	540	-
Inspection Department	55,000	55,000	66,019	11,019	62,895
Health Department	75,942	75,942	75,570	(372)	76,995
Police Department	603,402	603,402	619,353	15,951	346,848
Fire Department	36,000	36,000	32,651	(3,349)	38,354
Total Public Charges for Services	1,817,926	1,817,926	1,828,483	10,557	891,763
<b>Investment Income:</b>					
Investment Income	2,696,945	2,696,945	1,271,916	(1,425,029)	3,830,582
Interest on Taxes	127,000	127,000	82,847	(44,153)	134,608
Total Investment Income	2,823,945	2,823,945	1,354,763	(1,469,182)	3,965,190

**CITY OF APPLETON, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES,  
AND OTHER FINANCING SOURCES (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Budget		Actual	Variance	2020 Actual
	Original	Final		Final Budget - Positive (Negative)	
Miscellaneous:					
Fees and Commissions	605,980	605,980	571,809	(34,171)	680,285
Zoning and Subdivision Fees	18,000	18,000	14,865	(3,135)	23,910
Property Inquiry Fees	72,600	72,600	83,536	10,936	80,106
Miscellaneous Revenue	62,050	62,050	62,042	(8)	76,072
Rental of City Property	48,500	48,500	43,456	(5,044)	46,876
Insurance Proceeds	-	-	5,000	5,000	5,076
Donation and Memorials	42,750	71,486	91,676	20,190	77,803
Damage to City Property	58,000	58,000	107,485	49,485	105,465
Other Reimbursements	224,746	375,355	349,526	(25,829)	313,439
Leases	107,892	107,892	108,072	180	109,849
Board of Appeals	2,000	2,000	1,475	(525)	1,215
Total Miscellaneous	<u>1,242,518</u>	<u>1,421,863</u>	<u>1,438,942</u>	<u>17,079</u>	<u>1,520,096</u>
Total Revenues	61,677,447	61,856,793	60,957,793	(899,000)	62,309,100
Other Financing Sources:					
Proceeds from Sale of Capital Assets	2,000	2,000	30,816	28,816	5,411
Transfers In	<u>3,652,950</u>	<u>3,652,950</u>	<u>3,492,207</u>	<u>(160,743)</u>	<u>3,425,210</u>
Total Other Financing Sources	<u>3,654,950</u>	<u>3,654,950</u>	<u>3,523,023</u>	<u>(131,927)</u>	<u>3,430,621</u>
Total Revenues and Other Financing Sources	<u>\$ 65,332,397</u>	<u>\$ 65,511,743</u>	<u>\$ 64,480,816</u>	<u>\$ (1,030,927)</u>	<u>\$ 65,739,721</u>

**CITY OF APPLETON, WISCONSIN  
GENERAL FUND  
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES,  
AND OTHER FINANCING USES  
YEAR ENDED DECEMBER 31, 2021  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020)**

	Budget		Actual	Variance	2020 Actual
	Original	Final		Final Budget - Positive (Negative)	
General Government:					
Common Council	\$ 138,360	\$ 138,360	\$ 136,571	\$ 1,789	\$ 133,729
Mayor	522,802	597,802	440,964	156,838	440,604
Legal Service	1,028,511	1,039,511	987,785	51,726	1,107,580
Finance	918,983	968,983	921,191	47,792	899,507
Information Technology	2,165,591	2,165,591	2,126,877	38,714	2,012,971
Human Resources	770,550	770,550	676,708	93,842	671,804
Other General Government	2,553,587	5,105,524	2,504,467	2,601,057	2,225,459
Total General Government	8,098,384	10,786,321	7,794,563	2,991,758	7,491,654
Public Safety:					
Health Services	1,220,587	1,220,587	984,243	236,344	583,353
Police	19,022,192	19,089,313	18,807,350	281,963	17,802,388
Fire	13,189,165	13,190,796	13,063,480	127,316	12,176,059
Total Public Safety	33,431,944	33,500,696	32,855,073	645,623	30,561,800
Public Works	12,487,755	12,975,508	12,222,671	752,837	11,606,794
Culture and Recreation:					
Library	4,735,535	4,939,160	4,560,447	378,713	4,493,631
Parks and Recreation	3,975,514	3,975,514	3,827,987	147,527	3,117,178
Total Culture and Recreation	8,711,049	8,914,674	8,388,434	526,240	7,610,809
Community and Development	1,895,906	1,995,906	1,902,112	93,794	1,816,954
Total Expenditures	64,625,038	68,173,105	63,162,853	5,010,252	59,088,011
Other Financing Uses:					
Transfers Out	707,359	6,347,359	6,203,537	143,822	1,020,729
Total Expenditures and Other Financing Uses	<u>\$ 65,332,397</u>	<u>\$ 74,520,464</u>	<u>\$ 69,366,390</u>	<u>\$ 5,154,074</u>	<u>\$ 60,108,740</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2021**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>ASSETS</b>	<u>          </u>	<u>          </u>	<u>          </u>
Cash and Investments	\$ 12,066,693	\$ 23,731,832	\$ 35,798,525
Receivables:			
Taxes and Special Charges	1,963,799	3,223,700	5,187,499
Accounts	233,541	103,217	336,758
Special Assessments	-	85,369	85,369
Housing Loans, Net	6,064,731	-	6,064,731
Other	162,857	-	162,857
Due from Other Funds	41,204	-	41,204
Due from Other Governments	522,203	-	522,203
	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 21,055,028</u>	<u>\$ 27,144,118</u>	<u>\$ 48,199,146</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts Payable	347,946	1,022,070	1,370,016
Other Accrued Liabilities	64,800	21,562	86,362
Due to Other Funds	348,490	-	348,490
Advance from Other Funds	2,342,427	1,111,592	3,454,019
Unearned Revenues	7,474,980	-	7,474,980
Total Liabilities	<u>10,578,643</u>	<u>2,155,224</u>	<u>12,733,867</u>
Deferred Inflows of Resources:			
Unearned and Unavailable Revenue	9,268,324	5,277,167	14,545,491
Fund Balances:			
Restricted	1,595,221	6,574,051	8,169,272
Committed	1,720,639	-	1,720,639
Assigned	-	13,824,895	13,824,895
Unassigned	(2,107,799)	(687,219)	(2,795,018)
Total Fund Balances	<u>1,208,061</u>	<u>19,711,727</u>	<u>20,919,788</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 21,055,028</u>	<u>\$ 27,144,118</u>	<u>\$ 48,199,146</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2021**

	Special Revenue						
	Community Development Block Grant	Sanitation & Recycling Program	Tax Incremental District No. 3	Health Grants	COVID-19 Response	Police Grants	Hazardous Materials Level A
<b>ASSETS</b>							
Cash and Investments	\$ -	\$ 2,401,466	\$ 639,815	\$ 135,472	\$ -	\$ -	\$ 436,518
Receivables:							
Taxes and Special Charges	-	1,280,555	681,405	-	-	-	-
Accounts	-	163,581	25,000	1,000	-	-	1,972
Special Assessments	-	-	-	-	-	-	-
Housing Loans, Net	-	-	-	-	-	-	-
Other	-	162,857	-	-	-	-	-
Due from Other Funds	-	41,204	-	-	-	-	-
Due from Other Governments	34,839	-	-	25,690	193,400	22,729	-
	<u>34,839</u>	<u>-</u>	<u>-</u>	<u>25,690</u>	<u>193,400</u>	<u>22,729</u>	<u>-</u>
Total Assets	<u>\$ 34,839</u>	<u>\$ 4,049,663</u>	<u>\$ 1,346,220</u>	<u>\$ 162,162</u>	<u>\$ 193,400</u>	<u>\$ 22,729</u>	<u>\$ 438,490</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ -	\$ 193,419	\$ -	\$ -	\$ 14,544	\$ 3,960	\$ 583
Other Accrued Liabilities	798	46,605	-	4,805	6,066	-	368
Due to Other Funds	25,068	-	-	-	172,790	18,769	-
Advance from Other Funds	-	-	2,342,427	-	-	-	-
Unearned Revenues	-	-	-	104,558	-	-	-
Total Liabilities	<u>25,866</u>	<u>240,024</u>	<u>2,342,427</u>	<u>109,363</u>	<u>193,400</u>	<u>22,729</u>	<u>951</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned and Unavailable Revenue	-	2,089,000	1,111,592	-	-	-	-
<b>FUND BALANCES</b>							
Restricted	8,973	-	-	52,799	-	-	437,539
Committed	-	1,720,639	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	(2,107,799)	-	-	-	-
Total Fund Balances	<u>8,973</u>	<u>1,720,639</u>	<u>(2,107,799)</u>	<u>52,799</u>	<u>-</u>	<u>-</u>	<u>437,539</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 34,839</u>	<u>\$ 4,049,663</u>	<u>\$ 1,346,220</u>	<u>\$ 162,162</u>	<u>\$ 193,400</u>	<u>\$ 22,729</u>	<u>\$ 438,490</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2021**

	Special Revenue						
	Room Tax	Wheel Tax	Continuum of Care	HOME Homeowner	Housing Rehabilitation Grant	Business and Neighborhood Revitalization Grant	Emergency Shelter
<b>ASSETS</b>							
Cash and Investments	\$ 15,316	\$ -	\$ -	\$ 435,408	\$ 51,828	\$ 2,549	\$ -
Receivables:							
Taxes and Special Charges	-	-	-	-	-	1,839	-
Accounts	41,938	-	-	-	50	-	-
Special Assessments	-	-	-	-	-	-	-
Housing Loans, Net	-	-	-	559,789	5,349,780	-	-
Other	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-
Due from Other Governments	-	81,981	20,719	-	37,989	-	104,856
<b>Total Assets</b>	<b>\$ 57,254</b>	<b>\$ 81,981</b>	<b>\$ 20,719</b>	<b>\$ 995,197</b>	<b>\$ 5,439,647</b>	<b>\$ 4,388</b>	<b>\$ 104,856</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 51,549	\$ -	\$ -	\$ -	\$ 12,622	\$ -	\$ 71,269
Other Accrued Liabilities	-	-	913	-	3,088	-	624
Due to Other Funds	-	81,981	16,919	-	-	-	32,963
Advance from Other Funds	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>51,549</b>	<b>81,981</b>	<b>17,832</b>	<b>-</b>	<b>15,710</b>	<b>-</b>	<b>104,856</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned and Unavailable Revenue	-	-	-	559,790	5,349,780	3,000	-
<b>FUND BALANCES</b>							
Restricted	5,705	-	2,887	435,407	74,157	1,388	-
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>5,705</b>	<b>-</b>	<b>2,887</b>	<b>435,407</b>	<b>74,157</b>	<b>1,388</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 57,254</b>	<b>\$ 81,981</b>	<b>\$ 20,719</b>	<b>\$ 995,197</b>	<b>\$ 5,439,647</b>	<b>\$ 4,388</b>	<b>\$ 104,856</b>



**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2021**

	Special Revenue				
	Lead Hazard Control Grant	Peabody Estate	Lutz Park	Park Purpose Open Space	Union Spring Park
<b>ASSETS</b>					
Cash and Investments	\$ 47,498	\$ 70,792	\$ 147,512	\$ 145,793	\$ 225
Receivables:					
Taxes and Special Charges	-	-	-	-	-
Accounts	-	-	-	-	-
Special Assessments	-	-	-	-	-
Housing Loans, Net	155,162	-	-	-	-
Other	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 202,660</u>	<u>\$ 70,792</u>	<u>\$ 147,512</u>	<u>\$ 145,793</u>	<u>\$ 225</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Other Accrued Liabilities	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned and Unavailable Revenue	155,162	-	-	-	-
<b>FUND BALANCES</b>					
Restricted	47,498	70,792	147,512	145,793	225
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>47,498</u>	<u>70,792</u>	<u>147,512</u>	<u>145,793</u>	<u>225</u>
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 202,660</u>	<u>\$ 70,792</u>	<u>\$ 147,512</u>	<u>\$ 145,793</u>	<u>\$ 225</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2021**

	Special Revenue				Total Nonmajor Special Revenue Funds
	Project City Park	Miracle League Baseball	Library Grant	ARPA Grant	
<b>ASSETS</b>					
Cash and Investments	\$ 6,433	\$ 27,898	\$ 129,574	\$ 7,372,596	\$ 12,066,693
Receivables:					
Taxes and Special Charges	-	-	-	-	1,963,799
Accounts	-	-	-	-	233,541
Special Assessments	-	-	-	-	-
Housing Loans, Net	-	-	-	-	6,064,731
Other	-	-	-	-	162,857
Due from Other Funds	-	-	-	-	41,204
Due from Other Governments	-	-	-	-	522,203
	<u>\$ 6,433</u>	<u>\$ 27,898</u>	<u>\$ 129,574</u>	<u>\$ 7,372,596</u>	<u>\$ 21,055,028</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 347,946
Other Accrued Liabilities	-	-	1,533	-	64,800
Due to Other Funds	-	-	-	-	348,490
Advance from Other Funds	-	-	-	-	2,342,427
Unearned Revenues	-	-	-	7,370,422	7,474,980
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,533</u>	<u>7,370,422</u>	<u>10,578,643</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned and Unavailable Revenue	-	-	-	-	9,268,324
<b>FUND BALANCES</b>					
Restricted	6,433	27,898	128,041	2,174	1,595,221
Committed	-	-	-	-	1,720,639
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	(2,107,799)
Total Fund Balances	<u>6,433</u>	<u>27,898</u>	<u>128,041</u>	<u>2,174</u>	<u>1,208,061</u>
	<u>\$ 6,433</u>	<u>\$ 27,898</u>	<u>\$ 129,574</u>	<u>\$ 7,372,596</u>	<u>\$ 21,055,028</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 6,433</u>	<u>\$ 27,898</u>	<u>\$ 129,574</u>	<u>\$ 7,372,596</u>	<u>\$ 21,055,028</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS  
DECEMBER 31, 2021**

	Capital Projects					
	Subdivision Development Projects	Industrial Park Land	Tax Incremental District No. 6	Tax Incremental District No. 7	Tax Incremental District No. 8	Tax Incremental District No. 9
<b>ASSETS</b>						
Cash and Investments	\$ 721,489	\$ 2,197,957	\$ 1,654,019	\$ 1,389,431	\$ 771,115	\$ 476,429
Receivables:						
Taxes and Special Charges	98,673	-	1,364,785	261,889	1,035,456	8,373
Accounts	-	-	-	-	-	-
Special Assessments	85,369	-	-	-	-	-
Housing Loans, Net	-	-	-	-	-	-
Other	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
	<u>\$ 905,531</u>	<u>\$ 2,197,957</u>	<u>\$ 3,018,804</u>	<u>\$ 1,651,320</u>	<u>\$ 1,806,571</u>	<u>\$ 484,802</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 1,813	\$ 3,143	\$ -	\$ -	\$ -	\$ -
Other Accrued Liabilities	3,397	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Advance from Other Funds	-	-	-	-	-	-
Unearned Revenues	-	-	-	-	-	-
Total Liabilities	<u>5,210</u>	<u>3,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned and Unavailable Revenue	85,369	-	2,374,196	373,303	1,689,164	13,659
<b>FUND BALANCES</b>						
Restricted	-	-	644,608	1,278,017	117,407	471,143
Committed	-	-	-	-	-	-
Assigned	814,952	2,194,814	-	-	-	-
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>814,952</u>	<u>2,194,814</u>	<u>644,608</u>	<u>1,278,017</u>	<u>117,407</u>	<u>471,143</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 905,531</u>	<u>\$ 2,197,957</u>	<u>\$ 3,018,804</u>	<u>\$ 1,651,320</u>	<u>\$ 1,806,571</u>	<u>\$ 484,802</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)  
DECEMBER 31, 2021**

	Capital Projects					
<b>ASSETS</b>	Tax Incremental District No. 10	Tax Incremental District No. 11	Tax Incremental District No. 12	Public Safety Facilities	CEA Replacement	Community Development
Cash and Investments	\$ 108,682	\$ 607,894	\$ 112,337	\$ 8,184	\$ 4,141,858	\$ 78,251
Receivables:						
Taxes and Special Charges	-	372,485	82,039	-	-	-
Accounts	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Housing Loans, Net	-	-	-	-	-	-
Other	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Due from Other Governments	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 108,682</b>	<b>\$ 980,379</b>	<b>\$ 194,376</b>	<b>\$ 8,184</b>	<b>\$ 4,141,858</b>	<b>\$ 78,251</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ -	\$ 7,785	\$ -	\$ -	\$ -	\$ -
Other Accrued Liabilities	-	1,121	-	-	-	-
Due to Other Funds	-	-	-	-	-	-
Advance from Other Funds	-	1,017,202	94,390	-	-	-
Unearned Revenues	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>1,026,108</b>	<b>94,390</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned and Unavailable Revenue	-	607,644	133,832	-	-	-
<b>FUND BALANCES</b>						
Restricted	108,682	-	-	-	-	-
Committed	-	-	-	-	-	-
Assigned	-	-	-	8,184	4,141,858	78,251
Unassigned	-	(653,373)	(33,846)	-	-	-
<b>Total Fund Balances</b>	<b>108,682</b>	<b>(653,373)</b>	<b>(33,846)</b>	<b>8,184</b>	<b>4,141,858</b>	<b>78,251</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 108,682</b>	<b>\$ 980,379</b>	<b>\$ 194,376</b>	<b>\$ 8,184</b>	<b>\$ 4,141,858</b>	<b>\$ 78,251</b>

**CITY OF APPLETON, WISCONSIN  
COMBINING BALANCE SHEET  
NONMAJOR CAPITAL PROJECTS FUNDS (CONTINUED)  
DECEMBER 31, 2021**

	Capital Projects				Total Nonmajor Capital Projects Funds
	Facilities Capital Projects	City Center Facilities	Public Works Equipment	Information Technology	
<b>ASSETS</b>					
Cash and Investments	\$ 8,698,995	\$ 623	\$ 2,349,521	\$ 415,047	\$ 23,731,832
Receivables:					
Taxes and Special Charges	-	-	-	-	3,223,700
Accounts	-	-	103,217	-	103,217
Special Assessments	-	-	-	-	85,369
Housing Loans, Net	-	-	-	-	-
Other	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
	<u>\$ 8,698,995</u>	<u>\$ 623</u>	<u>\$ 2,452,738</u>	<u>\$ 415,047</u>	<u>\$ 27,144,118</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 539,554	\$ -	\$ 464,715	\$ 5,060	\$ 1,022,070
Other Accrued Liabilities	6,588	-	10,456	-	21,562
Due to Other Funds	-	-	-	-	-
Advance from Other Funds	-	-	-	-	1,111,592
Unearned Revenues	-	-	-	-	-
Total Liabilities	<u>546,142</u>	<u>-</u>	<u>475,171</u>	<u>5,060</u>	<u>2,155,224</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unearned and Unavailable Revenue	-	-	-	-	5,277,167
<b>FUND BALANCES</b>					
Restricted	3,802,688	623	150,883	-	6,574,051
Committed	-	-	-	-	-
Assigned	4,350,165	-	1,826,684	409,987	13,824,895
Unassigned	-	-	-	-	(687,219)
Total Fund Balances	<u>8,152,853</u>	<u>623</u>	<u>1,977,567</u>	<u>409,987</u>	<u>19,711,727</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,698,995</u>	<u>\$ 623</u>	<u>\$ 2,452,738</u>	<u>\$ 415,047</u>	<u>\$ 27,144,118</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Special Revenue Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
<b>REVENUES</b>			
Taxes	\$ 4,754,130	\$ 2,730,110	\$ 7,484,240
Special Assessments	-	493,191	493,191
Intergovernmental	3,172,393	333,830	3,506,223
Public Charges for Services	1,812,458	-	1,812,458
Investment Income	(10,699)	(116,374)	(127,073)
Miscellaneous	748,183	3,885,633	4,633,816
Total Revenues	<u>10,476,465</u>	<u>7,326,390</u>	<u>17,802,855</u>
<b>EXPENDITURES</b>			
Current:			
General Government	132,402	12,995	145,397
Public Safety	1,153,769	-	1,153,769
Public Works	3,655,372	-	3,655,372
Culture and Recreation	129,333	-	129,333
Conservation and Development	2,448,939	80,966	2,529,905
Debt Service:			
Interest and Fiscal Charges	142,120	129,258	271,378
Capital Outlay	-	15,508,136	15,508,136
Total Expenditures	<u>7,661,935</u>	<u>15,731,355</u>	<u>23,393,290</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	2,814,530	(8,404,965)	(5,590,435)
<b>OTHER FINANCING SOURCES (USES)</b>			
Long-Term Debt Issued	-	14,500,000	14,500,000
Premium on Debt Issued	-	-	-
Proceeds from Sale of Capital Assets	29,700	1,510,553	1,540,253
Transfers In	-	4,642,576	4,642,576
Transfers Out	(1,296,575)	(255,387)	(1,551,962)
Total Other Financing Sources (Uses)	<u>(1,266,875)</u>	<u>20,397,742</u>	<u>19,130,867</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,547,655	11,992,777	13,540,432
Fund Balances - Beginning of Year	<u>(339,594)</u>	<u>7,718,950</u>	<u>7,379,356</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,208,061</u>	<u>\$ 19,711,727</u>	<u>\$ 20,919,788</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Special Revenue						
	Community Development Block Grant	Sanitation & Recycling Program	Tax Incremental District No. 3	Health Grants	COVID-19 Response	Police Grants	Hazardous Materials Level A
<b>REVENUES</b>							
Taxes	\$ -	\$ 2,089,000	\$ 1,240,753	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-	-
Intergovernmental	863,182	173	6,124	152,657	504,670	218,101	70,074
Public Charges for Services	-	1,713,390	-	-	-	-	21,968
Investment Income (Loss)	-	(9,661)	1,272	-	-	-	(2,244)
Miscellaneous	-	8,831	-	-	122,966	-	5,000
Total Revenues	<u>863,182</u>	<u>3,801,733</u>	<u>1,248,149</u>	<u>152,657</u>	<u>627,636</u>	<u>218,101</u>	<u>94,798</u>
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	2,207	-	-	-	-
Public Safety	-	-	-	152,657	627,636	218,101	79,877
Public Works	-	3,655,372	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Conservation and Development	863,182	-	-	-	-	-	-
Debt Service:							
Interest and Fiscal Charges	-	-	142,120	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>863,182</u>	<u>3,655,372</u>	<u>144,327</u>	<u>152,657</u>	<u>627,636</u>	<u>218,101</u>	<u>79,877</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	146,361	1,103,822	-	-	-	14,921
<b>OTHER FINANCING SOURCES (USES)</b>							
Long-Term Debt Issued	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	29,700
Transfers In	-	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,700</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	146,361	1,103,822	-	-	-	44,621
Fund Balances - Beginning of Year	<u>8,973</u>	<u>1,574,278</u>	<u>(3,211,621)</u>	<u>52,799</u>	<u>-</u>	<u>-</u>	<u>392,918</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 8,973</u>	<u>\$ 1,720,639</u>	<u>\$ (2,107,799)</u>	<u>\$ 52,799</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 437,539</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Special Revenue						
	Room Tax	Wheel Tax	Continuum of Care	HOME Homeowner	Housing Rehabilitation Grant	Business and Neighborhood Revitalization Grant	Emergency Shelter
<b>REVENUES</b>							
Taxes	\$ 147,290	\$ 1,274,087	\$ -	\$ -	\$ -	\$ 3,000	\$ -
Special Assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	339,097	-	137,225	-	805,592
Public Charges for Services	-	-	-	-	-	-	-
Investment Income (Loss)	-	-	-	-	(133)	-	-
Miscellaneous	-	-	-	91,585	333,375	-	-
Total Revenues	<u>147,290</u>	<u>1,274,087</u>	<u>339,097</u>	<u>91,585</u>	<u>470,467</u>	<u>3,000</u>	<u>805,592</u>
<b>EXPENDITURES</b>							
Current:							
General Government	128,063	-	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-
Conservation and Development	-	-	341,122	15,916	419,704	3,423	805,592
Debt Service:							
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	<u>128,063</u>	<u>-</u>	<u>341,122</u>	<u>15,916</u>	<u>419,704</u>	<u>3,423</u>	<u>805,592</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	19,227	1,274,087	(2,025)	75,669	50,763	(423)	-
<b>OTHER FINANCING SOURCES (USES)</b>							
Long-Term Debt Issued	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Transfers Out	(18,500)	(1,274,087)	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>(18,500)</u>	<u>(1,274,087)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	727	-	(2,025)	75,669	50,763	(423)	-
Fund Balances - Beginning of Year	<u>4,978</u>	<u>-</u>	<u>4,912</u>	<u>359,738</u>	<u>23,394</u>	<u>1,811</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,705</u>	<u>\$ -</u>	<u>\$ 2,887</u>	<u>\$ 435,407</u>	<u>\$ 74,157</u>	<u>\$ 1,388</u>	<u>\$ -</u>



**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Special Revenue					
	Lead Hazard Control Grant	Tuchscherer Disability	Peabody Estate	Lutz Park	Park Purpose Open Space	Union Spring Park
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Public Charges for Services	-	-	-	-	77,100	-
Investment Income (Loss)	-	-	(404)	(843)	(652)	(13)
Miscellaneous	28,288	-	-	-	-	-
Total Revenues	<u>28,288</u>	<u>-</u>	<u>(404)</u>	<u>(843)</u>	<u>76,448</u>	<u>(13)</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	2,132	-	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	2,513
Conservation and Development	-	-	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>2,132</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,513</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	28,288	(2,132)	(404)	(843)	76,448	(2,526)
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-Term Debt Issued	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers Out	-	(3,988)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(3,988)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	28,288	(6,120)	(404)	(843)	76,448	(2,526)
Fund Balances - Beginning of Year	<u>19,210</u>	<u>6,120</u>	<u>71,196</u>	<u>148,355</u>	<u>69,345</u>	<u>2,751</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 47,498</u>	<u>\$ -</u>	<u>\$ 70,792</u>	<u>\$ 147,512</u>	<u>\$ 145,793</u>	<u>\$ 225</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR SPECIAL REVENUE FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Special Revenue				Total Nonmajor Special Revenue Funds
	Project City Park	Miracle League Baseball	Library Grant	ARPA Grant	
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 4,754,130
Special Assessments	-	-	-	-	-
Intergovernmental	-	-	-	75,498	3,172,393
Public Charges for Services	-	-	-	-	1,812,458
Investment Income (Loss)	(37)	(158)	-	2,174	(10,699)
Miscellaneous	-	-	158,138	-	748,183
Total Revenues	<u>(37)</u>	<u>(158)</u>	<u>158,138</u>	<u>77,672</u>	<u>10,476,465</u>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	132,402
Public Safety	-	-	-	75,498	1,153,769
Public Works	-	-	-	-	3,655,372
Culture and Recreation	-	-	126,820	-	129,333
Conservation and Development	-	-	-	-	2,448,939
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	142,120
Capital Outlay	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>126,820</u>	<u>75,498</u>	<u>7,661,935</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(37)	(158)	31,318	2,174	2,814,530
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	29,700
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(1,296,575)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,266,875)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(37)	(158)	31,318	2,174	1,547,655
Fund Balances - Beginning of Year	<u>6,470</u>	<u>28,056</u>	<u>96,723</u>	<u>-</u>	<u>(339,594)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 6,433</u>	<u>\$ 27,898</u>	<u>\$ 128,041</u>	<u>\$ 2,174</u>	<u>\$ 1,208,061</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Capital Projects					
	Subdivision Development Projects	Industrial Park Land	Tax Incremental District No. 6	Tax Incremental District No. 7	Tax Incremental District No. 8	Tax Incremental District No. 9
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ 1,933,552	\$ 104,627	\$ 243,312	\$ -
Special Assessments	493,191	-	-	-	-	-
Intergovernmental	-	-	109,148	67,974	5,145	146,400
Public Charges for Services	-	-	-	-	-	-
Investment Income (Loss)	3,286	(8,319)	2,652	(7,602)	5,807	(2,338)
Miscellaneous	95,170	35,864	4,224	-	170,000	-
Total Revenues	<u>591,647</u>	<u>27,545</u>	<u>2,049,576</u>	<u>164,999</u>	<u>424,264</u>	<u>144,062</u>
<b>EXPENDITURES</b>						
Current:						
General Government	-	-	1,207	1,206	1,206	1,209
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Conservation and Development	-	-	-	-	-	20,656
Debt Service:						
Interest and Fiscal Charges	-	-	67,905	-	1,647	-
Capital Outlay	711,272	52,474	-	-	-	-
Total Expenditures	<u>711,272</u>	<u>52,474</u>	<u>69,112</u>	<u>1,206</u>	<u>2,853</u>	<u>21,865</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(119,625)	(24,929)	1,980,464	163,793	421,411	122,197
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-Term Debt Issued	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	915,516	313,364	-	-	-
Transfers In	-	250,000	-	-	-	-
Transfers Out	-	-	-	-	(255,387)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>1,165,516</u>	<u>313,364</u>	<u>-</u>	<u>(255,387)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(119,625)	1,140,587	2,293,828	163,793	166,024	122,197
Fund Balances - Beginning of Year	<u>934,577</u>	<u>1,054,227</u>	<u>(1,649,220)</u>	<u>1,114,224</u>	<u>(48,617)</u>	<u>348,946</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 814,952</u>	<u>\$ 2,194,814</u>	<u>\$ 644,608</u>	<u>\$ 1,278,017</u>	<u>\$ 117,407</u>	<u>\$ 471,143</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Capital Projects					
	Tax Incremental District No. 10	Tax Incremental District No. 11	Tax Incremental District No. 12	Public Safety Facilities	CEA Replacement	Community Development
<b>REVENUES</b>						
Taxes	\$ -	\$ 379,012	\$ 69,607	\$ -	\$ -	\$ -
Special Assessments	-	-	-	-	-	-
Intergovernmental	5,163	-	-	-	-	-
Public Charges for Services	-	-	-	-	-	-
Investment Income (Loss)	(618)	(806)	(343)	(42)	(23,127)	(446)
Miscellaneous	-	11,000	-	8,226	3,343,714	-
Total Revenues	<u>4,545</u>	<u>389,206</u>	<u>69,264</u>	<u>8,184</u>	<u>3,320,587</u>	<u>(446)</u>
<b>EXPENDITURES</b>						
Current:						
General Government	1,207	4,753	2,207	-	-	-
Public Safety	-	-	-	-	-	-
Public Works	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Conservation and Development	-	36,904	23,406	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	54,973	4,733	-	-	-
Capital Outlay	-	10,287	-	-	2,666,556	-
Total Expenditures	<u>1,207</u>	<u>106,917</u>	<u>30,346</u>	<u>-</u>	<u>2,666,556</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,338	282,289	38,918	8,184	654,031	(446)
<b>OTHER FINANCING SOURCES (USES)</b>						
Long-Term Debt Issued	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	281,673	-	-	-	-
Transfers In	-	-	-	-	302,576	-
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>281,673</u>	<u>-</u>	<u>-</u>	<u>302,576</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,338	563,962	38,918	8,184	956,607	(446)
Fund Balances - Beginning of Year	<u>105,344</u>	<u>(1,217,335)</u>	<u>(72,764)</u>	<u>-</u>	<u>3,185,251</u>	<u>78,697</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 108,682</u>	<u>\$ (653,373)</u>	<u>\$ (33,846)</u>	<u>\$ 8,184</u>	<u>\$ 4,141,858</u>	<u>\$ 78,251</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (CONTINUED)**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Capital Projects				Total Nonmajor Capital Projects Funds
	Facilities Capital Projects	City Center Facilities	Public Works Equipment	Information Technology	
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,730,110
Special Assessments	-	-	-	-	493,191
Intergovernmental	-	-	-	-	333,830
Public Charges for Services	-	-	-	-	-
Investment Income (Loss)	(58,631)	-	(22,883)	(2,964)	(116,374)
Miscellaneous	2,710	-	214,725	-	3,885,633
Total Revenues	<u>(55,921)</u>	<u>-</u>	<u>191,842</u>	<u>(2,964)</u>	<u>7,326,390</u>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	12,995
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Conservation and Development	-	-	-	-	80,966
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	129,258
Capital Outlay	5,175,416	4,158	6,767,109	120,864	15,508,136
Total Expenditures	<u>5,175,416</u>	<u>4,158</u>	<u>6,767,109</u>	<u>120,864</u>	<u>15,731,355</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,231,337)	(4,158)	(6,575,267)	(123,828)	(8,404,965)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	8,191,000	-	6,309,000	-	14,500,000
Proceeds from Sale of Capital Assets	-	-	-	-	1,510,553
Transfers In	4,025,000	-	-	65,000	4,642,576
Transfers Out	-	-	-	-	(255,387)
Total Other Financing Sources (Uses)	<u>12,216,000</u>	<u>-</u>	<u>6,309,000</u>	<u>65,000</u>	<u>20,397,742</u>
<b>NET CHANGE IN FUND BALANCES</b>	6,984,663	(4,158)	(266,267)	(58,828)	11,992,777
Fund Balances - Beginning of Year	1,168,190	4,781	2,243,834	468,815	7,718,950
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 8,152,853</u>	<u>\$ 623</u>	<u>\$ 1,977,567</u>	<u>\$ 409,987</u>	<u>\$ 19,711,727</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
DECEMBER 31, 2021**

	Parking Utility	Reid Municipal Golf Course	Total Nonmajor Enterprise Funds
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 1,273,223	\$ 542,111	\$ 1,815,334
Receivables:			
Customer Accounts	40,267	-	40,267
Total Current Assets	<u>1,313,490</u>	<u>542,111</u>	<u>1,855,601</u>
Other Assets:			
Net Pension Asset	155,371	81,201	236,572
Capital Assets:			
Nondepreciable	1,704,486	390,763	2,095,249
Depreciable	5,413,753	883,002	6,296,755
Total Capital Assets	<u>7,118,239</u>	<u>1,273,765</u>	<u>8,392,004</u>
Total Assets	8,587,100	1,897,077	10,484,177
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	254,311	128,248	382,559
Other Postemployment Related Amounts	13,384	8,348	21,732
Total Deferred Outflows of Resources	<u>267,695</u>	<u>136,596</u>	<u>404,291</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	115,986	139,301	255,287
Other Accrued Liabilities	27,386	6,491	33,877
Accrued Interest Payable	6,613	1,875	8,488
Compensated Absences	41,059	12,731	53,790
Unearned Revenue	93,695	40,995	134,690
Current Portion of Long-Term Debt	130,000	80,000	210,000
Total Current Liabilities	<u>414,739</u>	<u>281,393</u>	<u>696,132</u>
Long-Term Obligations, Less Current Portion:			
Advance from Other Funds	-	240,000	240,000
General Obligation Debt	800,000	170,000	970,000
Compensated Absences	55,347	-	55,347
Other Postemployment Benefits	56,860	35,467	92,327
Total Long-Term Liabilities	<u>912,207</u>	<u>445,467</u>	<u>1,357,674</u>
Total Liabilities	1,326,946	726,860	2,053,806
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Related Amounts	340,277	177,837	518,114
Other Postemployment Related Amounts	4,119	2,569	6,688
Total Deferred Inflows of Resources	<u>344,396</u>	<u>180,406</u>	<u>524,802</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	6,187,476	1,023,765	7,211,241
Restricted	155,371	81,201	236,572
Unrestricted	840,606	21,441	862,047
Total Net Position	<u>\$ 7,183,453</u>	<u>\$ 1,126,407</u>	<u>\$ 8,309,860</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Parking Utility	Reid Municipal Golf Course	Total Nonmajor Enterprise Funds
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 1,483,868	\$ 956,753	\$ 2,440,621
Other	251,439	87,475	338,914
Total Operating Revenues	<u>1,735,307</u>	<u>1,044,228</u>	<u>2,779,535</u>
<b>OPERATING EXPENSES</b>			
Operation and Maintenance	1,182,000	782,832	1,964,832
Depreciation and Amortization	498,702	62,801	561,503
Total Operating Expenses	<u>1,680,702</u>	<u>845,633</u>	<u>2,526,335</u>
<b>OPERATING INCOME (LOSS)</b>	54,605	198,595	253,200
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Investment Income	(5,878)	(3,226)	(9,104)
Interest and Fiscal Charges	<u>(27,538)</u>	<u>(8,063)</u>	<u>(35,601)</u>
Total Nonoperating Revenues (Expenses)	<u>(33,416)</u>	<u>(11,289)</u>	<u>(44,705)</u>
<b>INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS</b>	21,189	187,306	208,495
Transfers Out	<u>(9,300)</u>	<u>(17,900)</u>	<u>(27,200)</u>
<b>CHANGE IN NET POSITION</b>	11,889	169,406	181,295
Net Position - Beginning of Year	<u>7,171,564</u>	<u>957,001</u>	<u>8,128,565</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 7,183,453</u></u>	<u><u>\$ 1,126,407</u></u>	<u><u>\$ 8,309,860</u></u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Parking Utility	Reid Municipal Golf Course	Total Nonmajor Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 1,492,376	\$ 1,050,547	\$ 2,542,923
Cash Paid for Employee Wages and Benefits	(716,809)	(383,423)	(1,100,232)
Cash Paid to Suppliers	(407,151)	(278,353)	(685,504)
Net Cash Provided by Operating Activities	<u>368,416</u>	<u>388,771</u>	<u>757,187</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfer Out	(9,300)	(17,900)	(27,200)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	(172,412)	(194,975)	(367,387)
Principal Paid on Long-Term Debt	(145,000)	(75,000)	(220,000)
Principal Paid on Advance	-	100,000	100,000
Interest Paid on Long-Term Debt	(28,625)	(8,626)	(37,251)
Net Cash Used by Capital and Related Financing Activities	<u>(346,037)</u>	<u>(178,601)</u>	<u>(524,638)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	(5,878)	(3,226)	(9,104)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	7,201	189,044	196,245
Cash and Cash Equivalents - Beginning of Year	<u>1,266,022</u>	<u>353,067</u>	<u>1,619,089</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 1,273,223</u>	<u>\$ 542,111</u>	<u>\$ 1,815,334</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income (Loss)	\$ 54,605	\$ 198,595	\$ 253,200
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	498,702	62,801	561,503
Change in Pension Related Activities:			
Pension Asset/Liability	(74,186)	(31,241)	(105,427)
Deferred Outflows of Resources	(66,645)	(20,513)	(87,158)
Deferred Inflows of Resources	96,761	27,981	124,742
Change in Other Postemployment Related Activities:			
Total OPEB Liability	(4,344)	1,719	(2,625)
Deferred Outflows of Resources	3,088	734	3,822
Deferred Inflows of Resources	430	535	965
Change in Operating Assets and Liabilities:			
Accounts Receivables	(17,845)	-	(17,845)
Accounts Payable	105,818	138,387	244,205
Other Accrued Liabilities	(5,461)	3,280	(2,181)
Unearned Revenue	(225,086)	6,319	(218,767)
Compensated Absences	2,579	174	2,753
Net Cash Provided by Operating Activities	<u>368,416</u>	<u>388,771</u>	<u>757,187</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>			
Cash and Cash Equivalents in Current Assets	<u>\$ 1,273,223</u>	<u>\$ 542,111</u>	<u>\$ 1,815,334</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Unrealized Losses on Investments			



**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2021**

	Central Equipment Agency	Risk Management	Facilities Management	Post- employment Benefits	Total
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 795,379	\$ 1,343,819	\$ 159,127	\$ 585,720	\$ 2,884,045
Receivables:					
Accounts	88,598	-	-	-	88,598
Due from Other Governments	3,027	-	-	-	3,027
Prepaid Items	80,606	32,470	588	-	113,664
Total Current Assets	<u>967,610</u>	<u>1,376,289</u>	<u>159,715</u>	<u>585,720</u>	<u>3,089,334</u>
Other Assets:					
Deposit In CVMIC	-	2,020,950	-	-	2,020,950
Net Pension Asset	364,220	90,133	303,027	-	757,380
Total Other Assets	<u>364,220</u>	<u>2,111,083</u>	<u>303,027</u>	<u>-</u>	<u>2,778,330</u>
Capital Assets:					
Nondepreciable	242,664	-	-	-	242,664
Depreciable	14,818,643	-	-	-	14,818,643
Total Capital Assets	<u>15,061,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>15,061,307</u>
Total Assets	<u>16,393,137</u>	<u>3,487,372</u>	<u>462,742</u>	<u>585,720</u>	<u>20,928,971</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Pension Related Amounts	589,231	145,684	501,922	-	1,236,837
Other Postemployment Related Amounts	25,442	7,421	18,154	-	51,017
Total Deferred Outflows of Resources	<u>614,673</u>	<u>153,105</u>	<u>520,076</u>	<u>-</u>	<u>1,287,854</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	56,487	9,870	18,739	-	85,096
Other Accrued Liabilities	40,346	12,006	27,820	-	80,172
Claims Payable	-	2,422,694	-	-	2,422,694
Accrued Interest Payable	1,143	-	-	-	1,143
Compensated Absences	97,792	9,797	66,940	-	174,529
Current Portion of Long-Term Debt	35,500	-	-	-	35,500
Total Current Liabilities	<u>231,268</u>	<u>2,454,367</u>	<u>113,499</u>	<u>-</u>	<u>2,799,134</u>
Long-Term Obligations, Less Current Portion:					
General Obligation Debt	147,875	-	-	-	147,875
Compensated Absences	161,575	-	-	-	161,575
Other Postemployment Benefits	108,090	31,526	77,127	477,720	694,463
Total Noncurrent Liabilities	<u>417,540</u>	<u>31,526</u>	<u>77,127</u>	<u>477,720</u>	<u>1,003,913</u>
Total Liabilities	<u>648,808</u>	<u>2,485,893</u>	<u>190,626</u>	<u>477,720</u>	<u>3,803,047</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Special Charges on Subsequent Year					
Pension Related Amounts	797,676	197,400	663,658	-	1,658,734
Other Postemployment Related Amounts	7,830	2,284	5,587	-	15,701
Total Deferred Inflows of Resources	<u>805,506</u>	<u>199,684</u>	<u>669,245</u>	<u>-</u>	<u>1,674,435</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	14,877,932	-	-	-	14,877,932
Restricted	364,220	90,133	303,027	-	757,380
Unrestricted	311,344	864,767	(180,080)	108,000	1,104,031
Total Net Position	<u>\$ 15,553,496</u>	<u>\$ 954,900</u>	<u>\$ 122,947</u>	<u>\$ 108,000</u>	<u>\$ 16,739,343</u>

**CITY OF APPLETON, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**YEAR ENDED DECEMBER 31, 2021**

	Central Equipment Agency	Risk Management	Facilities Management	Post- employment Benefits	Total
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 3,138,677	\$ 1,641,795	\$ 2,737,256	\$ -	\$ 7,517,728
Other	16,163	59,136	-	-	75,299
Total Operating Revenues	<u>3,154,840</u>	<u>1,700,931</u>	<u>2,737,256</u>	<u>-</u>	<u>7,593,027</u>
<b>OPERATING EXPENSES</b>					
Operation and Maintenance	2,972,606	1,192,903	2,638,563	-	6,804,072
Depreciation and Amortization	<u>2,561,468</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,561,468</u>
Total Operating Expenses	<u>5,534,074</u>	<u>1,192,903</u>	<u>2,638,563</u>	<u>-</u>	<u>9,365,540</u>
<b>OPERATING LOSS</b>	(2,379,234)	508,028	98,693	-	(1,772,513)
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	(5,499)	(5,646)	(1,034)	-	(12,179)
Gain on Disposal of Capital Assets	306,499	-	-	-	306,499
Interest and Fiscal Charges	(4,763)	-	-	-	(4,763)
Other	<u>-</u>	<u>-</u>	<u>6,796</u>	<u>-</u>	<u>6,796</u>
Total Nonoperating Revenues (Expenses)	<u>296,237</u>	<u>(5,646)</u>	<u>5,762</u>	<u>-</u>	<u>296,353</u>
Loss Before Contributions and Transfers	(2,082,997)	502,382	104,455	-	(1,476,160)
Capital Contributions	2,666,556	-	-	-	2,666,556
Transfers In	-	1,300,000	-	-	1,300,000
Transfers Out	<u>(302,576)</u>	<u>-</u>	<u>-</u>	<u>(54,000)</u>	<u>(356,576)</u>
<b>CHANGE IN NET POSITION</b>	280,983	1,802,382	104,455	(54,000)	2,133,820
Net Position - Beginning of Year	<u>15,272,513</u>	<u>(847,482)</u>	<u>18,492</u>	<u>162,000</u>	<u>14,605,523</u>
<b>NET POSITION - END OF YEAR</b>	<u>\$ 15,553,496</u>	<u>\$ 954,900</u>	<u>\$ 122,947</u>	<u>\$ 108,000</u>	<u>\$ 16,739,343</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Central Equipment Agency	Risk Management	Facilities Management	Post- employment Benefits	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Cash Received from Customers	\$ 3,119,030	\$ 1,700,931	\$ 2,737,256	\$ -	\$ 7,557,217
Cash Paid for Services Provided	-	-	(588)	-	(588)
Cash Paid for Employee Wages and Benefits	(1,276,604)	(839,469)	(1,003,965)	(238,860)	(3,358,898)
Cash Paid to Suppliers	(1,737,596)	(907,476)	(1,740,863)	-	(4,385,935)
Net Cash Provided (Used) By Operating Activities	104,830	(46,014)	(8,160)	(238,860)	(188,204)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Nonoperating Revenues	6,339	-	6,796	-	13,135
Transfer in (Out)	(302,576)	1,300,000	-	(54,000)	943,424
Net Cash Provided (Used) by Noncapital Financing Activities	(296,237)	1,300,000	6,796	(54,000)	956,559
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition of Capital Assets	10,164	-	-	-	10,164
Sale of Capital Assets	306,499	-	-	-	306,499
Principal Paid on Long-Term Debt	(30,625)	-	-	-	(30,625)
Interest Paid on Long-Term Debt	(4,954)	-	-	-	(4,954)
Net Cash Provided by Capital and Related Financing Activities	281,084	-	-	-	281,084
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Received	(5,499)	(5,646)	(1,034)	-	(12,179)
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>					
Cash and Cash Equivalents - Beginning of Year	711,201	95,479	161,525	878,580	1,846,785
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>					
	<u>\$ 795,379</u>	<u>\$ 1,343,819</u>	<u>\$ 159,127</u>	<u>\$ 585,720</u>	<u>\$ 2,884,045</u>

**CITY OF APPLETON, WISCONSIN  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
INTERNAL SERVICE FUNDS  
YEAR ENDED DECEMBER 31, 2021**

	Central Equipment Agency	Risk Management	Facilities Management	Post- employment Benefits	Total
<b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Loss	\$ (2,379,234)	\$ 508,028	\$ 98,693	\$ -	\$ (1,772,513)
Adjustments to Reconcile Operating Loss to Net Cash Provided by Operating Activities:					
Depreciation	2,561,468	-	-	-	2,561,468
Change in Pension Related Activities:					
Pension Asset/Liability	(149,871)	(37,965)	(156,887)	-	(344,723)
Deferred Outflows of Resources	(112,092)	(30,413)	(152,473)	-	(294,978)
Deferred Inflows of Resources	154,732	40,921	225,308	-	420,961
Change in Other Postemployment Related Activities:					
Total OPEB Liability	1,698	(6,226)	(10,389)	(238,860)	(253,777)
Deferred Outflows of Resources	3,191	2,739	5,399	-	11,329
Deferred Inflows of Resources	1,417	8	312	-	1,737
Change in Operating Assets and and Liabilities:					
Accounts Receivables	(35,810)	-	-	-	(35,810)
Inventories and Prepaid Items	(21,427)	10,824	(588)	-	(11,191)
Accounts Payable	23,217	(37,454)	2,204	-	(12,033)
Other Accrued Liabilities	5,760	2,054	722	-	8,536
Claims Payable	-	(477,306)	-	-	(477,306)
Compensated Absences	51,781	(21,224)	(20,461)	-	10,096
Net Cash Provided (Used) by Operating Activities	<u>\$ 104,830</u>	<u>\$ (46,014)</u>	<u>\$ (8,160)</u>	<u>\$ (238,860)</u>	<u>\$ (188,204)</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION</b>					
Cash and Cash Equivalents in Current Assets	<u>\$ 795,379</u>	<u>\$ 1,343,819</u>	<u>\$ 159,127</u>	<u>\$ 585,720</u>	<u>\$ 2,884,045</u>
<b>NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Contributed Capital Assets	<u>\$ 2,666,556</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,666,556</u>

**STATISTICAL  
SECTION**

## STATISTICAL SECTION

**Schedule 1**  
**City of Appleton**  
**Net Position by Component**  
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Governmental Activities</b>										
Invested in Capital Assets, net of related debt	\$ 306,228,924	\$ 309,789,370	\$ 311,002,481	\$ 317,294,433	\$ 337,111,131	\$ 356,166,240	\$ 319,649,060	\$ 315,259,309	\$ 314,847,490	\$ 315,796,455
Restricted	10,030,642	8,784,010	10,320,311	16,722,531	10,875,022	10,380,712	19,443,354	12,912,845	19,402,361	26,983,901
Unrestricted	<u>29,431,129</u>	<u>29,867,808</u>	<u>30,042,223</u>	<u>37,652,618</u>	<u>26,628,614</u>	<u>36,158,999</u>	<u>27,569,613</u>	<u>34,363,829</u>	<u>35,862,383</u>	<u>40,048,745</u>
Total Governmental Activities Net Position	345,690,695	348,441,188	351,365,015	371,669,582	374,614,767	402,705,951	366,662,027	362,535,983	370,112,234	382,829,101
<b>Business-type Activities</b>										
Invested in Capital Assets, net of related debt	183,532,977	184,439,245	202,937,976	201,093,139	213,741,324	211,019,686	217,488,772	240,476,049	241,797,026	256,784,008
Restricted	12,373,494	11,061,314	9,391,974	10,372,275	9,183,575	10,767,596	22,216,720	18,689,728	25,089,068	25,880,654
Unrestricted	<u>39,547,284</u>	<u>43,996,538</u>	<u>35,428,417</u>	<u>45,777,259</u>	<u>40,669,152</u>	<u>52,208,684</u>	<u>44,135,015</u>	<u>41,397,513</u>	<u>43,485,615</u>	<u>45,829,513</u>
Total Business-type Activities Net Position	235,453,755	239,497,097	247,758,367	257,242,673	263,594,051	273,995,966	283,840,507	300,563,290	310,371,709	328,494,175
<b>Primary Government</b>										
Invested in Capital Assets, net of related debt	488,423,709	493,234,053	513,303,524	518,126,723	550,852,455	567,185,926	537,137,832	555,735,358	556,644,516	572,580,463
Restricted	22,404,136	19,845,324	19,712,285	27,094,806	20,058,597	21,148,308	41,660,074	31,602,573	44,491,429	52,864,555
Unrestricted	<u>70,316,605</u>	<u>74,858,908</u>	<u>66,107,573</u>	<u>83,690,726</u>	<u>67,297,766</u>	<u>88,367,683</u>	<u>71,704,628</u>	<u>75,761,342</u>	<u>79,347,998</u>	<u>85,878,258</u>
Total Primary Government Net Position	<u>\$ 581,144,450</u>	<u>\$ 587,938,285</u>	<u>\$ 599,123,382</u>	<u>\$ 628,912,255</u>	<u>\$ 638,208,818</u>	<u>\$ 676,701,917</u>	<u>\$ 650,502,534</u>	<u>\$ 663,099,273</u>	<u>\$ 680,483,943</u>	<u>\$ 711,323,276</u>

**Schedule 2**  
**City of Appleton**  
**Changes in Net Position**  
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>Expenses</b>										
<b>Governmental Activities:</b>										
General Government	\$ 8,716,117	\$ 8,408,466	\$ 12,886,169	\$ 9,888,959	\$ 8,555,458	\$ 9,000,938	\$ 8,351,464	\$ 7,936,268	\$ 7,437,182	\$ 7,957,567
Public Safety	27,503,588	31,862,833	29,125,321	29,359,348	32,408,683	33,166,391	33,196,999	34,942,204	34,829,391	29,957,432
Public Works	19,736,896	22,586,195	19,683,637	19,143,986	16,603,103	16,478,718	20,954,662	22,879,095	22,041,260	22,068,563
Education & Recreation	7,327,066	7,936,225	8,284,600	8,367,690	9,045,104	11,292,369	13,334,961	14,679,174	11,668,689	11,352,944
Community Development	2,272,772	2,743,633	3,569,399	4,126,206	7,183,902	7,569,648	36,202,163	6,396,448	4,109,547	4,348,254
Interest	1,996,256	2,014,417	1,719,014	1,602,888	861,000	902,403	1,047,481	1,264,672	1,441,981	1,428,939
Total Governmental Activities	<u>67,552,695</u>	<u>75,551,769</u>	<u>75,268,140</u>	<u>72,489,077</u>	<u>74,657,250</u>	<u>78,410,467</u>	<u>113,087,730</u>	<u>88,097,861</u>	<u>81,528,050</u>	<u>77,113,699</u>
<b>Business-type Activities</b>										
Water	15,311,621	16,302,030	15,118,304	15,713,959	16,270,281	14,627,223	14,699,970	15,006,641	15,108,556	14,949,500
Wastewater	9,915,016	10,244,112	10,323,873	10,578,004	10,387,814	10,788,112	11,098,233	11,361,843	11,414,045	11,337,623
Valley Transit	8,189,269	8,773,289	9,355,275	9,121,137	9,220,991	9,587,671	9,879,574	10,302,594	8,794,362	9,275,951
Stormwater	6,472,284	6,811,514	7,182,067	7,533,937	7,771,485	7,576,951	7,004,763	7,621,500	8,150,321	7,412,284
Other non-major enterprise funds	2,171,030	2,242,132	2,297,108	2,729,519	2,656,613	2,784,861	3,130,681	3,055,119	2,775,308	2,589,627
Total Business-type Activities	<u>42,059,220</u>	<u>44,373,077</u>	<u>44,276,627</u>	<u>45,676,556</u>	<u>46,307,184</u>	<u>45,364,818</u>	<u>45,813,221</u>	<u>47,347,697</u>	<u>46,242,592</u>	<u>45,564,985</u>
Total - Primary Government	<u>\$ 109,611,915</u>	<u>\$ 119,924,846</u>	<u>\$ 119,544,767</u>	<u>\$ 118,165,633</u>	<u>\$ 120,964,434</u>	<u>\$ 123,775,285</u>	<u>\$ 158,900,951</u>	<u>\$ 135,445,558</u>	<u>\$ 127,770,642</u>	<u>\$ 122,678,684</u>
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Service	\$ 5,569,974	\$ 6,483,565	\$ 11,465,846	\$ 8,178,939	\$ 10,707,541	\$ 6,757,109	\$ 8,365,514	\$ 10,026,804	\$ 8,356,886	\$ 9,887,373
Operating Grants & Contributions	5,221,263	5,148,710	5,176,021	4,759,479	5,544,498	5,777,912	5,941,653	6,945,575	9,513,273	7,921,916
Capital Grants & Contributions	6,130,651	9,124,671	2,136,172	3,732,097	756,451	31,749,588	1,333,280	611,585	1,958,429	3,143,565
Total Governmental Activities	<u>16,921,888</u>	<u>20,756,946</u>	<u>18,778,039</u>	<u>16,670,515</u>	<u>17,008,490</u>	<u>44,284,609</u>	<u>15,640,447</u>	<u>17,583,964</u>	<u>19,828,588</u>	<u>20,952,854</u>
<b>Business-type Activities</b>										
<b>Charges for Service</b>										
Water	20,932,453	20,316,037	20,374,553	20,994,942	21,523,370	21,015,480	21,047,773	20,270,742	20,053,605	20,231,241
Wastewater	10,601,634	10,486,298	10,942,593	11,163,377	11,613,454	12,144,187	12,798,908	12,476,128	10,713,333	12,992,845
Valley Transit	1,485,517	1,547,558	1,563,356	1,593,398	1,612,259	1,572,511	1,639,401	1,613,029	1,011,981	1,173,753
Stormwater	7,251,853	8,146,867	9,067,717	9,207,428	9,608,937	9,600,003	9,708,955	10,970,967	11,069,263	11,205,953
Other non-major enterprise funds	2,878,553	2,835,778	3,140,100	3,299,997	3,254,263	3,549,496	3,404,224	3,489,189	2,404,143	2,777,358
Operating Grants & Contributions	5,815,980	6,204,695	6,645,898	6,423,200	6,443,052	6,908,975	7,608,663	10,699,679	8,795,406	9,339,299
Capital Grants & Contributions	1,773,549	1,296,144	2,114,336	1,614,633	1,063,521	3,060,842	1,827,395	4,242,061	1,623,129	8,028,366
Total Business-type Activities	<u>50,739,539</u>	<u>50,833,377</u>	<u>53,848,553</u>	<u>54,296,975</u>	<u>55,118,856</u>	<u>57,851,494</u>	<u>58,035,319</u>	<u>63,761,795</u>	<u>55,670,860</u>	<u>65,748,815</u>
Total - Primary Government	<u>\$ 67,661,427</u>	<u>\$ 71,590,323</u>	<u>\$ 72,626,592</u>	<u>\$ 70,967,490</u>	<u>\$ 72,127,346</u>	<u>\$ 102,136,103</u>	<u>\$ 73,675,766</u>	<u>\$ 81,345,759</u>	<u>\$ 75,499,448</u>	<u>\$ 86,701,669</u>
<b>Net (Expense)/Revenue</b>										
<b>Governmental Activities</b>										
Governmental Activities	(50,630,807)	(54,794,823)	(56,490,101)	(55,818,562)	(57,648,760)	(34,125,858)	(97,447,283)	(70,513,897)	(61,699,462)	(56,160,845)
<b>Business-Type Activities</b>										
Business-Type Activities	8,680,319	6,460,300	9,571,926	8,620,419	8,811,672	12,486,676	12,222,098	16,414,098	9,428,268	20,183,830
Total Primary Government Net Position	<u>\$ (41,950,488)</u>	<u>\$ (48,334,523)</u>	<u>\$ (46,918,175)</u>	<u>\$ (47,198,143)</u>	<u>\$ (48,837,088)</u>	<u>\$ (21,639,182)</u>	<u>\$ (85,225,185)</u>	<u>\$ (54,099,799)</u>	<u>\$ (52,271,194)</u>	<u>\$ (35,977,015)</u>



**Schedule 2 (cont)**  
**City of Appleton**  
**Changes in Net Position**  
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>General Revenues &amp; Other Changes in Net Position</b>										
Governmental Activities:										
Taxes										
Property Taxes	41,605,012	41,155,010	41,592,801	42,370,280	42,580,102	43,643,932	45,392,038	47,576,341	49,901,044	52,489,737
Other Taxes	801,134	838,567	879,474	2,221,892	2,843,219	2,899,637	2,176,780	1,870,383	2,296,548	2,596,734
Intergovernmental revenues not restricted to specific programs	12,320,048	12,207,975	12,194,949	12,128,645	11,403,088	11,498,209	11,569,281	11,841,396	11,969,608	11,926,527
Investment income (loss)	1,997,644	1,041,540	1,956,537	1,564,038	687,460	891,771	1,326,962	2,387,491	2,501,491	(300,437)
Gain(Loss) on the sale of assets	358,693	128,766	163,000	581,314	87,399	179,507	166,055	363,288	840,164	1,878,517
Miscellaneous	94,767	93,731	93,078	109,739	139,077	482,150	382,032	220,751	202,536	219,092
Transfers	2,490,251	2,079,727	2,534,089	2,761,647	2,853,600	2,621,836	2,464,686	2,128,203	1,564,322	1,578,095
Total general revenues and transfers	<u>59,667,549</u>	<u>57,545,316</u>	<u>59,413,928</u>	<u>61,737,555</u>	<u>60,593,945</u>	<u>62,217,042</u>	<u>63,477,834</u>	<u>66,387,853</u>	<u>69,275,713</u>	<u>70,388,265</u>
Business-type Activities										
Investment income (loss)	977,420	(350,702)	1,211,173	487,109	374,788	519,177	872,251	2,407,323	1,897,133	(510,045)
Gain(Loss) on the sale of assets	4,100	(3,362)	-	16,203	-	-	-	(15,235)	14,867	(249,899)
Miscellaneous	5,169	16,833	12,260	18,906	18,518	17,898	7,706	44,800	32,473	20,409
Transfers	(2,490,251)	(2,079,727)	(2,534,089)	(2,761,647)	(2,853,600)	(2,621,836)	(2,464,686)	(2,128,203)	(1,564,322)	(1,578,095)
Total Business-type Activities	<u>(1,503,562)</u>	<u>(2,416,958)</u>	<u>(1,310,656)</u>	<u>(2,239,429)</u>	<u>(2,460,294)</u>	<u>(2,084,761)</u>	<u>(1,584,729)</u>	<u>308,685</u>	<u>380,151</u>	<u>(2,317,630)</u>
Total Primary Government	<u>\$ 58,163,987</u>	<u>\$ 55,128,358</u>	<u>\$ 58,103,272</u>	<u>\$ 59,498,126</u>	<u>\$ 58,133,651</u>	<u>\$ 60,132,281</u>	<u>\$ 61,893,105</u>	<u>\$ 66,696,538</u>	<u>\$ 69,655,864</u>	<u>\$ 68,070,635</u>
Cumulative Effect of Change in Accounting Principle										
Governmental Activities:							\$ (2,074,475)	\$ -	\$ -	\$ -
Business-type Activities							(792,828)	-	-	-
Total Primary Government							<u>\$ (2,867,303)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Change in Net Position										
Governmental Activities:	\$ 9,036,742	\$ 2,750,493	\$ 2,923,827	\$ 5,918,993	\$ 2,945,185	\$ 28,091,184	\$ (33,969,449)	\$ (4,126,044)	\$ 7,576,251	\$ 14,227,420
Business-type Activities	7,176,757	4,043,342	8,261,270	6,380,990	6,351,378	10,401,915	10,637,369	16,722,783	9,808,419	17,866,200
Total Primary Government	<u>\$ 16,213,499</u>	<u>\$ 6,793,835</u>	<u>\$ 11,185,097</u>	<u>\$ 12,299,983</u>	<u>\$ 9,296,563</u>	<u>\$ 38,493,099</u>	<u>\$ (23,332,080)</u>	<u>\$ 12,596,739</u>	<u>\$ 17,384,670</u>	<u>\$ 32,093,620</u>

**Schedule 3**  
**City of Appleton**  
**Program Revenues by Function/Program**  
(accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Function/Program										
Governmental Activities:										
General Government	\$ 1,380,517	\$ 1,001,379	\$ 6,018,321	\$ 1,310,772	\$ 2,976,458	\$ 1,318,594	\$ 2,993,168	\$ 3,008,046	\$ 3,026,870	\$ 2,899,792
Public Safety	1,973,360	4,411,076	1,922,914	1,964,252	1,909,582	1,874,656	1,885,285	1,901,242	3,768,578	2,911,193
Public Works	9,916,370	11,115,128	7,454,868	10,321,293	7,411,155	7,083,475	6,412,725	7,491,608	9,487,098	9,929,175
Education & Recreation	1,770,440	1,794,015	1,749,595	2,081,152	2,218,534	2,339,327	2,567,121	3,712,948	1,765,716	2,190,724
Community Development	1,881,201	2,435,348	1,632,341	993,046	2,492,761	31,668,557	1,782,148	1,470,120	1,780,326	3,021,970
Total Governmental Activities	<u>16,921,888</u>	<u>20,756,946</u>	<u>18,778,039</u>	<u>16,670,515</u>	<u>17,008,490</u>	<u>44,284,609</u>	<u>15,640,447</u>	<u>17,583,964</u>	<u>19,828,588</u>	<u>20,952,854</u>
Business-type Activities										
Water	21,014,274	20,344,681	20,554,177	21,494,126	21,879,177	21,752,383	21,458,700	20,761,137	20,295,843	23,089,102
Wastewater	11,381,389	10,814,267	11,458,660	11,772,261	11,905,485	12,609,743	13,198,363	13,163,732	11,360,615	15,656,170
Valley Transit	7,569,660	7,878,741	8,248,739	8,016,598	8,054,604	9,552,071	9,245,794	12,311,056	9,804,804	10,510,875
Stormwater	7,895,663	8,736,897	10,426,877	9,713,993	10,024,620	10,384,606	10,725,968	13,493,522	11,787,052	13,713,133
Other non-major enterprise funds	2,878,553	3,058,791	3,160,100	3,299,997	3,254,970	3,552,691	3,406,494	4,032,348	2,422,546	2,779,535
Total Business-type Activities	<u>50,739,539</u>	<u>50,833,377</u>	<u>53,848,553</u>	<u>54,296,975</u>	<u>55,118,856</u>	<u>57,851,494</u>	<u>58,035,319</u>	<u>63,761,795</u>	<u>55,670,860</u>	<u>65,748,815</u>
Total - Primary Government	<u>\$ 67,661,427</u>	<u>\$ 71,590,323</u>	<u>\$ 72,626,592</u>	<u>\$ 70,967,490</u>	<u>\$ 72,127,346</u>	<u>\$ 102,136,103</u>	<u>\$ 73,675,766</u>	<u>\$ 81,345,759</u>	<u>\$ 75,499,448</u>	<u>\$ 86,701,669</u>

**Schedule 4**  
**City of Appleton**  
**Fund Balances, Governmental Funds**  
(modified accrual basis of accounting)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<b>General Fund</b>										
Nonspendable	\$ 12,568,872	\$ 11,255,209	\$ 9,384,163	\$ 8,342,254	\$ 9,084,808	\$ 9,766,708	\$ 8,669,423	\$ 7,819,413	\$ 6,106,703	\$ 3,338,419
Restricted	-	-	-	-	-	-	-	-	-	-
Committed	-	-	-	-	-	-	81,918	310,537	-	-
Assigned	9,921,339	10,983,149	10,792,122	11,828,526	9,286,118	11,700,563	13,160,600	13,550,732	15,204,222	14,675,803
Unassigned (Deficit)	<u>14,328,372</u>	<u>11,261,464</u>	<u>11,272,648</u>	<u>11,429,020</u>	<u>13,210,316</u>	<u>8,711,055</u>	<u>9,737,733</u>	<u>12,126,963</u>	<u>18,117,582</u>	<u>16,528,711</u>
<b>Total General Fund</b>	<b>\$ 36,818,583</b>	<b>\$ 33,499,822</b>	<b>\$ 31,448,933</b>	<b>\$ 31,599,800</b>	<b>\$ 31,581,242</b>	<b>\$ 30,178,326</b>	<b>\$ 31,649,674</b>	<b>\$ 33,807,645</b>	<b>\$ 39,428,507</b>	<b>\$ 34,542,933</b>
<b>All Other Governmental Funds</b>										
Nonspendable	34,221	34,755	-	-	-	-	-	-	595	-
Restricted	3,165,793	2,282,659	3,495,290	3,478,831	11,424,576	7,526,119	9,097,900	6,342,476	4,542,342	9,308,683
Committed	980,818	1,087,732	1,026,519	1,276,478	1,485,193	1,447,054	1,228,173	1,482,253	1,574,278	1,720,639
Assigned	10,497,302	6,337,120	5,916,918	5,652,454	6,769,421	5,919,162	4,541,521	6,466,558	8,763,645	13,824,895
Unassigned (Deficit)	<u>(15,940,164)</u>	<u>(16,932,262)</u>	<u>(15,800,019)</u>	<u>(16,001,465)</u>	<u>(15,412,048)</u>	<u>(14,792,960)</u>	<u>(11,397,873)</u>	<u>(8,996,821)</u>	<u>(6,199,557)</u>	<u>(2,795,018)</u>
<b>Total All Other Governmental Funds</b>	<b>(1,262,030)</b>	<b>(7,189,996)</b>	<b>(5,361,292)</b>	<b>(5,593,702)</b>	<b>4,267,142</b>	<b>99,375</b>	<b>3,469,721</b>	<b>5,294,466</b>	<b>8,681,303</b>	<b>22,059,199</b>
<b>Total Governmental Funds</b>	<b>\$ 35,556,553</b>	<b>\$ 26,309,826</b>	<b>\$ 26,087,641</b>	<b>\$ 26,006,098</b>	<b>\$ 35,848,384</b>	<b>\$ 30,277,701</b>	<b>\$ 35,119,395</b>	<b>\$ 39,102,111</b>	<b>\$ 48,109,810</b>	<b>\$ 56,602,132</b>

**Schedule 5**  
**City of Appleton**  
**Changes in Fund Balances, Governmental Funds**  
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>REVENUES</b>										
Taxes	\$ 42,406,146	\$ 41,993,577	\$ 42,472,273	\$ 44,592,173	\$ 45,423,321	\$ 46,543,569	\$ 47,568,818	\$ 49,446,724	\$ 52,197,592	\$ 55,086,471
Intergovernmental	17,625,603	19,542,869	16,527,661	16,970,682	19,481,564	47,099,618	17,813,074	17,504,414	21,612,150	19,893,937
Licenses and permits	1,018,228	1,086,494	1,035,280	1,147,980	1,145,640	1,202,535	1,116,996	1,139,475	1,247,183	1,672,652
Fines and forfeitures	384,340	334,540	310,674	273,814	264,084	255,440	265,875	241,090	214,691	222,993
Special assessments	1,843,227	2,069,839	2,294,899	1,314,048	1,031,961	703,144	825,661	555,091	646,968	795,080
Investment income	1,471,859	200,720	1,150,497	1,806,564	2,388,774	2,620,393	3,077,349	4,213,598	4,290,257	1,227,690
Charges for services	2,459,518	2,552,360	2,764,761	2,775,829	2,774,166	2,842,908	2,865,795	3,566,981	2,566,133	3,640,941
Other	4,618,445	5,260,163	4,254,825	5,694,327	4,546,476	6,249,706	5,517,097	8,046,130	6,000,743	6,072,758
<b>Total Revenues</b>	<u>71,827,366</u>	<u>73,040,562</u>	<u>70,810,870</u>	<u>74,575,417</u>	<u>77,055,986</u>	<u>107,517,313</u>	<u>79,050,665</u>	<u>84,713,503</u>	<u>88,775,717</u>	<u>88,612,522</u>
<b>EXPENDITURES</b>										
Current:										
General government	7,643,472	7,297,364	7,057,221	7,501,218	7,839,058	8,330,045	7,444,191	7,582,272	7,629,387	7,939,960
Public safety	27,169,713	27,941,935	28,507,562	28,919,211	29,772,547	31,068,651	31,283,439	31,628,314	32,977,187	34,008,842
Public works	14,951,964	17,373,663	17,290,491	16,170,161	16,623,060	17,454,222	16,315,108	16,194,024	15,252,175	15,878,043
Education and recreation	7,181,076	7,375,059	7,605,818	7,806,647	8,043,834	8,437,946	8,400,206	8,625,880	7,724,610	8,517,767
Community development	2,607,382	2,981,128	3,997,318	4,098,287	3,713,108	3,125,873	3,223,934	3,264,563	3,966,207	4,432,017
Capital Outlay	6,974,759	14,281,748	9,972,321	13,292,522	19,460,632	49,999,793	17,268,503	25,635,735	20,569,671	15,508,136
Debt Service:										
Principal retirement	8,761,870	6,057,333	4,112,332	4,287,333	4,046,082	5,582,624	6,577,249	7,077,500	7,339,875	8,774,375
Interest and fiscal charges	2,235,391	1,924,256	1,767,037	1,676,117	1,757,116	2,125,377	2,051,359	2,362,260	2,582,211	2,536,749
<b>Total Expenditures</b>	<u>77,525,627</u>	<u>85,232,486</u>	<u>80,310,100</u>	<u>83,751,496</u>	<u>91,255,437</u>	<u>126,124,531</u>	<u>92,563,989</u>	<u>102,370,548</u>	<u>98,041,323</u>	<u>97,595,889</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(5,698,261)</u>	<u>(12,191,924)</u>	<u>(9,499,230)</u>	<u>(9,176,079)</u>	<u>(14,199,451)</u>	<u>(18,607,218)</u>	<u>(13,513,324)</u>	<u>(17,657,045)</u>	<u>(9,265,606)</u>	<u>(8,983,367)</u>
<b>OTHER FINANCING SOURCES (USES)</b>										
Debt issued	8,380,000	-	6,375,000	5,775,000	18,920,000	14,170,000	13,840,000	17,805,000	15,000,000	14,500,000
Premium on debt issued	267,514	-	46,266	222,457	1,527,653	790,738	1,256,719	979,653	861,170	769,949
Refunding debt issued	-	-	-	-	-	-	-	-	-	-
Payments to escrow agents	-	-	-	-	-	(4,994,438)	-	-	-	-
Promissory note issued	300,000	-	-	-	-	-	-	-	-	-
Sale of city properties	102,799	10,714	7,702	21,139	411,886	260,140	470,848	479,942	583,726	1,571,069
Transfers in	9,073,938	9,285,409	6,056,499	8,314,715	6,811,499	7,412,128	7,616,719	5,849,258	4,451,107	8,390,170
Transfers out	(6,348,668)	(6,350,926)	(3,208,422)	(5,238,775)	(3,629,301)	(4,602,033)	(4,829,268)	(3,474,092)	(2,622,698)	(7,755,499)
<b>Total Other Financing Sources (Uses)</b>	<u>11,775,583</u>	<u>2,945,197</u>	<u>9,277,045</u>	<u>9,094,536</u>	<u>24,041,737</u>	<u>13,036,535</u>	<u>18,355,018</u>	<u>21,639,761</u>	<u>18,273,305</u>	<u>17,475,689</u>
<b>Net Change in Fund Balances</b>	6,077,322	(9,246,727)	(222,185)	(81,543)	9,842,286	(5,570,683)	4,841,694	3,982,716	9,007,699	8,492,322
<b>FUND BALANCES - BEGINNING</b>	<u>29,479,231</u>	<u>35,556,553</u>	<u>26,309,826</u>	<u>26,087,641</u>	<u>26,006,098</u>	<u>35,848,384</u>	<u>30,277,701</u>	<u>35,119,395</u>	<u>39,102,111</u>	<u>48,109,810</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 35,556,553</u>	<u>\$ 26,309,826</u>	<u>\$ 26,087,641</u>	<u>\$ 26,006,098</u>	<u>\$ 35,848,384</u>	<u>\$ 30,277,701</u>	<u>\$ 35,119,395</u>	<u>\$ 39,102,111</u>	<u>\$ 48,109,810</u>	<u>\$ 56,602,132</u>
Debt service as a percent of non-capital expenditures	18.9%	12.2%	10.5%	9.9%	9.2%	11.5%	12.2%	12.5%	14.2%	15.7%

**Schedule 6  
City of Appleton  
Assessed Value and Estimated Actual Value (Equalized Value) of Taxable Property**

<u>Levy Year</u>	<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Agricultural Property</u>	<u>Personal Property</u>	<u>Total Taxable Assessed Value<sup>A</sup></u>	<u>Total Direct Tax Rate<sup>B</sup></u>	<u>Estimated Actual Taxable Value<sup>C</sup></u>	<u>Assessed as Percent of Estimated Actual Value<sup>D</sup></u>
2012	2013	3,372,982,200	1,143,624,000	144,354,500	737,300	139,735,300	4,801,433,300	8.0311	4,651,408,600	103.23%
2013	2014	3,384,096,700	1,137,054,900	150,106,100	855,800	146,345,800	4,818,459,300	8.1358	4,622,312,200	104.24%
2014	2015	3,333,822,100	1,158,307,200	139,909,000	1,482,600	135,839,800	4,769,360,700	8.3495	4,696,660,500	101.55%
2015	2016	3,359,819,300	1,167,546,000	138,362,500	1,480,400	124,635,400	4,791,843,600	8.3950	4,816,754,800	99.48%
2016	2017	3,392,464,300	1,226,865,500	144,629,500	1,452,200	126,431,000	4,891,842,500	8.6205	4,938,725,300	99.05%
2017	2018	3,415,037,700	1,243,345,400	138,818,900	1,443,600	138,130,400	4,936,776,000	8.9200	5,222,923,900	94.52%
2018	2019	3,444,164,600	1,350,465,600	142,152,100	1,442,600	105,485,300	5,043,710,200	9.1618	5,443,435,200	92.66%
2019	2020	4,120,205,000	1,378,721,300	158,799,300	1,394,900	107,574,200	5,766,694,700	8.3531	5,855,356,700	98.49%
2020	2021	4,147,501,800	1,413,640,200	161,657,600	1,343,400	110,506,800	5,834,649,800	8.7730	6,200,311,200	94.10%
2021	2022	4,189,585,800	1,435,313,700	156,618,200	1,345,800	105,784,800	5,888,648,300	8.8976	6,688,360,800	88.04%

**Notes:**

<sup>A</sup> Source: Wisconsin Department of Revenue, Final Statement of Assessment. The values shown include TIF districts.

<sup>B</sup> Source: City of Appleton Budget and Service Plan. The rate shown is for properties in Outagamie County and served by the Appleton Area School District.

<sup>C</sup> Source: Wisconsin Department of Revenue, Statement of Changes in Equalized Value.

<sup>D</sup> Property in the City of Appleton is reassessed every four to five years on average, with the goal of assessing it at 100% of market value. Between major reassessments, property values are updated based on sales of comparable properties.

**Schedule 7  
CITY OF APPLETON  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**

Last Ten Fiscal Years

**OUTAGAMIE COUNTY/APPLETON AREA SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Appleton School District</u>	<u>FVTC</u>	<u>Outagamie County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.36	\$ 0.67	\$ 8.03	\$ 9.03	\$ 1.91	\$ 4.56	\$ 0.16	\$ 23.69	\$ 1.48	\$ 22.22 *
2013	2014	7.53	0.61	8.14	9.01	1.89	4.52	0.16	23.72	1.43	22.29
2014	2015	7.76	0.59	8.35	9.41	1.11	4.67	0.17	23.71	1.44	22.26 *
2015	2016	7.77	0.63	8.40	9.65	1.12	4.72	0.17	24.06	1.64	22.43 *
2016	2017	7.80	0.82	8.62	9.15	1.13	4.71	0.17	23.78	1.61	22.16 *
2017	2018	7.82	1.10	8.92	9.29	1.15	4.87	-	24.23	1.76	22.47
2018	2019	7.82	1.34	9.16	9.38	1.14	4.92	-	24.60	1.71	22.88 *
2019	2020	6.91	1.44	8.35	8.46	1.04	3.72	-	21.57	1.49	20.09 *
2020	2021	6.99	1.78	8.77	8.45	1.06	3.71	-	21.99	1.47	20.52
2021	2022	6.97	1.93	8.90	8.67	1.02	3.79	-	22.38	1.44	20.94

**OUTAGAMIE COUNTY/MENASHA SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Menasha School District</u>	<u>FVTC</u>	<u>Outagamie County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.36	\$ 0.67	\$ 8.03	\$ 9.57	\$ 1.91	\$ 4.56	\$ 0.16	\$ 24.23	\$ 1.48	\$ 22.76 *
2013	2014	7.53	0.61	8.14	9.94	1.89	4.52	0.16	24.65	1.43	23.22
2014	2015	7.76	0.59	8.35	10.93	1.11	4.67	0.17	25.23	1.44	23.78 *
2015	2016	7.77	0.63	8.40	11.29	1.12	4.72	0.17	25.70	1.64	24.07 *
2016	2017	7.80	0.82	8.62	11.38	1.13	4.71	0.17	26.01	1.61	24.39 *
2017	2018	7.82	1.10	8.92	12.07	1.15	4.87	-	27.01	1.76	25.25
2018	2019	7.82	1.34	9.16	12.33	1.14	4.92	-	27.55	1.71	25.84
2019	2020	6.91	1.44	8.35	11.64	1.04	3.72	-	24.75	1.49	23.27 *
2020	2021	6.99	1.78	8.77	12.24	1.06	3.71	-	25.78	1.47	24.31
2021	2022	6.97	1.93	8.90	13.21	1.02	3.79	-	26.92	1.44	25.48

\* Net tax rate not equal to sum of components due to rounding.

(Continued)

**Schedule 7  
CITY OF APPLETON  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

**OUTAGAMIE COUNTY/FREEDOM SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Freedom School District</u>	<u>FVTC</u>	<u>Outagamie County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.36	\$ 0.67	\$ 8.03	\$ 9.06	\$ 1.91	\$ 4.56	\$ 0.16	\$ 23.72	\$ 1.48	\$ 22.25 *
2013	2014	7.53	0.61	8.14	9.23	1.89	4.52	0.16	23.94	1.43	22.51
2014	2015	7.76	0.59	8.35	8.90	1.11	4.67	0.17	23.20	1.44	21.75 *
2015	2016	7.77	0.63	8.40	8.74	1.12	4.72	0.17	23.15	1.64	21.52 *
2016	2017	7.80	0.82	8.62	8.53	1.13	4.71	0.17	23.16	1.61	21.55
2017	2018	7.82	1.10	8.92	7.56	1.15	4.87	-	22.50	1.76	20.75 *
2018	2019	7.82	1.34	9.16	7.30	1.14	4.92	-	22.52	1.71	20.81
2019	2020	6.91	1.44	8.35	7.19	1.04	3.72	-	20.30	1.49	18.82 *
2020	2021	6.99	1.78	8.77	7.39	1.06	3.71	-	20.93	1.47	19.46
2021	2022	6.97	1.93	8.90	6.73	1.02	3.79	-	20.44	1.44	19.00

**OUTAGAMIE COUNTY/HORTONVILLE SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Hortonville School District</u>	<u>FVTC</u>	<u>Outagamie County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.36	\$ 0.67	\$ 8.03	\$ 8.92	\$ 1.91	\$ 4.56	\$ 0.16	\$ 23.58	\$ 1.48	\$ 22.11 *
2013	2014	7.53	0.61	8.14	8.96	1.89	4.52	0.16	23.67	1.43	22.24
2014	2015	7.76	0.59	8.35	9.84	1.11	4.67	0.17	24.14	1.44	22.69 *
2015	2016	7.77	0.63	8.40	9.85	1.12	4.72	0.17	24.26	1.64	22.63 *
2016	2017	7.80	0.82	8.62	9.29	1.13	4.71	0.17	23.92	1.61	22.31
2017	2018	7.82	1.10	8.92	8.91	1.15	4.87	-	23.85	1.76	22.09
2018	2019	7.82	1.34	9.16	8.90	1.14	4.92	-	24.12	1.71	22.41
2019	2020	6.91	1.44	8.35	9.43	1.04	3.72	-	22.54	1.49	21.06 *
2020	2021	6.99	1.78	8.77	8.60	1.06	3.71	-	22.14	1.47	20.66 *
2021	2022	6.97	1.93	8.90	9.04	1.02	3.79	-	22.75	1.44	21.31

\* Net tax rate not equal to sum of components due to rounding.

**Schedule 7  
CITY OF APPLETON  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

**CALUMET COUNTY/APPLETON AREA SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Appleton School District</u>	<u>FVTC</u>	<u>Calumet County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.33	\$ 0.66	\$ 7.99	\$ 8.98	\$ 1.90	\$ 4.38	\$ 0.16	\$ 23.41	\$ 1.24	\$ 22.17
2013	2014	7.51	0.60	8.11	8.98	1.89	4.40	0.16	23.54	1.25	22.29
2014	2015	7.76	0.59	8.35	9.45	1.11	4.51	0.17	23.59	1.26	22.33
2015	2016	7.76	0.63	8.39	9.65	1.12	4.46	0.17	23.79	1.43	22.37 *
2016	2017	7.83	0.82	8.65	9.18	1.13	4.64	0.17	23.77	1.43	22.35 *
2017	2018	7.82	1.10	8.92	9.28	1.15	5.17	-	24.52	1.55	22.97
2018	2019	7.81	1.34	9.15	9.37	1.14	5.22	-	24.88	1.49	23.38 *
2019	2020	6.86	1.43	8.29	8.20	1.03	4.80	-	22.32	1.28	21.04
2020	2021	7.01	1.79	8.80	8.47	1.06	4.84	-	23.17	1.27	21.90
2021	2022	7.14	1.98	9.12	8.88	1.05	4.74	-	23.79	1.25	22.53 *

**CALUMET COUNTY/KIMBERLY AREA SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

<u>Levy Year</u>	<u>Collection Year</u>	<u>Basic Rate</u>	<u>G.O. Debt Service</u>	<u>City of Appleton Direct Rate <sup>(1)</sup></u>	<u>Kimberly School District</u>	<u>FVTC</u>	<u>Calumet County</u>	<u>State of Wisconsin</u>	<u>Gross Tax Rate</u>	<u>State Tax Credits</u>	<u>Net Tax Rate</u>
2012	2013	\$ 7.33	\$ 0.66	\$ 7.99	\$ 10.14	\$ 1.90	\$ 4.38	\$ 0.16	\$ 24.57	\$ 1.24	\$ 23.33
2013	2014	7.51	0.60	8.11	9.88	1.89	4.40	0.16	24.44	1.25	23.19
2014	2015	7.76	0.59	8.35	9.21	1.11	4.51	0.17	23.35	1.26	22.09
2015	2016	7.76	0.63	8.39	9.76	1.12	4.46	0.17	23.90	1.43	22.48 *
2016	2017	7.83	0.82	8.65	9.62	1.13	4.64	0.17	24.21	1.43	22.79 *
2017	2018	7.82	1.10	8.92	8.82	1.15	5.17	-	24.06	1.55	22.51
2018	2019	7.81	1.34	9.15	8.38	1.14	5.22	-	23.89	1.49	22.40
2019	2020	6.86	1.43	8.29	8.29	1.03	4.80	-	22.41	1.28	21.13
2020	2021	7.01	1.79	8.80	8.00	1.06	4.84	-	22.70	1.27	21.43
2021	2022	7.14	1.98	9.12	7.03	1.05	4.74	-	21.94	1.25	20.68 *

\* Net tax rate not equal to sum of components due to rounding.



**Schedule 7  
CITY OF APPLETON  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS (Continued)**

Last Ten Fiscal Years

**WINNEBAGO COUNTY/APPLETON AREA SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Appleton Direct Rate <sup>(1)</sup>	Appleton School District	FVTC	Winnebago County	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
2012	2013	\$ 7.60	\$ 0.69	\$ 8.29	\$ 9.31	\$ 1.97	\$ 5.71	\$ 0.17	\$ 25.45	\$ 1.31	\$ 24.14
2013	2014	7.83	0.63	8.46	9.37	1.97	5.40	0.17	25.37	1.36	24.02 *
2014	2015	7.76	0.59	8.35	10.31	1.11	5.34	0.17	25.28	1.37	23.91
2015	2016	7.74	0.63	8.37	9.62	1.12	5.28	0.17	24.56	1.59	22.97
2016	2017	7.67	0.81	8.48	9.00	1.11	5.20	0.17	23.96	1.54	22.42
2017	2018	7.66	1.09	8.75	9.11	1.13	5.30	-	24.29	1.67	22.61 *
2018	2019	7.32	1.26	8.58	8.78	1.07	4.97	-	23.40	1.64	21.77 *
2019	2020	6.97	1.45	8.42	7.87	1.05	4.85	-	22.19	1.60	20.58 *
2020	2021	7.09	1.80	8.89	8.57	1.07	4.97	-	23.50	1.68	21.82
2021	2022	6.85	1.90	8.75	8.52	1.00	4.84	-	23.11	1.71	21.40

**WINNEBAGO COUNTY/MENASHA JOINT SCHOOL DISTRICT**

Per \$1,000 of Assessed Value

Levy Year	Collection Year	Basic Rate	G.O. Debt Service	City of Appleton Direct Rate <sup>(1)</sup>	Menasha School District	FVTC	Winnebago County	State of Wisconsin	Gross Tax Rate	State Tax Credits	Net Tax Rate
2012	2013	\$ 7.60	\$ 0.69	\$ 8.29	\$ 9.85	\$ 1.97	\$ 5.71	\$ 0.17	\$ 25.99	\$ 1.31	\$ 24.67 *
2013	2014	7.83	0.63	8.46	10.34	1.97	5.40	0.17	26.34	1.36	24.98
2014	2015	7.76	0.59	8.35	10.79	1.11	5.34	0.17	25.76	1.37	24.39
2015	2016	7.74	0.63	8.37	11.30	1.12	5.28	0.17	26.24	1.59	24.64 *
2016	2017	7.67	0.81	8.48	11.19	1.11	5.20	0.17	26.15	1.54	24.61
2017	2018	7.66	1.09	8.75	11.81	1.13	5.30	-	26.99	1.67	25.32
2018	2019	7.32	1.26	8.58	11.54	1.07	4.97	-	26.16	1.64	24.53 *
2019	2020	6.97	1.45	8.42	11.99	1.05	4.85	-	26.31	1.60	24.71
2020	2021	7.09	1.80	8.89	12.42	1.07	4.97	-	27.35	1.68	25.68 *
2021	2022	6.85	1.90	8.75	13.00	1.00	4.84	-	27.59	1.71	25.88

\* Net tax rate not equal to sum of components due to rounding.

(1) The City of Appleton has had a local ordinance that imposes restraints on the total City levy since 1997. The Tax Levy Ordinance limits the increase in the City's tax levy to the rate of change in the Consumer Price Index (CPI) plus an allowance for growth, adjusted for services transferred to other funding sources, new revenues and one time grant awards. In 2011 the State of Wisconsin imposed levy limitations on all units of local government. This limit is similar in many respects to the Tax Levy Ordinance, though not identical. The current limitation is net new construction, with no allowance for changes in the CPI. Furthermore, the State of Wisconsin, through its Expenditure Restraint Program, distributes a pool of money annually to local governments that meet certain restrictions on the growth of General Fund expenditures. In general, the Expenditure Restraint Program limits the growth of General Fund expenditures to 60% of the percentage of growth in equalized value, up to a maximum of 2%, plus the change in the CPI.

**Schedule 8  
City of Appleton  
Principal Taxpayers, Current Year and Nine Years Prior**

<b>Name</b>	<b>Nature of Business</b>	<b>2021</b>			<b>2012</b>		
		<b>Taxable Assessed Value <sup>(A)</sup></b>	<b>Percent of Total Assessed Value <sup>(B)</sup></b>	<b>Rank</b>	<b>Taxable Assessed Value <sup>(A)</sup></b>	<b>Percent of Total Assessed Value <sup>(B)</sup></b>	<b>Rank</b>
Commercial Horizons	Real Estate Development	\$ 80,541,700	1.37%	1			
Thomas Wright et al	Rental Properties	50,602,600	0.86%	2	27,574,900	0.57%	5
Riverheath	Rental Properties	48,845,700	0.83%	3			
Pfefferle/Hoffman/Evans et al	Real Estate Development	45,220,700	0.77%	4	45,331,600	0.94%	2
Winters Properties et al	Real Estate Development	39,587,400	0.67%	5	49,509,100	1.03%	1
Physicians Realty Trust	Medical Properties	30,924,200	0.53%	6			
TheDACare	Hospital	30,565,500	0.52%	7			
North Appleton Ambulatory Care Center (Encircle)	Medical Clinic	30,247,000	0.51%	8	30,033,400	0.63%	4
Parkside Luxury Apartments	Rental Properties	28,884,500	0.49%	9			
Appleton Land Co (Paper Valley Hotel)	Hotel	18,112,400	0.31%	10			
Thrivent/North Meadows	Insurance <sup>(C)</sup>				19,972,400	0.42%	7
Watermark Montclair	Hotel				16,971,100	0.35%	9
Appvion, Inc. (Appleton Papers)	NCR Paper Products				18,848,900	0.39%	8
LHPT Appleton	Hospital				22,476,400	0.47%	6
VH Enterprise/Warehouse Spec. et al	Warehouse Storage				15,645,700	0.33%	10
Plank Inv/Eisenhower/Kensington Prop	Real Estate Development				41,450,100	0.86%	3
<b>TOTAL</b>		<b>\$ 403,531,700</b>	<b>6.85%</b>		<b>\$ 287,813,600</b>	<b>5.99%</b>	

(A) Per City Assessor's records.

(B) Based on the city's total January 1, 2021 and 2012 assessed valuation of \$5,888,648,300 and \$4,801,433,300, respectively, including personal property.

(C) Home office site (maximum 10 acres) is tax exempt as a fraternal organization. A voluntary contribution is made to all taxing jurisdictions.

**Schedule 9  
CITY OF APPLETON  
PROPERTY TAX LEVIES AND COLLECTIONS**

**Last Ten Fiscal Years**

<b>Collection Year</b>	<b>Total Tax Levy</b>	<b>Collections Prior to Transfer of Roll on August 1</b>	<b>Percent of Levy Collected</b>	<b>Total Tax Collections as of December 31</b>	<b>Total Collections as Percent of Current Levy</b>	<b>Outstanding Delinquent Taxes <sup>(A)</sup></b>	<b>Outstanding Delinquent Taxes as Percent of Current Levy</b>
2012	\$ 37,611,289	\$ 37,047,927	98.50 %	\$ 37,581,982	99.92 %	\$ 29,307	0.08 %
2013	37,260,671	36,807,857	98.78	37,233,502	99.93	27,169	0.07
2014	37,998,938	37,566,534	98.86	37,977,139	99.94	21,799	0.06
2015	38,418,146	38,049,056	99.04	38,393,867	99.94	24,279	0.06
2016	38,953,797	38,588,046	99.06	38,932,668	99.95	21,129	0.05
2017	40,741,852	40,405,500	99.17	40,722,307	99.95	19,545	0.05
2018	42,425,098	42,138,202	99.32	42,396,076	99.93	29,022	0.07
2019	44,173,508	43,812,873	99.18	44,126,517	99.89	46,991	0.11
2020	46,183,245	45,886,250	99.36	46,095,118	99.81	88,127	0.19
2021	48,543,874	48,274,876	99.45	48,533,429	99.98	10,445	0.02

<sup>(A)</sup> The amount of outstanding taxes represents uncollected personal property taxes at the end of the year. The portion of the delinquent taxes attributable to overlapping jurisdictions is charged back to those jurisdictions in the subsequent year. Beginning in 2012, the City can only charge back the uncollected taxes for businesses that ceased operations during the year.

**Schedule 10  
City of Appleton  
Direct and Overlapping Sales Tax Rates**

	<u>City Direct Rate</u>	<u>Outagamie County Direct Rate</u>	<u>Calumet County Direct Rate</u>	<u>Winnebago County Direct Rate</u>	<u>Wisconsin</u>
2012	0.0	0.0	0.0	0.0	5.0 %
2013	0.0	0.0	0.0	0.0	5.0
2014	0.0	0.0	0.0	0.0	5.0
2015	0.0	0.0	0.0	0.0	5.0
2016	0.0	0.0	0.0	0.0	5.0
2017	0.0	0.0	0.0	0.0	5.0
2018	0.0	0.0	0.5	0.0	5.0
2019	0.0	0.0	0.5	0.0	5.0
2020	0.0	0.5	0.5	0.0	5.0
2021	0.0	0.5	0.5	0.0	5.0

Note: Counties in Wisconsin have the option of levying a 0.5% sales tax, which Calumet and Outagamie counties have chosen to do. Cities do not have the option of levying any sales tax.

**Schedule 11  
City of Appleton  
Outstanding Debt by Type**

Fiscal Year	Governmental Activities			Business-type Activities			Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Bonds for Business-type Activities	Capital Leases	Water Revenue Bonds	Wastewater Revenue Bonds	Stormwater Revenue Bonds			
2012	\$ 32,570,000	\$ 735,000	\$ -	\$ 67,195,000	\$ 16,950,000	\$ 39,520,000	\$ 156,970,000	6.75%	\$ 2,156
2013	27,005,000	725,000	-	68,910,000	16,195,000	43,810,000	156,645,000	6.32%	2,141
2014	29,415,000	695,000	-	67,210,000	15,410,000	45,040,000	157,770,000	6.13%	2,148
2015	30,900,000	635,000	-	66,810,000	14,615,000	46,515,000	159,475,000	5.94%	2,163
2016	45,770,000	1,280,000	-	61,470,000	13,785,000	45,285,000	167,590,000	5.98%	2,256
2017	49,445,000	1,160,000	-	54,570,000	12,925,000	47,665,000	165,765,000	5.92%	2,222
2018	56,705,000	1,040,000	-	47,985,000	11,665,000	47,430,000	164,825,000	5.68%	2,205
2019	67,595,000	1,620,000	-	41,185,000	10,775,000	44,115,000	165,290,000	5.44%	2,212
2020	75,260,000	1,400,000	-	41,315,000	17,585,000	43,635,000	179,195,000	N/A	2,406
2021	80,990,000	1,180,000	-	40,665,000	22,900,000	40,060,000	185,795,000	N/A	2,456

\* N/A = Not Available.

**Schedule 12  
City of Appleton  
General Obligation Debt**

Fiscal Year	General Obligation Bonds <sup>(1)</sup>	Less Assets Restricted for Debt Service	Total Net Debt	Percentage of Actual Taxable Value of Property <sup>(2)</sup>	Per Capita <sup>(3)</sup>
2012	\$ 33,305,000	\$ (2,320,132)	\$ 30,984,868	0.67	\$ 426
2013	27,730,000	(1,503,052)	26,226,948	0.57	359
2014	30,110,000	(1,703,173)	28,406,827	0.60	387
2015	31,535,000	(1,695,673)	29,839,327	0.62	405
2016	47,050,000	(1,419,419)	45,630,581	0.92	614
2017	50,605,000	(1,345,594)	49,259,406	0.94	660
2018	57,745,000	(1,701,196)	56,043,804	1.03	750
2019	69,215,000	(1,588,068)	67,626,932	1.15	905
2020	76,660,000	(1,301,947)	75,358,053	1.22	1,012
2021	82,170,000	(1,139,411)	81,030,589	1.21	1,071

- (1) Includes general obligation debt for business-type activities (see table 11).  
Details on the City's outstanding debt can be found in the notes to the financial statements.
- (2) See Schedule 6 for property value data.
- (3) See Schedule 16 for population data.

**TABLE 13  
CITY OF APPLETON  
COMPUTATION OF DIRECT AND OVERLAPPING  
GENERAL OBLIGATION DEBT**

<b>Jurisdiction</b>	<b>Net Debt Outstanding</b>	<b>Percentage Applicable to City of Appleton</b>	<b>Amount Applicable to City of Appleton</b>
City of Appleton <sup>(A)</sup>	\$ 81,030,589	100.0000 %	<u>\$ 81,030,589</u>
<u>Overlapping Debt</u>			
Appleton Area School District	11,477,126	64.1000	7,356,838
Menasha Joint School District	28,395,082	3.9300	1,115,927
Kimberly Area School District	11,905,000	1.2300	146,432
Freedom Area School District	395,000	13.0700	51,627
Hortonville Area School District	60,465,000	0.0789	47,707
Fox Valley Technical College	70,454,500	14.1656	9,980,303
Outagamie County	64,837,670	29.5200	19,140,080
Calumet County	43,620,000	19.1700	8,361,954
Winnebago County	27,520,716	0.4865	<u>133,888</u>
Total Overlapping Debt			<u>46,334,756</u>
<b>Total Direct And Overlapping Debt</b>			<b><u><u>\$ 127,365,345</u></u></b>

<sup>(A)</sup> Debt is shown net of amounts available for debt service.

**Schedule 14  
City of Appleton  
Legal Debt Margin Calculation**

**Legal Debt Margin Calculation for Fiscal Year 2021:**

Equalized Value of Real & Personal Property	\$ 6,688,360,800
Outagamie County	5,620,950,600
Calumet County	974,740,800
Winnebago County	92,669,400
 Legal Debt Limit (5% of equalized value)	 <u>\$ 334,418,040</u>
 Amount of Debt Applicable to Debt Limitation:	
Total General Obligation Bonds and Notes Outstanding at December 31, 2021	 \$ 82,170,000
 Less: Assets in Government Fund Types Available for Debt Service	 <u>(1,139,411)</u>
 Amount of Debt Applicable to Debt Limit	 <u>81,030,589</u>
 Remaining Legal Debt Margin	 <u>\$ 253,387,451</u>

	<b>Fiscal Year</b>									
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
Debt Limit	\$ 232,570,430	\$ 231,115,610	\$ 234,833,025	\$ 240,837,740	\$ 246,936,265	\$ 261,146,195	\$ 272,171,760	\$ 292,767,835	\$ 310,015,560	\$ 334,418,040
Total net debt applicable to limit	<u>30,984,868</u>	<u>26,226,948</u>	<u>28,406,827</u>	<u>29,839,327</u>	<u>45,630,581</u>	<u>49,259,406</u>	<u>56,043,804</u>	<u>67,626,932</u>	<u>75,358,053</u>	<u>81,030,589</u>
Legal Debt Margin	<u>\$ 201,585,562</u>	<u>\$ 204,888,662</u>	<u>\$ 206,426,198</u>	<u>\$ 210,998,413</u>	<u>\$ 201,305,684</u>	<u>\$ 211,886,789</u>	<u>\$ 216,127,956</u>	<u>\$ 225,140,903</u>	<u>\$ 234,657,507</u>	<u>\$ 253,387,451</u>
Total net debt applicable to limit as a percentage of debt limit	13.32%	11.35%	12.10%	12.39%	18.48%	18.86%	20.59%	23.10%	24.31%	24.23%



**Schedule 15**  
**CITY OF APPLETON**  
**MORTGAGE REVENUE BOND COVERAGE - WATER UTILITY**

Last Ten Fiscal Years

Fiscal Year	Gross Revenues <sup>(1)</sup>	Direct Operating Expenses <sup>(2)</sup>	Net Revenue Available for Debt Service	Maximum Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	\$ 21,253,750	\$ 7,903,181	\$ 13,350,569	\$ 5,465,000	\$ 3,065,044	\$ 8,530,044	1.57
2013	20,195,484	8,250,694	11,944,790	5,465,000	3,316,279	8,781,279	1.36
2014	20,822,216	7,950,595	12,871,621	6,250,000	2,686,056	8,936,056	1.44
2015	21,151,756	8,078,526	13,073,230	6,575,000	2,587,434	9,162,434	1.43
2016	21,336,649	8,370,020	12,966,629	6,900,000	2,064,390	8,964,390	1.45
2017	21,193,216	8,373,876	12,819,340	6,900,000	2,064,390	8,964,390	1.43
2018	21,326,522	8,255,383	13,071,139	6,585,000	1,885,715	8,470,715	1.54
2019	20,986,076	8,713,971	12,272,105	6,800,000	1,663,965	8,463,965	1.45
2020	20,592,205	8,646,593	11,945,612	6,980,000	1,322,640	8,302,640	1.44
2021	20,368,672	8,411,418	11,957,254	3,695,000	1,184,624	4,879,624	2.45

(Continued)

<sup>(1)</sup> Includes total operating revenues and investment income.

<sup>(2)</sup> Includes total operating expenses less depreciation and payment in lieu of taxes.

**Schedule 15 (Continued)**  
**CITY OF APPLETON**  
**MORTGAGE REVENUE BOND COVERAGE - WASTEWATER UTILITY**

Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Gross Revenues</u> <sup>(1)</sup>	<u>Direct Operating Expenses</u> <sup>(2)</sup>	<u>Net Revenue Available for Debt Service</u>	<u>Maximum Debt Service Requirements</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2012	\$ 10,970,003	\$ 6,263,377	\$ 4,706,626	\$ 785,000	\$ 640,826	\$ 1,425,826	3.30
2013	10,344,862	6,282,545	4,062,317	785,000	640,826	1,425,826	2.85
2014	11,384,987	6,504,506	4,880,481	860,000	559,084	1,419,084	3.44
2015	11,364,104	6,781,627	4,582,477	860,000	559,084	1,419,084	3.23
2016	11,751,822	6,878,487	4,873,335	860,000	559,084	1,419,084	3.43
2017	12,318,949	7,494,136	4,824,813	1,000,000	418,365	1,418,365	3.40
2018	13,091,105	7,417,075	5,674,030	890,000	463,981	1,353,981	4.19
2019	13,358,628	7,828,505	5,530,123	1,050,000	309,056	1,359,056	4.07
2020	11,441,533	7,606,730	3,834,803	1,335,000	487,006	1,822,006	2.10
2021	13,176,690	7,314,261	5,862,429	1,565,000	671,056	2,236,056	2.62

(Continued)

<sup>(1)</sup> Includes total operating revenues and investment income.

<sup>(2)</sup> Includes total operating expenses less depreciation.

**Schedule 15 (Continued)**  
**CITY OF APPLETON**  
**MORTGAGE REVENUE BOND COVERAGE - STORMWATER UTILITY**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Gross Revenues <sup>(1)</sup></b>	<b>Direct Operating Expenses <sup>(2)</sup></b>	<b>Net Revenue Available for Debt Service</b>	<b>Maximum Debt Service Requirements</b>			<b>Coverage</b>
				<b>Principal</b>	<b>Interest</b>	<b>Total</b>	
2012	\$ 7,507,734	\$ 3,026,580	\$ 4,481,154	\$ 2,665,000	\$ 1,003,100	\$ 3,668,100	1.22
2013	8,066,016	2,706,960	5,359,056	3,055,000	1,102,066	4,157,066	1.29
2014	9,367,104	3,008,023	6,359,081	2,960,000	2,072,771	5,032,771	1.26
2015	9,325,369	3,155,156	6,170,213	3,105,000	1,694,558	4,799,558	1.29
2016	9,517,647	3,291,148	6,226,499	3,160,000	1,719,601	4,879,601	1.28
2017	9,745,561	3,608,192	6,137,369	3,370,000	1,877,764	5,247,764	1.17
2018	9,952,937	2,944,035	7,008,902	3,490,000	1,991,464	5,481,464	1.28
2019	11,662,263	3,361,827	8,300,436	3,490,000	1,991,464	5,481,464	1.51
2020	11,586,253	3,905,440	7,680,813	3,490,000	2,059,896	5,549,896	1.38
2021	11,370,099	3,429,350	7,940,749	3,590,000	1,277,152	4,867,152	1.63

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less depreciation.

**Schedule 16  
CITY OF APPLETON  
DEMOGRAPHIC STATISTICS**

**Last Ten Fiscal Years**

<b>Fiscal Year</b>	<b>Appleton Population <sup>(1)</sup></b>	<b>Personal Income <sup>(2)</sup></b>	<b>AGI Per Return <sup>(3)</sup></b>	<b>School System Enrollment <sup>(4)</sup></b>	<b>Total Employment <sup>(5)</sup></b>	<b>Annual Average Unemployment Rate <sup>(5)</sup></b>
2012	72,810	\$ 2,325,748,850	\$ 51,600	15,087	37,053	8.3
2013	73,150	2,480,000,000	53,720	16,042	37,188	7.9
2014	73,463	2,571,979,850	55,550	16,231	37,848	4.8
2015	73,737	2,685,661,219	57,588	16,300	38,270	4.0
2016	74,286	2,800,934,090	59,817	16,407	39,082	3.7
2017	74,598	2,801,696,751	59,707	16,304	39,131	3.2
2018	74,734	2,900,651,453	60,659	16,302	38,641	2.9
2019	74,739	3,040,380,527	62,442	16,067	38,465	3.1
2020	74,465	N/A *	N/A *	15,710	37,005	5.8
2021	75,644	N/A *	N/A *	15,217	39,097	1.8

- (1) Wisconsin Dept. of Administration estimates.  
 (2) Wisconsin Department of Revenue. Adjusted Gross Income for all returns filed for Appleton residents.  
 (3) Wisconsin Department of Revenue. Adjusted Gross Income per return.  
 (4) Wisconsin Department of Public Instruction.  
 (5) Wisconsin Department of Workforce Development; unemployment rates are annual rates for City of Appleton, not seasonally adjusted.

\* N/A = Not Available

**Schedule 17  
CITY OF APPLETON  
PRINCIPAL EMPLOYERS  
Current Year and Nine Years Prior**

<u>Company Name</u>	<u>Product or Service</u>	<u>2021</u>			<u>2012</u>		
		<u>Number of Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Number of Employees *</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Affinity Health Sys./ St. Elizabeth Hosp	Medical & Health Care Facility	4,772	1	12.2 %	1,037	7	2.8 %
Thrivent Investment Management, Inc.	Insurance	2,000	2	5.1	1,731	1	4.7
Appleton Area School District	Education	1,875	3	4.8	1,707	2	4.6
Miller Electric Manufacturing	Electric Arc Welders	1,400	4	3.6	1,535	4	4.1
Appleton Medical Center	Medical & Health Care Facility	1,184	5	3.0	1,230	6	3.3
Outagamie County	Government	1,180	6	3.0	1,243	5	3.4
Appvion, Inc. (Appleton Papers)	Paper Products Manufacturing	1,000	7	2.6	1,535	3	4.1
Intrado (West Corporation)	Communications Services	1,000	8	2.6	1,000	8	2.7
Valley Packaging Industries, Inc.	Hi-speed Packager	750	9	1.9	940	10	2.5
Wal-Mart (2 locations)	Discount Retail	685	10	1.8			
Faith Technologies	Electrical				1,000	9	2.7
<b>Total</b>		<b>9,074</b>		<b>23.2 %</b>	<b>12,958</b>		<b>27.5 %</b>
<b>Total Employment</b>		<b>39,097</b>			<b>37,053</b>		

\* Includes Full- and Part-Time employees  
 \*\* Appleton Medical Center only, part of ThedaCare group, which includes Appleton and Theda Clark Medical Centers, New London Hospital, and various clinics, home care, and rehabilitation facilities and has approximately 5,000 employees throughout the Fox River Valley.  
 Sources: Current - Infogroup (www.salesgenie.com), direct employer contacts and City of Appleton; Historic - Direct employer contacts and Wisconsin Manufacturers & Services Directory. Total employment from Wisconsin Department of Workforce Development.

**Schedule 18  
CITY OF APPLETON  
Budgeted Full-Time-Equivalent Personnel Positions**

<b>DEPARTMENT</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>
<b>General Government</b>										
Legal Services (1)	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Finance Department	15.00	14.50	14.00	14.00	14.00	14.00	14.00	14.00	14.00	14.00
Human Resources	8.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80	8.80
Information Technology	12.00	12.00	11.00	11.00	11.00	11.00	11.00	11.00	10.00	10.00
Mayor's Office	2.00	2.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Facilities Management	10.98	10.62	10.62	10.65	11.65	11.93	11.93	11.93	11.93	11.93
<b>Total - General Government</b>	<b>58.77</b>	<b>57.92</b>	<b>57.42</b>	<b>57.45</b>	<b>58.45</b>	<b>59.73</b>	<b>59.73</b>	<b>59.73</b>	<b>58.73</b>	<b>58.73</b>
<b>Community Development</b> (2)	<b>19.13</b>	<b>19.13</b>	<b>19.13</b>	<b>19.13</b>	<b>19.13</b>	<b>18.13</b>	<b>18.13</b>	<b>18.20</b>	<b>19.20</b>	<b>19.20</b>
<b>Recreation/Library/Transit</b>										
Parks & Recreation	16.22	16.73	16.88	18.93	19.27	18.99	19.08	19.08	19.08	19.08
Library	44.50	45.00	45.50	46.50	46.00	46.50	46.50	46.50	45.50	45.50
Valley Transit	51.83	54.13	53.97	54.35	54.35	56.20	56.85	58.85	60.10	60.10
<b>Total - Recreation/Library/Transit</b>	<b>112.55</b>	<b>115.86</b>	<b>116.35</b>	<b>119.78</b>	<b>119.62</b>	<b>121.69</b>	<b>122.43</b>	<b>124.43</b>	<b>124.68</b>	<b>124.68</b>
<b>Public Works</b>	<b>154.53</b>	<b>153.53</b>	<b>154.13</b>	<b>154.13</b>	<b>154.13</b>	<b>154.33</b>	<b>154.33</b>	<b>154.33</b>	<b>154.33</b>	<b>154.33</b>
<b>Public Health &amp; Safety</b>										
Health Department	14.20	14.00	14.20	14.20	13.70	13.23	13.48	13.48	13.48	13.48
Fire Department										
Firefighters and Officers	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00	84.00
Civilian & Administrative	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00	12.00
Police Department										
Sworn	108.00	108.00	109.00	110.00	110.00	110.00	111.00	113.00	113.00	113.00
Civilian	26.00	26.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00	27.00
<b>Total - Public Health &amp; Safety</b>	<b>244.20</b>	<b>244.00</b>	<b>246.20</b>	<b>247.20</b>	<b>246.70</b>	<b>246.23</b>	<b>247.48</b>	<b>249.48</b>	<b>249.48</b>	<b>249.48</b>
<b>Water &amp; Sewer Utilities</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>	<b>34.00</b>
<b>Total Regular Employees</b>	<b>623.19</b>	<b>624.43</b>	<b>627.22</b>	<b>631.69</b>	<b>632.03</b>	<b>634.11</b>	<b>636.09</b>	<b>640.16</b>	<b>640.41</b>	<b>640.41</b>

**Source:** Finance and HR Departments.

**Notes:**

Full time employment is considered to be 2,080 hours per year. Full time equivalencies are calculated by dividing scheduled hours of work by 2,080.

(1) The City Clerk's Office and the City Attorney's Office were merged in 2012 and are under the direction of the City Attorney. Prior periods have been restated for comparison.

(2) The Assessor's Office was merged with Community Development in 2013. Prior periods have been restated for comparison.

**Schedule 19  
City of Appleton  
Operating Indicators by Function/Program**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>General Government</b>										
Building permits issued	511	537	478	524	433	407	223	207	238	269
Est. construction value (\$000)	45,387.1	86,029.6	65,563.9	140,806.5	80,795.3	115,948.4	42,437.6	35,507.3	54,265.4	130,096.6
School aged children vaccinated	99.1%	98.8%	99.0%	99.7%	98.9%	99.0%	99.0%	99.0%	99.0%	99.0%
Accurate weights & measures devices	96.6%	96.9%	96.7%	94.2%	96.7%	97.4%	97.7%	97.7%	94.6%	95.0%
Food-borne disease outbreaks	0	0	0	0	0	0	0	0	0	0
<b>Police</b>										
Calls for service	52,309	51,003	48,809	47,694	49,854	51,184	46,056	46,633	45,867	54,942
Reported Group A crimes	4,603	4,469	4,229	4,125	4,363	4,414	3,980	3,691	4,081	4,196
Reported Group B crimes	7,096	6,401	5,939	5,664	5,163	5,297	4,454	3,765	4,184	3,482
<b>Fire</b>										
Emergency response < 4 min.	65.0%	63.0%	64.0%	63.0%	63.0%	66.0%	68.0%	69.0%	82.0%	73.0%
Fire loss (\$000)	740.8	744.4	919.5	1,187.6	1,293.0	1,378.3	946.4	1,530.4	1,466.2	1,375.7
Fire-related deaths	0	0	0	0	1	0	0	1	1	2
Emergency calls	3,701	3,930	4,273	4,414	4,718	4,705	5,028	5,995	5,909	6,841
<b>Public Works</b>										
Tons of refuse collected	20,987	20,236	19,555	19,934	20,209	19,692	19,493	19,462	20,027	20,543
Tons of recycling collected	5,416	6,250	6,492	6,626	6,792	6,448	6,211	6,017	6,001	5,812
Cu. Yds. of debris - street sweeping	3,884	4,124	3,920	5,565	4,059	5,570	4,186	3,940	5,318	2,989
Cost/ton - residential auto pickup	\$ 85.81	\$ 86.01	\$ 87.50	\$ 86.82	\$ 87.57	\$ 89.14	\$ 89.72	\$ 114.00	\$ 120.42	\$ 118.70
Miles of street reconstructed	1.48	2.45	2.90	2.31	5.73	3.30	2.38	1.37	1.22	-
% of trees < 6" dia. pruned annually	50	60	50	50	50	50	50	50	50	-
Average pruning cycle, trees > 6" dia. <sup>(5)</sup>	8.0 yrs	8.5 yrs	8.5 yrs	9.0 yrs	8.0 yrs	8.0 yrs	8.5 yrs	9.0 yrs	9.5 yrs	-
<b>Parks &amp; Recreation</b>										
Sports league participants	2,109	1,826	2,010	3,263	3,400	3,397	3,734	3,786	1,288	1,999
Aquatics program participants <sup>(1), (2)</sup>	3,475	3,240	3,399	3,294	6,932	3,678	4,447	3,837	376	1,476
Open swim attendance <sup>(2)</sup>	81,949	65,930	64,512	73,071	68,461	86,600	102,520	75,978	571	56,089
Rounds of golf played <sup>(3)</sup>	32,305	18,037	30,720	33,247	35,888	34,351	30,884	30,069	35,787	39,373
<b>Public Library</b>										
Titles in collection	282,677	276,609	281,743	291,739	292,085	286,602	278,139	286,552	248,531	240,558
Materials circulated	1,449,140	1,376,833	1,274,136	1,166,697	1,081,882	1,015,573	954,043	891,071	215,542	545,754
Annual door count	570,743	556,874	510,874	459,780	487,795	467,884	440,696	408,532	105,816	135,560
<b>Water</b>										
Avg. daily consumption (000 gal.)	9,020	8,618	8,715	8,924	8,803	8,936	9,178	8,809	8,545	9,059
Peak daily consumption (000 gal.)	14,775	11,651	11,534	12,641	12,473	11,877	12,559	13,005	12,211	13,141
Number of invoices per quarter	27,725	27,897	28,192	28,316	28,480	28,640	28,649	28,775	28,874	28,995
<b>Wastewater</b>										
Avg. daily sewage treatment (000 gal.)	10,800	10,117	12,293	11,600	12,800	13,769	12,770	13,980	11,600	10,600
<b>Valley Transit <sup>(4)</sup></b>										
Total route miles	933,924	949,830	938,471	939,354	943,299	944,423	938,611	938,472	904,490	881,177
Passengers	1,095,650	1,093,202	1,081,882	1,055,544	1,006,035	969,379	984,076	944,492	546,701	541,223
Cost per trip	\$ 4.75	\$ 5.04	\$ 5.42	\$ 5.42	\$ 5.73	\$ 6.27	\$ 6.28	\$ 6.04	\$ 11.56	\$ 10.19

(1). Appleton residents only

(2). Not unduplicated

(3). Decrease in 2013 due to construction on course that limited it to 9 holes.

(4). Transit statistics include Downtown Trolley service beginning in 2017.

(5). No longer a performance indicator in 2021.

General: The significant declines in participation numbers in Library and Recreation programs and in Transit ridership in 2020 is due to restrictions imposed in response to the COVID-19 pandemic.

**Schedule 20  
City of Appleton  
Capital Asset Statistics by Function/Program**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	84	84	85	85	85	85	85	85	85	88
Fire										
Stations	6	6	6	6	6	6	6	6	6	6
Fire suppression units	10	10	10	10	10	11	11	11	11	11
Public Works										
Miles of streets	342.2	343.0	343.0	343.0	343.0	344.0	345.0	347.0	349.0	349.0
Refuse packers	8	11	12	11	11	12	12	12	12	13
Single- and tri-axle dump trucks	26	27	27	27	29	27	31	27	28	25
Other heavy vehicles	38	35	33	37	41	34	34	38	36	36
Parks & Recreation										
Parks	32	32	34	34	34	34	34	34	34	34
Acreage	495.9	495.9	500.3	500.3	500.3	501.7	501.7	501.7	501.7	502.0
Swimming pools (1)	2	2	2	2	2	2	2	2	2	2
Golf courses	1	1	1	1	1	1	1	1	1	1
Water										
Miles of mains	378.3	376.7	376.8	373.3	373.0	375.3	376.2	377.4	378.9	382.9
Storage capacity (000 gallons)	7,300	7,300	7,300	7,300	7,800	12,500	13,000	13,000	13,000	13,250
Wastewater										
Miles of mains	308.3	310.3	311.0	307.3	308.3	308.5	309.0	310.0	311.6	314.0
Stormwater										
Miles of mains	302.7	304.0	304.8	306.8	308.9	308.0	309.6	312.0	315.1	319.3

(1.) In addition to two City-owned pools, the Parks and Recreation department provides programming at three pools owned by the Appleton Area School District.



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



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Mayor and Common Council  
City of Appleton, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Appleton, Wisconsin, (the City) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 7, 2022.

***Report on Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

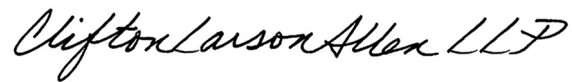
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and on compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 7, 2022

**SINGLE AUDIT  
SECTION**

**SINGLE AUDIT SECTION**



**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE  
*STATE SINGLE AUDIT GUIDELINES***

Honorable Mayor and Common Council  
City of Appleton, Wisconsin

**Report on Compliance for Each Major Federal and State Program**

***Opinion on each Major Federal Program and the Major State Program***

We have audited the City of Appleton's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on the City of Appleton's major federal programs and major state program for the year ended December 31, 2021. The major federal programs and major state program are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the City of Appleton complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program and the major state program for the year ended December 31, 2021.

***Basis for Opinion on the Major Federal Program and Major State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines*. Our responsibilities under those standards and the Uniform Guidance and the *State Single Audit Guidelines* are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City of Appleton, Wisconsin and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program and the major state program. Our audit does not provide a legal determination of the City of Appleton's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City of Appleton's federal program and state program.

### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City of Appleton, Wisconsin's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, Uniform Guidance, and the *State Single Audit Guidelines* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City of Appleton, Wisconsin's compliance with the requirements of the major federal program and the major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the *State Single Audit Guidelines* we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City of Appleton, Wisconsin's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the City of Appleton, Wisconsin's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the City of Appleton's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

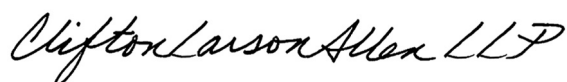
### **Report on Internal Control Over Compliance**

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 7, 2022



**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED DECEMBER 31, 2021**

Grantor Agency/Federal Program Cluster or Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/21	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/21	Total Expenditures	Subrecipient Payment
<b>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>								
Community Development Block Grant (CDBG)								
Entitlement Program	14.218	Direct Program	Direct Program	\$ (74,298)	\$ 747,618	\$ -	\$ 673,320	\$ 248,501
COVID-19: Coronavirus Relief Fund - CV Round 1	14.218	Direct Program	Direct Program	-	327,087	-	327,087	-
Program Income	14.218	Direct Program	Direct Program	-	453,248	-	453,248	-
Total CDBG				(74,298)	1,527,953	-	1,453,655	248,501
Emergency Solutions Grant Program (ESG)	14.231	WI Department of Administration	14.231	-	204,966	-	204,966	206,667
COVID-19: Emergency Shelter Grant - CV	14.231	WI Department of Administration	14.231	-	577,445	-	577,445	-
Total Emergency Shelter Grant				-	782,411	-	782,411	206,667
Supportive Housing Program (SHP)	14.235	Direct Program	Direct Program	-	339,097	-	339,097	287,748
Total U.S. Department of Housing and Urban Development				(74,298)	2,649,461	-	2,575,163	742,916
<b>U.S. DEPARTMENT OF JUSTICE</b>								
Bullet Proof Vest Partnership Program								
Edward Byrne Memorial Justice Assistance Grant 2020	16.607	Direct Program	Direct Program	-	8,800	-	8,800	-
Assistance Grant 2021	16.738	Direct Program	Direct Program	-	6,799	-	6,799	-
Total Edward Byrne Memorial Justice Assistance Grant 2021	16.738	Direct Program	Direct Program	-	5,788	-	5,788	-
COVID-19: COVID-19-19 Emergency Supplemental Funding	16.034	Direct Program	Direct Program	-	12,587	-	12,587	-
Total U.S. Department of Justice				-	29,900	-	29,900	-
<b>U.S. DEPARTMENT OF TRANSPORTATION</b>								
Federal Transit Cluster								
Federal Transit Formula Grants (Urbanized Area Formula Program)								
2018	20.507	Direct Program	WI-2018-039-01-00	-	-	44,709	44,709	-
2019	20.507	Direct Program	WI-2019-029-00	-	40,700	98,758	139,458	-
2020	20.507	Direct Program	WI-2020-44-00	-	944,594	73,225	1,017,819	-
2021	20.507	Direct Program	WI-2021-40-00	-	1,023,195	22,261	1,045,456	-
COVID-19: 2020	20.507	Direct Program	WI-2020-035-00	(268,941)	298,113	-	29,172	-
Total Federal Transit Formula Grants				(268,941)	2,306,602	238,953	2,276,614	-
Total Federal Transit Cluster				(268,941)	2,306,602	238,953	2,276,614	-
Enhanced Mobility of Seniors and Individuals with Disabilities								
2015	20.513	Direct Program	WI-2017-017-02	-	-	-	-	-
2016 & 2017	20.513	Direct Program	WI-2018-008-00	-	-	2,488	2,488	-
2018	20.513	Direct Program	WI-2019-023-00	-	-	29,894	29,894	-
2019	20.513	Direct Program	WI-2019-023-00	-	-	162,742	162,742	-
Total Enhanced Mobility of Seniors and Individuals with Disabilities				-	-	195,124	195,124	-
State and Community Highway Safety								
Seatbelt Enforcement	20.600	WI Department of Transportation	FG-2020-OUTAGAMI-05002	-	52,898	-	52,898	-
OWI	20.600	WI Department of Transportation	FG-2020-OUTAGAMI-05001	-	73,308	-	73,308	-
Speed	20.600	WI Department of Transportation	3950980-40-34	-	29,840	-	29,840	-
Ped/Bike	20.600	WI Department of Transportation	3950981-80-02	-	5,068	-	5,068	-
Total State and Community Highway Safety				-	161,114	-	161,114	-
Total U.S. Department of Transportation				(268,941)	2,467,716	434,077	2,632,852	-

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

Grantor Agency/Federal Program Cluster or Title	Assistance Listing Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/21	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/21	Total Expenditures	Subrecipient Payment
<b>U.S. DEPARTMENT OF TREASURY</b>								
COVID-19: American Rescue Plan Act	21.027	Direct Program	N/A	-	7,445,920	(7,370,422)	75,498	-
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>								
Refugee and Entrant Assistance - State Administered Programs	93.566	WI Department of Children and Families	437004-116-0000762-000-01	-	70	-	70	-
Prevention and Public Health Fund (Affordable Care Act) - Immunization Program	93.268	WI Department of Health Services	155020	-	104,592	-	104,592	-
ELC Grant	93.323	WI Department of Health Services		-	400,078	-	400,078	-
ARRA Immunizations and Vaccines	93.712	WI Department of Health Services		-	21,441	-	21,441	-
Preventative Health and Health Services Block Grant	93.991	WI Department of Health Services	159220	1,401	8,178	-	9,579	-
Maternal and Child Health Services Block Grant to the States	93.994	WI Department of Health Services	159320	-	28,146	-	28,146	-
Public Health Emergency Preparedness								
Public Health Emergency Preparedness	93.069	WI Department of Health Services	155015	61,382	(61,382)	-	-	-
Preparedness (PHEP) Aligned Cooperative Agreement	93.074	WI Department of Health Services		-	72,502	-	72,502	-
COVID-19: PH Emergency Preparedness (PHEP) (Health)	93.354	WI Department of Health Services	155801	-	10,255	-	10,255	-
Total Public Health Emergency Preparedness				<u>61,382</u>	<u>21,375</u>	<u>-</u>	<u>82,757</u>	<u>-</u>
Project Grant Cooperative Agreement for Tuberculosis for Control Programs	93.116	WI Department of Health Services	**	<u>1,643</u>	<u>-</u>	<u>(1,643)</u>	<u>-</u>	<u>-</u>
Total U.S. Department of Health and Human Services				64,426	583,880	(1,643)	646,663	-
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>				<u>\$ (278,813)</u>	<u>\$ 13,176,877</u>	<u>\$ (6,937,988)</u>	<u>\$ 5,960,076</u>	<u>\$ 742,916</u>

\*\*The City was unable to obtain pass-through number from the respective grantor entity.

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF EXPENDITURES OF STATE AWARDS  
YEAR ENDED DECEMBER 31, 2021**

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/21	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/20201	Total Expenditures	Subrecipient Payment
<b>DEPARTMENT OF TRANSPORTATION</b>								
Transit Operating Aids 2021	395.104	Direct Program	395.104	\$ -	\$ 2,984,732	\$ -	\$ 2,984,732	\$ -
Paratransit Aids	395.104	Direct Program	395.104	-	133,738	-	133,738	-
Total Department of Transportation				-	3,118,470	-	3,118,470	-
<b>DEPARTMENT OF HEALTH SERVICES</b>								
Lead Poisoning	435.157720	Direct Program	157720	2,040	7,800	-	9,840	-
Total Department of Health Services				2,040	7,800	-	9,840	-
<b>DEPARTMENT OF MILITARY AFFAIRS</b>								
Regional Emergency Response Team - FEMA	465.305	Direct Program	465.305	-	49,536	-	49,536	-
Radiological Field Team Services	465.306	Direct Program	465.306	-	24,999	-	24,999	-
Total Department of Military Affairs				-	74,535	-	74,535	-
<b>DEPARTMENT OF ADMINISTRATION</b>								
2018 State VW Capital Grant	VW-BUS-APPL-01	Direct Program	VW-BUS-APPL-01	-	2,455,373	-	2,455,373	-
Total Department of Administration				-	2,455,373	-	2,455,373	-
<b>DEPARTMENT OF JUSTICE</b>								
ICAC Task Force	455.231	Direct Program	455.231	-	1,029	-	1,029	-
MEG Drug Enforcement	455.231	Direct Program	455.231	-	13,082	-	13,082	-
Total Department of Justice				-	14,111	-	14,111	-
<b>TOTAL STATE PROGRAMS</b>				<b>\$ 2,040</b>	<b>\$ 5,670,289</b>	<b>\$ -</b>	<b>\$ 5,672,329</b>	<b>\$ -</b>

See accompanying Notes to Schedules of Expenditures of Federal and State Awards.

**CITY OF APPLETON, WISCONSIN**  
**NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS**  
**YEAR ENDED DECEMBER 31, 2021**

**NOTE 1 BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal and state awards for the City are presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

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

**NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2021 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and the *State Single Audit Guidelines* with the exception of Assistance Listing Number 21.027, which follows criteria determined by the Department of Treasury for allowability of costs. Under these cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded City expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The City has elected to charge a de minimis rate of 10% of modified total costs.

Major federal and state financial assistance programs are identified in the Schedule of Findings and Questioned Costs and are determined as follows:

Federal Programs: The City of Appleton qualifies as a low risk auditee in accordance with the Uniform Guidance. Therefore, major programs, as identified in Section 1 of the Schedule of Findings and Questioned Costs, represent those with combined expenditures exceeding 20% of total federal awards that also were deemed major programs based on the auditor's risk assessment. All other federal programs are considered non-major programs.

State Programs: Major programs represent state assistance programs with expenditures of \$250,000 or more and other state programs classified as major in the *State Single Audit Guidelines*. All other state programs required to be included in the Schedule of Expenditures of State Awards in accordance with Appendix H of the *State Single Audit Guidelines* are non-major programs.

**CITY OF APPLETON, WISCONSIN  
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS  
YEAR ENDED DECEMBER 31, 2021**

**NOTE 3 OVERSIGHT AGENCIES**

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

Federal    U.S. Department of Transportation - Federal Transit Administration  
              U.S. Department of Housing and Urban Development

State        Wisconsin Department of Transportation  
              Wisconsin Department of Natural Resources

**NOTE 4 PASS THROUGH ENTITIES**

Federal awards have been passed through the following entities:

WI DCF – Wisconsin Department of Children and Families  
WI DHS – Wisconsin Department of Health Services  
WI DMA – Wisconsin Department of Military Affairs  
WI DOA – Wisconsin Department of Administration  
WI DOT – Wisconsin Department of Transportation  
Wisconsin Elections Commission

**NOTE 5 STATE OF WISCONSIN COMMUNITY AIDS REPORTING SYSTEM**

The Wisconsin Departments of Health Services (DHS) and Children and Families (DCF) utilize the Community Aids Reporting System (CARS) and the System for Payments and Reports of Contracts (SPARC) for reimbursing the City for various federal and state program expenditures. The expenditures reported on the Schedules of Expenditures of Federal and State Awards for various DHS & DCF programs agree with the expenditures reported on the April 2021 CARS for the Human Services.

**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
YEAR ENDED DECEMBER 31, 2021**

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**Section I – Summary of the Auditors' Results**

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**Basic Financial Statements**

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes      x   none reported
3. Noncompliance material to basic financial statements noted? \_\_\_\_\_ yes      x   no

**Federal and State Awards**

1. Internal control over major program:
- Material weakness(es) identified? \_\_\_\_\_ yes      x   no
  - Significant deficiency(ies) identified? \_\_\_\_\_ yes      x   none reported
2. Type of auditors' report issued on compliance for major programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance? \_\_\_\_\_ yes      x   no
4. Any audit findings disclosed that are required to be reported in accordance with *State Single Audit Guidelines*? \_\_\_\_\_ yes      x   no

**Identification of Major Federal Programs**

Federal Assistance Number	Name of Federal Programs/Clusters
14.231	Emergency Solutions Grant Program
21.027	COVID-19 Coronavirus State and Local Fiscal Recovery Funds
93.323	Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)

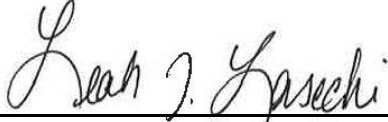


**CITY OF APPLETON, WISCONSIN  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2021**

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***Section IV – Other Issues***

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1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No
2. Does the audit report show audit issues (i.e. material noncompliance, nonmaterial noncompliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue, or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:  
  
    Department of Transportation No
3. Was a management letter or other document conveying audit comments issued as a result of this audit? Yes
4. Name and signature of partner   
Leah Lasecki, CPA
5. Date of report June 7, 2022



**CITY OF APPLETON, WISCONSIN  
SETTLEMENT OF DHS COST REIMBURSEMENT AWARD  
YEAR ENDED DECEMBER 31, 2021**

	Childhood Lead	Maternal Child Health	Immunization	Preventative Health	
	CARS Profile	CARS Profile	CARS Profile	CARS Profile	CARS Profile
DHS Identification Number	157720	159320	155020	159220	155800
Award Amount	\$ 9,879	\$ 28,146	\$ 21,443	\$ 6,619	\$ 5,700
Award Period	01/01/21 - 12/31/21	01/01/21 - 12/31/21	01/01/21 - 12/31/21	10/01/18 - 09/30/21	07/01/20 - 06/30/21
Period of Award Within Audit Period	01/01/21 - 12/31/21	01/01/21 - 12/31/21	01/01/21 - 12/31/21	01/01/21 - 09/30//21	01/01/21 - 06/30/21
Expenditures Reported to DHS for Payment	<u>\$ 9,840</u>	<u>\$ 28,146</u>	<u>\$ 21,441</u>	<u>\$ 4,020</u>	<u>\$ 5,559</u>
Actual Allowable Cost of Reward					
Program Expenses					
Grants and Other Assistance to Individuals in the U.S.	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries and Wages	9,708	26,155	20,371	-	-
Other Program Expenses (Supplies, Training, Etc.)	132	1,991	1,070	4,020	5,559
Total Program Expenses	<u>9,840</u>	<u>28,146</u>	<u>21,441</u>	<u>4,020</u>	<u>5,559</u>
Less: Program Revenue and Other Offsets to Costs*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Allowable Costs	<u>\$ 9,840</u>	<u>\$ 28,146</u>	<u>\$ 21,441</u>	<u>\$ 4,020</u>	<u>\$ 5,559</u>

\*Other offsets to costs consist of revenues related to the cost of services provided by the City of Appleton to other municipalities and counties for administration of the bioterrorism grants

**CITY OF APPLETON, WISCONSIN  
SETTLEMENT OF DHS COST REIMBURSEMENT AWARD  
YEAR ENDED DECEMBER 31, 2021**

	COVID-19				
	Bioterrorism	ELC CARES	Enhancing Detection	Vaccination Clinic	PHEP
	CARS Profile	CARS Profile	CARS Profile	CARS Profile	CARS Profile
DHS Identification Number	155015	155802	155806	155809	155801
Award Amount	\$ 107,285	\$ 22,900	\$ 1,016,000	\$ 118,000	\$ 53,243
Award Period	07/01/20 - 06/30/22	02/01/20 - 09/30/21	10/01/20 - 10/31/22	03/01/21 - 12/31/24	04/01/20 - 03/31/21
Period of Award Within Audit Period	01/01/21 - 12/31/21	01/01/21 - 09/30/21	01/01/21 - 12/31/21	01/01/21 - 12/31/21	01/01/21 - 12/31/21
Expenditures Reported to DHS for Payment	<u>\$ 72,502</u>	<u>\$ 22,900</u>	<u>\$ 377,178</u>	<u>\$ 104,592</u>	
Actual Allowable Cost of Reward					
Program Expenses					
Grants and Other Assistance to Individuals in the U.S.	\$ -	\$ -	\$ -	\$ -	\$ -
Other Salaries and Wages	64,048	22,900	236,845	76,960	7,095
Other Program Expenses (Supplies, Training, Etc.)	8,454	-	140,333	27,632	3,160
Total Program Expenses	<u>72,502</u>	<u>22,900</u>	<u>377,178</u>	<u>104,592</u>	<u>10,255</u>
Less: Program Revenue and Other Offsets to Costs*	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Allowable Costs	<u>\$ 72,502</u>	<u>\$ 22,900</u>	<u>\$ 377,178</u>	<u>\$ 104,592</u>	<u>\$ 10,255</u>

\*Other offsets to costs consist of revenues related to the cost of services provided by the City of Appleton to other municipalities and counties for administration of the bioterrorism grants