

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BELOIT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
Current Levy	\$ 5,978,886	\$ 5,978,886	\$ 5,990,830	\$ 11,944
Mobile home taxes	15,000	15,000	12,182	(2,818)
Prior year tax collection/rescinded taxes	55,000	55,000	899	(54,101)
Payment in lieu of taxes - housing authority	-	-	10,509	10,509
Motel tax	<u>50,000</u>	<u>50,000</u>	<u>52,826</u>	<u>2,826</u>
Total Taxes	<u>6,098,886</u>	<u>6,098,886</u>	<u>6,067,246</u>	<u>(31,640)</u>
INTERGOVERNMENTAL				
Shared aidable revenue	16,506,717	16,506,717	16,529,082	22,365
Fire distribution fee	49,000	49,000	56,440	7,440
Expenditure restraint payment	575,632	575,632	575,633	1
State highway aids	1,897,795	1,897,795	1,898,405	610
State aid - connecting streets	257,783	257,783	257,295	(488)
Motor vehicle registration	275,000	275,000	269,226	(5,774)
Municipal service payment	21,000	21,000	18,419	(2,581)
Computer exemption aid	<u>45,000</u>	<u>45,000</u>	<u>53,956</u>	<u>8,956</u>
Total Intergovernmental Revenues	<u>19,627,927</u>	<u>19,627,927</u>	<u>19,658,456</u>	<u>30,529</u>
LICENSES AND PERMITS				
Licenses				
Liquor - malt permits	63,350	63,350	63,533	183
Cable TV	333,000	333,000	352,420	19,420
Other licenses	<u>14,300</u>	<u>14,300</u>	<u>12,947</u>	<u>(1,353)</u>
Total Licenses	<u>410,650</u>	<u>410,650</u>	<u>428,900</u>	<u>18,250</u>
Permits				
Construction permits	181,145	181,145	106,552	(74,593)
Other permits	48,965	48,965	38,761	(10,204)
Underground storage tank inspection	<u>3,500</u>	<u>3,500</u>	<u>2,796</u>	<u>(704)</u>
Total Permits	<u>233,610</u>	<u>233,610</u>	<u>148,109</u>	<u>(85,501)</u>
Total Licenses and Permits	<u>644,260</u>	<u>644,260</u>	<u>577,009</u>	<u>(67,251)</u>

CITY OF BELOIT

**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
FINES, FORFEITURES AND PENALTIES				
Municipal court costs	\$ 120,000	\$ 120,000	\$ 143,181	\$ 23,181
Nontraffic fines	400,000	400,000	406,540	6,540
Traffic fines	180,000	180,000	213,283	33,283
Parking fines	275,000	275,000	251,954	(23,046)
Penalties on taxes	120,000	120,000	166,859	46,859
Other	<u>55,000</u>	<u>55,000</u>	<u>84,728</u>	<u>29,728</u>
Total Fines, Forfeitures and Penalties	<u>1,150,000</u>	<u>1,150,000</u>	<u>1,266,545</u>	<u>116,545</u>
FEES AND SERVICE CHARGES				
Animal shelter	6,900	6,900	8,372	1,472
Recreation				
Other recreation	87,964	87,964	97,538	9,574
Telfer Park and Rivercenter	141,996	141,996	110,939	(31,057)
Swimming pool	<u>71,637</u>	<u>71,637</u>	<u>66,583</u>	<u>(5,054)</u>
Total Recreation	<u>301,597</u>	<u>301,597</u>	<u>275,060</u>	<u>(26,537)</u>
Other General Revenue				
Fire inspection fees	137,163	137,163	140,490	3,327
Property transfer certificates	20,500	20,500	16,222	(4,278)
In-house fees	30,200	30,200	27,428	(2,772)
Hazardous material response	15,000	15,000	44,027	29,027
Donations and miscellaneous	69,370	69,370	65,740	(3,630)
Riverfest activity	5,000	5,000	-	(5,000)
Nutrition coordinator	7,500	7,500	6,604	(896)
Recoveries from city	1,000	1,000	2,215	1,215
Cable access fees	22,000	22,000	19,473	(2,527)
Miscellaneous police revenues	<u>67,000</u>	<u>67,000</u>	<u>63,156</u>	<u>(3,844)</u>
Total Other General Revenue	<u>374,733</u>	<u>374,733</u>	<u>385,355</u>	<u>10,622</u>
Total Fees and Service Charges	<u>683,230</u>	<u>683,230</u>	<u>668,787</u>	<u>(14,443)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
RENT	\$ 40,000	\$ 40,000	\$ 15,469	\$ (24,531)
INVESTMENT INCOME	295,600	295,600	117,603	(177,997)
OTHER	40,504	40,504	40,504	-
Total Revenues	28,580,407	28,580,407	28,411,619	(168,788)
OTHER FINANCING SOURCES				
Sale of city property	103,000	103,000	16,709	(86,291)
Transfers in	529,891	529,891	-	(529,891)
Transfers in - tax equivalent	462,000	462,000	584,499	122,499
Total Other Financing Sources	1,094,891	1,094,891	601,208	(493,683)
TOTAL REVENUES AND OTHER FINANCING SOURCES	\$ 29,675,298	\$ 29,675,298	\$ 29,012,827	\$ (662,471)

CITY OF BELOIT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010

CURRENT EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
GENERAL GOVERNMENT				
City Council, Manager, Attorney				
Council	\$ 53,787	\$ 53,787	\$ 53,931	\$ (144)
City manager	356,859	356,859	319,336	37,523
City attorney	384,112	384,112	363,167	20,945
Total City Council, Manager and Attorney	<u>794,758</u>	<u>794,758</u>	<u>736,434</u>	<u>58,324</u>
Finance and Administrative Services				
Personnel and labor relations	250,961	300,961	315,875	(14,914)
Municipal court	346,793	346,793	328,411	18,382
Computer information systems	534,580	542,386	548,938	(6,552)
Records and elections	346,480	346,480	351,496	(5,016)
Property appraisal	270,162	270,162	262,801	7,361
Collections	84,428	84,428	79,947	4,481
Accounting	314,803	306,997	280,286	26,711
Financial management	282,604	282,604	278,931	3,673
Licenses and permits	303,344	223,344	41,134	182,210
Bad debts	93,500	5,000	12,341	(7,341)
Insurance	244,457	244,457	231,064	13,393
City hall operation	387,462	387,462	379,988	7,474
Total Finance and Administrative Services	<u>3,459,574</u>	<u>3,341,074</u>	<u>3,111,212</u>	<u>229,862</u>
Total General Government	<u>4,254,332</u>	<u>4,135,832</u>	<u>3,847,646</u>	<u>288,186</u>
COMMUNITY DEVELOPMENT				
City planning	313,827	313,827	310,144	3,683
Economic development	196,795	196,795	187,117	9,678
Code enforcement	531,626	561,626	577,094	(15,468)
Total Community Development	<u>1,042,248</u>	<u>1,072,248</u>	<u>1,074,355</u>	<u>(2,107)</u>

See accompanying auditors' report and notes to required supplementary information.

CITY OF BELOIT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010

CURRENT EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
PUBLIC SAFETY				
Police Department				
Staff services	\$ 11,010,810	\$ 11,010,810	\$ 10,800,881	\$ 209,929
Total Police Department	11,010,810	11,010,810	10,800,881	209,929
Fire Department				
Staff services	515,769	527,769	529,530	(1,761)
Inspection and prevention	381,384	380,384	364,806	15,578
Fire fighting and rescue	6,277,815	6,266,815	6,193,629	73,186
Total Fire Department	7,174,968	7,174,968	7,087,965	87,003
Total Public Safety	18,185,778	18,185,778	17,888,846	296,932
PUBLIC WORKS				
DPW engineering				
DPW administration and engineering	783,371	783,371	763,974	19,397
Total DPW engineering	783,371	783,371	763,974	19,397
DPW operations				
Streets and sanitation	2,981,103	2,981,103	2,766,117	214,986
Central stores	39,462	39,462	30,798	8,664
Total DPW operations	3,020,565	3,020,565	2,796,915	223,650
DPW parks and recreation				
Parks	1,484,159	1,484,159	1,363,468	120,691
Recreation	331,277	331,277	346,642	(15,365)
Edwards pavilion	242,338	242,338	238,672	3,666
Senior center	133,915	133,915	131,124	2,791
Rotary river center	26,796	26,796	21,887	4,909
Swimming pools	187,519	187,519	173,529	13,990
Total DPW parks and recreation	2,406,004	2,406,004	2,275,322	130,682
Total Public Works	6,209,940	6,209,940	5,836,211	373,729

See accompanying auditors' report and notes to required supplementary information.

CITY OF BELOIT

**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2010**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
DEBT SERVICE				
Principal retirement	\$ -	\$ -	\$ 10,000	\$ (10,000)
Total Expenditures	<u>29,692,298</u>	<u>29,603,798</u>	<u>28,657,058</u>	<u>946,740</u>
OTHER FINANCING USES				
Transfers out	-	-	257	-
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>257</u>	<u>-</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 29,692,298</u>	<u>\$ 29,603,798</u>	<u>\$ 28,657,315</u>	<u>\$ 946,740</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
(DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 9 (MAJOR FUND)
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 45,466	\$ 45,466	\$ 48,520	\$ 3,054
Intergovernmental	255	255	258	3
Interest income	800	800	1,510	710
Other	91,334	91,334	107,860	16,526
Total Revenues	<u>137,855</u>	<u>137,855</u>	<u>158,148</u>	<u>20,293</u>
EXPENDITURES				
Current				
General government	500	500	-	500
Capital Outlay	-	-	150	(150)
Total Expenditures	<u>500</u>	<u>500</u>	<u>150</u>	<u>350</u>
Excess of revenues over expenditures	<u>137,355</u>	<u>137,355</u>	<u>157,998</u>	<u>20,643</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(15,400)	(15,400)	(15,400)	-
Total Other Financing Sources (Uses)	<u>(15,400)</u>	<u>(15,400)</u>	<u>(15,400)</u>	<u>-</u>
Net Change in Fund Balance	121,955	121,955	142,598	20,643
FUND BALANCE (DEFICIT) - Beginning	<u>(3,362,823)</u>	<u>(3,362,823)</u>	<u>(3,362,823)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (3,240,868)</u>	<u>\$ (3,240,868)</u>	<u>\$ (3,220,225)</u>	<u>\$ 20,643</u>

See accompanying auditors' report and notes to required supplementary information.

CITY OF БЕЛОIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 10 (MAJOR FUND)
For the Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 3,355,127	\$ 3,355,127	\$ 3,470,523	\$ 115,396
Intergovernmental	13,525	13,525	51,298	37,773
Investment income	29,400	29,400	25,683	(3,717)
Other	-	-	-	-
Total Revenues	<u>3,398,052</u>	<u>3,398,052</u>	<u>3,547,504</u>	<u>149,452</u>
EXPENDITURES				
Capital Outlay	1,500,000	1,500,000	1,750,850	(250,850)
Contracted Services	20,000	20,000	25,010	(5,010)
Debt Service				
Principal retirement	1,075,000	1,075,000	1,153,769	(78,769)
Interest and fiscal charges	838,006	838,006	858,477	(20,471)
Total Expenditures	<u>3,433,006</u>	<u>3,433,006</u>	<u>3,788,106</u>	<u>(355,100)</u>
Deficiency of Revenues Over Expenditures	<u>(34,954)</u>	<u>(34,954)</u>	<u>(240,602)</u>	<u>(205,648)</u>
OTHER FINANCING SOURCES (USES)				
Sale of city property	-	-	75,710	75,710
Transfers out	(254,304)	(254,304)	(254,304)	-
Total Other Financing Sources (Uses)	<u>(254,304)</u>	<u>(254,304)</u>	<u>(178,594)</u>	<u>75,710</u>
Net Change in Fund Balance	(289,258)	(289,258)	(419,196)	(129,938)
FUND BALANCE - Beginning	<u>2,183,979</u>	<u>2,183,979</u>	<u>2,183,979</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,894,721</u>	<u>\$ 1,894,721</u>	<u>\$ 1,764,783</u>	<u>\$ (129,938)</u>

See accompanying auditors' report and notes to required supplementary information.

CITY OF BELOIT

OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
For the Year Ended December 31, 2010

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL) Projected Unit Credit Actuarial Cost	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
1/1/2010	\$	- \$ 100,219,009	\$ 100,219,009	0%	\$ 20,844,743	480.78%
1/1/2008		- 66,942,287	66,942,287	0%	21,911,189	305.52%

Note: The fiscal year ended December 31, 2008 was the first year of implementation of GASB 45, as such preceding years' information is not available. A new actuarial valuation is required every two years in accordance with governmental accounting standards. During 2010, the assumption for the medical trend rate was changed. The prior medical trend rate assumption started at 9% and reached the ultimate medical trend rate of 5% after 9 years. The medical trend rate assumption used in the current valuation starts at 9.3% and reaches the ultimate medical trend rate of 4.7% after 72 years.

CITY OF BELOIT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2010

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

SUPPLEMENTARY INFORMATION

CITY OF BELOIT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
December 31, 2010

	Special Revenue Funds				
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 5	TIF District No. 6	TIF District No. 8
ASSETS					
Cash and investments	\$ 265,504	\$ -	\$ 599,672	\$ 321,752	\$ -
Receivables					
Taxes	-	-	933,520	838,451	138,249
Accounts (net)	-	-	-	-	1,000
Loans	871,109	2,494,688	-	-	-
Accrued interest	-	-	-	-	-
Due from other governmental units	26,292	573,687	-	-	-
Due from funds	-	-	-	-	-
Due from component unit	-	-	-	-	-
TOTAL ASSETS	<u>\$ 1,162,905</u>	<u>\$ 3,068,375</u>	<u>\$ 1,533,192</u>	<u>\$ 1,160,203</u>	<u>\$ 139,249</u>
LIABILITIES AND FUND BALANCES					
Accounts payable	\$ 20,348	\$ 220,434	\$ 111,645	\$ 7,662	\$ -
Due to other funds	-	134,924	-	-	374,285
Deferred revenue	871,109	2,613,285	933,520	838,451	138,249
Advances from other funds	-	-	-	724,820	550,000
Total Liabilities	<u>891,457</u>	<u>2,968,643</u>	<u>1,045,165</u>	<u>1,570,933</u>	<u>1,062,534</u>
Fund Balances					
Reserved for					
Debt service	-	-	410,316	-	-
Encumbrances	141,725	737,895	77,711	5,974	-
Unreserved					
Designated for subsequent year's expenditures	129,723	-	-	-	-
Undesignated (deficit)	-	(638,163)	-	(416,704)	(923,285)
Total Fund Balances	<u>271,448</u>	<u>99,732</u>	<u>488,027</u>	<u>(410,730)</u>	<u>(923,285)</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,162,905</u>	<u>\$ 3,068,375</u>	<u>\$ 1,533,192</u>	<u>\$ 1,160,203</u>	<u>\$ 139,249</u>

Special Revenue Funds							
TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	Fire Multi-Year Grants	DPW Multi-Year Grants	Community Development	Library
\$ 188,196	\$ 2,195	\$ 820,908	\$ 65,046	\$ 28,668	\$ 157,459	\$ -	\$ 469,889
95,230	69,298	604,058	30,755	-	26,000	-	1,760,877
-	71,372	-	-	-	57,891	45,154	-
-	-	-	-	-	-	162,003	-
-	-	-	-	-	-	-	-
-	7,626	-	-	-	-	-	-
-	-	-	-	-	-	176,440	-
<u>\$ 283,426</u>	<u>\$ 150,491</u>	<u>\$ 1,424,966</u>	<u>\$ 95,801</u>	<u>\$ 28,668</u>	<u>\$ 241,350</u>	<u>\$ 383,597</u>	<u>\$ 2,230,766</u>
\$ 943	\$ -	\$ -	\$ -	\$ -	\$ 5,883	\$ 28,966	\$ 40,052
-	-	-	-	-	-	180,457	-
95,230	140,670	604,058	30,755	-	26,000	224,690	1,760,877
-	130,000	-	-	-	-	-	-
<u>96,173</u>	<u>270,670</u>	<u>604,058</u>	<u>30,755</u>	<u>-</u>	<u>31,883</u>	<u>434,113</u>	<u>1,800,929</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	64,742	-
187,253	-	820,908	65,046	28,668	209,467	-	429,837
-	(120,179)	-	-	-	-	(115,258)	-
<u>187,253</u>	<u>(120,179)</u>	<u>820,908</u>	<u>65,046</u>	<u>28,668</u>	<u>209,467</u>	<u>(50,516)</u>	<u>429,837</u>
<u>\$ 283,426</u>	<u>\$ 150,491</u>	<u>\$ 1,424,966</u>	<u>\$ 95,801</u>	<u>\$ 28,668</u>	<u>\$ 241,350</u>	<u>\$ 383,597</u>	<u>\$ 2,230,766</u>

CITY OF БЕЛОIT

Continued From
Previous Page

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)
December 31, 2010

	Special Revenue Funds			Capital Projects Funds		Total Nonmajor Governmental Funds
	Police	Solid Waste	Perpetual Care	Equipment Replacement	Computer Replacement	
ASSETS						
Cash and investments	\$ 101,643	\$ -	\$ 1,768,865	\$ 7,124,322	\$ 464,017	\$ 12,378,136
Receivables						
Taxes	137,500	34,142	-	-	-	4,668,080
Accounts (net)	16,763	446,842	-	-	-	639,022
Loans	-	-	-	-	-	3,527,800
Accrued interest	-	-	31,511	63,955	-	95,466
Due from other governmental units	6,618	-	-	-	-	606,597
Due from funds	-	-	-	-	-	7,626
Due from component unit	-	-	-	-	-	176,440
TOTAL ASSETS	\$ 262,524	\$ 480,984	\$ 1,800,376	\$ 7,188,277	\$ 464,017	\$ 22,099,167
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 1,600	\$ 29,810	\$ -	\$ 31,041	\$ 2,479	\$ 500,863
Due to other funds	-	257,870	3,528	-	-	951,064
Deferred revenue	175,397	-	31,511	-	-	8,483,802
Advances from other funds	-	-	-	-	-	1,404,820
Total Liabilities	176,997	287,680	35,039	31,041	2,479	11,340,549
Fund Balances						
Reserved for						
Debt service	-	-	-	-	-	410,316
Encumbrances	-	-	-	730,452	-	1,758,499
Unreserved						
Designated for subsequent year's expenditures	85,527	193,304	1,765,337	6,426,784	461,538	10,803,392
Undesignated (deficit)	-	-	-	-	-	(2,213,589)
Total Fund Balances	85,527	193,304	1,765,337	7,157,236	461,538	10,758,618
TOTAL LIABILITIES AND FUND BALANCES	\$ 262,524	\$ 480,984	\$ 1,800,376	\$ 7,188,277	\$ 464,017	\$ 22,099,167

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2010

	Special Revenue Funds				
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 3	TIF District No. 5	TIF District No. 6
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 1,204,762	\$ 949,876
Intergovernmental	146,969	880,804	-	174,353	35,215
Licenses and permits	-	-	-	-	-
Fees and service charges	-	-	-	-	-
Investment income (loss)	7,373	24,566	-	16,361	12,431
Public charges for services	-	-	-	-	-
Other	33,543	455,868	-	-	-
Total Revenues	<u>187,885</u>	<u>1,361,238</u>	<u>-</u>	<u>1,395,476</u>	<u>997,522</u>
EXPENDITURES					
Current					
General government	-	-	3	-	2,000
Community development	205,475	1,683,361	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Parks, recreation, and education	-	-	-	-	-
Capital Outlay	-	-	-	1,160,923	196,707
Debt Service					
Principal retirement	-	-	-	-	108,098
Interest and fiscal charges	-	-	-	13,295	76,099
Total Expenditures	<u>205,475</u>	<u>1,683,361</u>	<u>3</u>	<u>1,174,218</u>	<u>382,904</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(17,590)</u>	<u>(322,123)</u>	<u>(3)</u>	<u>221,258</u>	<u>614,618</u>
OTHER FINANCING SOURCES (USES)					
Debt issued	-	-	-	818,995	-
Sale of city property	-	-	-	-	-
Transfer in	-	-	257	-	-
Transfer out	-	-	-	(396,359)	(394,632)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>257</u>	<u>422,636</u>	<u>(394,632)</u>
Net Change in Fund Balances	(17,590)	(322,123)	254	643,894	219,986
FUND BALANCES (DEFICIT) - Beginning of Year - as restated	<u>289,038</u>	<u>421,855</u>	<u>(254)</u>	<u>(155,867)</u>	<u>(630,716)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 271,448</u>	<u>\$ 99,732</u>	<u>\$ -</u>	<u>\$ 488,027</u>	<u>\$ (410,730)</u>

Special Revenue Funds

TIF District No. 8	TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	Fire Multi-Year Grants	DPW Multi-Year Grants	Community Development	Library
\$ 123,723	\$ 84,405	\$ 66,695	\$ 694,130	\$ 59,106	\$ -	\$ 25,000	\$ -	\$ 1,709,589
-	123	3,813	3,571	1,647	9,735	170,583	1,021,392	274,970
-	-	-	-	-	-	617	-	-
(4,272)	1,579	2,298	18,248	472	(382)	(655)	2,006	52,111
-	-	73,255	-	-	380	-	-	9,916
-	-	-	-	-	-	4,160	22,159	23,779
-	-	-	-	-	-	-	-	20,144
<u>119,451</u>	<u>86,107</u>	<u>146,061</u>	<u>715,949</u>	<u>61,225</u>	<u>9,733</u>	<u>199,705</u>	<u>1,045,557</u>	<u>2,090,509</u>
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	999,959	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	188,992	-	-
-	-	-	-	-	-	-	-	1,992,966
150	12,311	151	618,392	-	3,723	-	-	8,506
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>150</u>	<u>12,311</u>	<u>151</u>	<u>618,392</u>	<u>-</u>	<u>3,723</u>	<u>188,992</u>	<u>999,959</u>	<u>2,001,472</u>
<u>119,301</u>	<u>73,796</u>	<u>145,910</u>	<u>97,557</u>	<u>61,225</u>	<u>6,010</u>	<u>10,713</u>	<u>45,598</u>	<u>89,037</u>
-	-	-	-	-	-	-	-	-
16,000	153,827	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
(262,991)	(60,175)	(63,755)	(94,338)	-	-	(15,000)	-	-
(246,991)	93,652	(63,755)	(94,338)	-	-	(15,000)	-	-
(127,690)	167,448	82,155	3,219	61,225	6,010	(4,287)	45,598	89,037
(795,595)	19,805	(202,334)	817,689	3,821	22,658	213,754	(96,114)	340,800
<u>\$ (923,285)</u>	<u>\$ 187,253</u>	<u>\$ (120,179)</u>	<u>\$ 820,908</u>	<u>\$ 65,046</u>	<u>\$ 28,668</u>	<u>\$ 209,467</u>	<u>\$ (50,516)</u>	<u>\$ 429,837</u>

CITY OF BELOIT

Continued From
Previous Page

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.)
For the Year Ended December 31, 2010

	Special Revenue Funds		Capital Projects Funds			Total Nonmajor Governmental Funds
	Police	Solid Waste	Perpetual Care	Equipment Replacement	Computer Replacement	
REVENUES						
Taxes	\$ 122,892	\$ 3,668	\$ -	\$ -	\$ -	\$ 5,043,846
Intergovernmental	283,312	198,405	-	-	-	3,204,892
Licenses and permits	-	1,391	-	-	-	2,008
Fees and service charges	-	-	-	-	-	52,111
Investment income (loss)	-	-	(48,442)	(151,586)	8,642	(101,445)
Public charges for services	137,435	2,174,156	59,661	-	-	2,468,666
Other	31,797	-	-	1,246,327	56,292	1,870,290
Total Revenues	575,436	2,377,620	11,219	1,094,741	64,934	12,540,368
EXPENDITURES						
Current						
General government	-	-	-	-	-	2,003
Community development	-	-	-	-	-	2,888,795
Public safety	558,270	-	-	-	-	558,270
Public works	-	2,300,285	-	-	-	2,489,277
Parks, recreation, and education	-	-	-	-	-	1,992,966
Capital Outlay	-	-	-	1,342,461	163,599	3,506,923
Debt Service						
Principal retirement	-	-	-	-	-	108,098
Interest and fiscal charges	-	-	-	-	-	89,394
Total Expenditures	558,270	2,300,285	-	1,342,461	163,599	11,635,726
Excess (deficiency) of revenues over expenditures	17,166	77,335	11,219	(247,720)	(98,665)	904,642
OTHER FINANCING SOURCES (USES)						
Debt issued	-	-	-	-	-	818,995
Sale of city property	-	-	-	-	-	169,827
Transfer in	-	-	-	-	-	257
Transfer out	-	-	-	-	-	(1,287,250)
Total Other Financing Sources (Uses)	-	-	-	-	-	(298,171)
Net Change in Fund Balances	17,166	77,335	11,219	(247,720)	(98,665)	606,471
FUND BALANCES (DEFICIT) - Beginning of Year - as restated	68,361	115,969	1,754,118	7,404,956	560,203	10,152,147
FUND BALANCES (DEFICIT) - END OF YEAR	\$ 85,527	\$ 193,304	\$ 1,765,337	\$ 7,157,236	\$ 461,538	\$ 10,758,618

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND (MAJOR FUND)
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ -	\$ 27,814	\$ 27,814
Fines, forfeitures and penalties	-	3,594	3,594
Special assessments	100,000	158,485	58,485
Investment income	50,000	3,147	(46,853)
Other	772,000	734,647	(37,353)
Total Revenues	<u>922,000</u>	<u>927,687</u>	<u>5,687</u>
EXPENDITURES			
Capital Outlay	4,461,279	4,191,503	269,776
Debt Service			
Interest and fiscal charges	<u>74,500</u>	<u>120,524</u>	<u>(46,024)</u>
Total Expenditures	<u>4,535,779</u>	<u>4,312,027</u>	<u>223,752</u>
Deficiency of revenues under expenditures	<u>(3,613,779)</u>	<u>(3,384,340)</u>	<u>229,439</u>
OTHER FINANCING SOURCES (USES)			
Debt issued	4,765,000	3,643,592	(1,121,408)
Transfers in	-	15,000	15,000
Total Other Financing Sources (Uses)	<u>4,765,000</u>	<u>3,658,592</u>	<u>(1,106,408)</u>
Net Change in Fund Balance	1,151,221	274,252	(876,969)
FUND BALANCE - Beginning - as restated	<u>5,230,752</u>	<u>5,230,752</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 6,381,973</u>	<u>\$ 5,505,004</u>	<u>\$ (876,969)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT BLOCK GRANT

For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 2,177,141	\$ 880,804	\$ (1,296,337)
Investment income	-	24,566	24,566
Other	546,380	455,868	(90,512)
Total Revenues	<u>2,723,521</u>	<u>1,361,238</u>	<u>(1,362,283)</u>
EXPENDITURES			
Current			
Community development	3,337,307	1,683,361	1,653,946
Total Expenditures	<u>3,337,307</u>	<u>1,683,361</u>	<u>1,653,946</u>
Deficiency of Revenues Under Expenditures	<u>(613,786)</u>	<u>(322,123)</u>	<u>291,663</u>
OTHER FINANCING SOURCES			
Transfer in	204,000	-	(204,000)
Total Other Financing Sources	<u>204,000</u>	<u>-</u>	<u>(204,000)</u>
Net Change in Fund Balance	(409,786)	(322,123)	87,663
FUND BALANCE - Beginning	<u>421,855</u>	<u>421,855</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 12,069</u>	<u>\$ 99,732</u>	<u>\$ 87,663</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 5
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 1,128,935	\$ 1,204,762	\$ 75,827
Intergovernmental	180,612	174,353	(6,259)
Investment income	21,100	16,361	(4,739)
Total Revenues	<u>1,330,647</u>	<u>1,395,476</u>	<u>64,829</u>
EXPENDITURES			
Current			
General government	81,500	-	81,500
Capital Outlay	963,350	1,160,923	(197,573)
Debt Service			
Principal retirement	-	-	-
Interest and fiscal charges	-	13,295	(13,295)
Total Expenditures	<u>1,044,850</u>	<u>1,174,218</u>	<u>(129,368)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	285,797	221,258	(64,539)
OTHER FINANCING SOURCES (USES)			
Debt issued	1,306,000	818,995	(487,005)
Transfers out	(412,910)	(396,359)	16,551
Total Other Financing Sources (Uses)	<u>893,090</u>	<u>422,636</u>	<u>(470,454)</u>
Net Change in Fund Balance	1,178,887	643,894	(534,993)
FUND BALANCE (DEFICIT) - Beginning - as restated	<u>(155,867)</u>	<u>(155,867)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 1,023,020</u>	<u>\$ 488,027</u>	<u>\$ (534,993)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 6 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 890,092	\$ 949,876	\$ 59,784
Intergovernmental	41,715	35,215	(6,500)
Investment income	15,000	12,431	(2,569)
Total Revenues	<u>946,807</u>	<u>997,522</u>	<u>50,715</u>
EXPENDITURES			
Current			
General government	1,500	2,000	(500)
Capital Outlay	200,000	196,707	3,293
Debt Service			
Principal retirement	100,000	108,098	(8,098)
Interest and fiscal charges	76,570	76,099	471
Total Expenditures	<u>378,070</u>	<u>382,904</u>	<u>(4,834)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>568,737</u>	<u>614,618</u>	<u>45,881</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(394,632)</u>	<u>(394,632)</u>	-
Total Other Financing Sources (Uses)	<u>(394,632)</u>	<u>(394,632)</u>	-
Net Change in Fund Balance	174,105	219,986	45,881
FUND BALANCE (DEFICIT) - Beginning	<u>(630,716)</u>	<u>(630,716)</u>	-
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (456,611)</u>	<u>\$ (410,730)</u>	<u>\$ 45,881</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 8
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 115,936	\$ 123,723	\$ 7,787
Investment income (loss)	-	(4,272)	(4,272)
Total Revenues	<u>115,936</u>	<u>119,451</u>	<u>3,515</u>
EXPENDITURES			
Capital Outlay	-	150	(150)
Total Expenditures	<u>-</u>	<u>150</u>	<u>(150)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>115,936</u>	<u>119,301</u>	<u>3,365</u>
OTHER FINANCING SOURCES (USES)			
Sale of city property	-	16,000	16,000
Transfer out	(115,936)	(262,991)	(147,055)
Total Other Financing Sources (Uses)	<u>(115,936)</u>	<u>(246,991)</u>	<u>(131,055)</u>
Net Change in Fund Balance	-	(127,690)	(127,690)
FUND BALANCE (DEFICIT) - Beginning	<u>(795,595)</u>	<u>(795,595)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (795,595)</u>	<u>\$ (923,285)</u>	<u>\$ (127,690)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 11 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 80,655	\$ 84,405	3,750
Intergovernmental	-	123	123
Investment income	900	1,579	679
Total Revenues	<u>81,555</u>	<u>86,107</u>	<u>4,552</u>
EXPENDITURES			
Capital Outlay	<u>500</u>	<u>12,311</u>	<u>(11,811)</u>
Total Expenditures	<u>500</u>	<u>12,311</u>	<u>(11,811)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>81,055</u>	<u>73,796</u>	<u>(7,259)</u>
OTHER FINANCING SOURCES (USES)			
Sales of city property	-	153,827	153,827
Transfers out	<u>(60,175)</u>	<u>(60,175)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(60,175)</u>	<u>93,652</u>	<u>153,827</u>
Net Change in Fund Balance	20,880	167,448	146,568
FUND BALANCE - Beginning	<u>19,805</u>	<u>19,805</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 40,685</u>	<u>\$ 187,253</u>	<u>\$ 146,568</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 12 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 62,498	\$ 66,695	\$ 4,197
Intergovernmental	3,841	3,813	(28)
Investment income	1,800	2,298	498
Public charges for services	77,452	73,255	(4,197)
Total Revenues	<u>145,591</u>	<u>146,061</u>	<u>470</u>
EXPENDITURES			
Capital Outlay	<u>1,000</u>	<u>151</u>	<u>849</u>
Total Expenditures	<u>1,000</u>	<u>151</u>	<u>849</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>144,591</u>	<u>145,910</u>	<u>1,319</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(63,756)</u>	<u>(63,755)</u>	<u>1</u>
Total Other Financing Sources (Uses)	<u>(63,756)</u>	<u>(63,755)</u>	<u>1</u>
Net Change in Fund Balance	80,835	82,155	1,320
FUND BALANCE (DEFICIT) - Beginning	<u>(202,334)</u>	<u>(202,334)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (121,499)</u>	<u>\$ (120,179)</u>	<u>\$ 1,320</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 13
For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 650,442	\$ 694,130	\$ 43,688
Intergovernmental	3,557	3,571	14
Investment income	20,800	18,248	(2,552)
Total Revenues	<u>674,799</u>	<u>715,949</u>	<u>41,150</u>
EXPENDITURES			
Capital Outlay	<u>789,000</u>	<u>618,392</u>	<u>170,608</u>
Total Expenditures	<u>789,000</u>	<u>618,392</u>	<u>170,608</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(114,201)</u>	<u>97,557</u>	<u>(129,458)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(94,338)</u>	<u>(94,338)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(94,338)</u>	<u>(94,338)</u>	<u>-</u>
Net Change in Fund Balance	(208,539)	3,219	(129,458)
FUND BALANCE - Beginning	<u>817,689</u>	<u>817,689</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 609,150</u>	<u>\$ 820,908</u>	<u>\$ (129,458)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - FIRE MULTI-YEAR GRANTS
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 25,128	\$ 9,735	\$ (15,393)
Donations	9,000	380	(8,620)
Investment income (loss)	-	(382)	(382)
Total Revenues	<u>34,128</u>	<u>9,733</u>	<u>(24,395)</u>
EXPENDITURES			
Capital Outlay	<u>516,128</u>	<u>3,723</u>	<u>512,405</u>
Total Expenditures	<u>516,128</u>	<u>3,723</u>	<u>512,405</u>
Net Change in Fund Balance	(482,000)	6,010	488,010
FUND BALANCE - Beginning	<u>22,658</u>	<u>22,658</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (459,342)</u>	<u>\$ 28,668</u>	<u>\$ 488,010</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - DPW MULTI-YEAR GRANTS For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 30,400	\$ 25,000	\$ (5,400)
Intergovernmental	201,325	170,583	(30,742)
Licenses and permits	-	617	617
Investment income (loss)	-	(655)	(655)
Other	5,000	4,160	(840)
Total Revenues	<u>236,725</u>	<u>199,705</u>	<u>(37,020)</u>
EXPENDITURES			
Current			
Public works	<u>239,416</u>	<u>188,992</u>	<u>50,424</u>
Total Expenditures	<u>239,416</u>	<u>188,992</u>	<u>50,424</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,691)</u>	<u>10,713</u>	<u>(87,444)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
Net Change in Fund Balance	(2,691)	(4,287)	(1,596)
FUND BALANCE - Beginning	<u>213,754</u>	<u>213,754</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 211,063</u>	<u>\$ 209,467</u>	<u>\$ (1,596)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 3,519,581	\$ 1,021,392	\$ (2,498,189)
Investment income	-	2,006	2,006
Other	155,941	22,159	(133,782)
Total Revenues	<u>3,675,522</u>	<u>1,045,557</u>	<u>(2,629,965)</u>
EXPENDITURES			
Current			
Community development	<u>4,140,391</u>	<u>999,959</u>	<u>3,140,432</u>
Total Expenditures	<u>4,140,391</u>	<u>999,959</u>	<u>3,140,432</u>
Net Change in Fund Balance	(464,869)	45,598	(5,770,397)
FUND BALANCE (DEFICIT) - Beginning	<u>(96,114)</u>	<u>(96,114)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (560,983)</u>	<u>\$ (50,516)</u>	<u>\$ (5,770,397)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - LIBRARY
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 1,709,589	\$ 1,709,589	\$ -
Intergovernmental	243,338	274,970	31,632
Fees and service charges	58,400	52,111	(6,289)
Investment income	12,000	9,916	(2,084)
Public charges for services	25,480	23,779	(1,701)
Other	23,550	20,144	(3,406)
Total Revenues	<u>2,072,357</u>	<u>2,090,509</u>	<u>18,152</u>
EXPENDITURES			
Current			
Parks, recreation and education	2,063,537	1,992,966	70,571
Capital Outlay	8,820	8,506	314
Total Expenditures	<u>2,072,357</u>	<u>2,001,472</u>	<u>70,885</u>
Net Change in Fund Balance	-	89,037	89,037
FUND BALANCE - Beginning	<u>340,800</u>	<u>340,800</u>	-
FUND BALANCE - ENDING	<u>\$ 340,800</u>	<u>\$ 429,837</u>	<u>\$ 89,037</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL - POLICE
 For the Year Ended December 31, 2010

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 133,050	\$ 122,892	\$ (10,158)
Intergovernmental	483,039	283,312	(199,727)
Public charges for services	138,500	137,435	(1,065)
Other	8,808	31,797	22,989
Total Revenues	<u>763,397</u>	<u>575,436</u>	<u>(187,961)</u>
EXPENDITURES			
Current			
Public safety	763,108	558,270	204,838
Total Expenditures	<u>763,108</u>	<u>558,270</u>	<u>204,838</u>
Net Change in Fund Balance	289	17,166	16,877
FUND BALANCE - Beginning	<u>68,361</u>	<u>68,361</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 68,650</u>	<u>\$ 85,527</u>	<u>\$ 16,877</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SOLID WASTE For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ -	\$ 3,668	\$ 3,668
Intergovernmental	209,500	198,405	(11,095)
Licenses and permits	700	1,391	691
Public charges for services	<u>2,177,038</u>	<u>2,174,156</u>	<u>(2,882)</u>
Total Revenues	<u>2,387,238</u>	<u>2,377,620</u>	<u>(9,618)</u>
EXPENDITURES			
Current			
Public works	<u>2,387,238</u>	<u>2,300,285</u>	<u>86,953</u>
Net Change in Fund Balance	-	77,335	77,335
FUND BALANCE - Beginning	<u>115,969</u>	<u>115,969</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 115,969</u>	<u>\$ 193,304</u>	<u>\$ 77,335</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - EQUIPMENT REPLACEMENT FUND For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment income (loss)	\$ 620,400	\$ (151,586)	\$ (771,986)
Other	<u>2,520,970</u>	<u>1,246,327</u>	<u>(1,274,643)</u>
Total Revenues	<u>3,141,370</u>	<u>1,094,741</u>	<u>(2,046,629)</u>
EXPENDITURES			
Capital Outlay	<u>2,409,755</u>	<u>1,342,461</u>	<u>1,067,294</u>
Total Expenditures	<u>2,409,755</u>	<u>1,342,461</u>	<u>1,067,294</u>
Excess (Deficiency) of revenues Over (Under) expenditures	<u>731,615</u>	<u>(247,720)</u>	<u>(979,335)</u>
FUND BALANCE - Beginning	<u>7,404,956</u>	<u>7,404,956</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 8,136,571</u>	<u>\$ 7,157,236</u>	<u>\$ (979,335)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - COMPUTER REPLACEMENT For the Year Ended December 31, 2010

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment income	\$ 7,500	\$ 8,642	\$ 1,142
Other	<u>70,500</u>	<u>56,292</u>	<u>(14,208)</u>
Total Revenues	<u>78,000</u>	<u>64,934</u>	<u>(13,066)</u>
EXPENDITURES			
Capital Outlay	<u>78,000</u>	<u>163,599</u>	<u>(85,599)</u>
Net Change in Fund Balance	-	(98,665)	(98,665)
FUND BALANCE - Beginning	<u>560,203</u>	<u>560,203</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 560,203</u>	<u>\$ 461,538</u>	<u>\$ (98,665)</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NONMAJOR PROPRIETARY FUNDS
December 31, 2010

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
ASSETS						
Current Assets						
Cash and investments	\$ 750	\$ -	\$ 356,965	\$ 23,626	\$ 360	\$ 381,701
Receivables						
Taxes	-	50,000	-	-	517,256	567,256
Customer accounts	-	-	302,491	178,171	42,000	522,662
Other	-	-	-	4,243	-	4,243
Due from other governmental units	-	-	-	-	263,840	263,840
Inventories	-	-	-	-	122,222	122,222
Restricted Assets						
Bond redemption account	-	-	-	126,444	-	126,444
Total Current Assets	<u>750</u>	<u>50,000</u>	<u>659,456</u>	<u>332,484</u>	<u>945,678</u>	<u>1,988,368</u>
Non-Current Assets						
Restricted Assets						
Construction account	-	-	-	1,442,882	-	1,442,882
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,442,882</u>	<u>-</u>	<u>1,442,882</u>
Capital Assets						
Land	816,000	322,000	-	-	132,000	1,270,000
Construction in progress	-	-	-	606,016	-	606,016
Land improvements	666,970	35,448	-	-	-	702,418
Buildings	280,988	120,153	-	-	4,432,323	4,833,464
Machinery, equipment, and vehicles	56,741	43,028	-	-	4,187,085	4,286,854
Infrastructure	-	-	-	10,772,259	-	10,772,259
Less: accumulated depreciation	(831,323)	(129,572)	-	(2,221,044)	(3,174,106)	(6,356,045)
Total Capital Assets, Net	<u>989,376</u>	<u>391,057</u>	<u>-</u>	<u>9,157,231</u>	<u>5,577,302</u>	<u>16,114,966</u>
Other Assets						
Unamortized debt discount	-	-	-	45,013	-	45,013
Total Other Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>45,013</u>	<u>-</u>	<u>45,013</u>
Total Non-Current Assets	<u>989,376</u>	<u>391,057</u>	<u>-</u>	<u>10,645,126</u>	<u>5,577,302</u>	<u>17,602,861</u>
Total Assets	<u>990,126</u>	<u>441,057</u>	<u>659,456</u>	<u>10,977,610</u>	<u>6,522,980</u>	<u>19,591,229</u>
LIABILITIES						
Current Liabilities						
Accounts payable	6,746	1,745	11,441	256,879	49,755	326,566
Accrued liabilities	-	-	-	10,065	4,916	14,981
Due to other funds	2,412	51,108	-	-	93,653	147,173
Compensated absences	8,423	1,146	31,820	17,267	-	58,656
Current maturities of						
general obligation debt	10,089	3,447	-	68,977	98,977	181,490
Unearned revenue	-	50,000	-	-	517,256	567,256
Other current liabilities	17,770	-	-	-	-	17,770
Current Liabilities Payable From						
Restricted Assets						
Current maturities of revenue debt	-	-	-	50,000	-	50,000
Accrued interest	-	-	-	12,124	-	12,124
Total Current Liabilities	<u>45,440</u>	<u>107,446</u>	<u>43,261</u>	<u>415,312</u>	<u>764,557</u>	<u>1,376,016</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NONMAJOR PROPRIETARY FUNDS
December 31, 2010

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
LIABILITIES (cont.)						
Noncurrent Liabilities						
General obligation debt	\$ 23,707	\$ 13,490	\$ -	\$ 1,245,122	\$ 643,293	\$ 1,925,612
Compensated absences	16,103	1,449	-	-	85,759	103,311
Other post-employment benefits	6,187	6,187	-	20,624	66,110	99,108
Revenue debt, less current maturities	-	-	-	1,420,000	-	1,420,000
Advances from other funds	564,000	-	-	-	-	564,000
Total Noncurrent Liabilities	<u>609,997</u>	<u>21,126</u>	<u>-</u>	<u>2,685,746</u>	<u>795,162</u>	<u>4,112,031</u>
Total Liabilities	<u>655,437</u>	<u>128,572</u>	<u>43,261</u>	<u>3,101,058</u>	<u>1,559,719</u>	<u>5,488,047</u>
NET ASSETS						
Invested in capital assets, net of related debt	955,580	374,120	-	7,861,027	4,835,032	14,025,759
Restricted	-	-	-	114,320	-	114,320
Unrestricted (deficit)	<u>(620,891)</u>	<u>(61,635)</u>	<u>616,195</u>	<u>(98,795)</u>	<u>128,229</u>	<u>(36,897)</u>
TOTAL NET ASSETS	<u>\$ 334,689</u>	<u>\$ 312,485</u>	<u>\$ 616,195</u>	<u>\$ 7,876,552</u>	<u>\$ 4,963,261</u>	<u>\$ 14,103,182</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - NONMAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2010

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
OPERATING REVENUES						
Charges for services	\$ 445,531	\$ 166,034	\$ 1,076,656	\$ 942,022	\$ 206,286	\$ 2,836,529
Other	1,180	4,879	-	-	30,987	37,046
Total Operating Revenues	<u>446,711</u>	<u>170,913</u>	<u>1,076,656</u>	<u>942,022</u>	<u>237,273</u>	<u>2,873,575</u>
OPERATING EXPENSES						
Operation and maintenance	470,873	291,275	946,175	573,511	1,666,336	3,948,170
Contractual services	-	-	-	164,142	175,616	339,758
Depreciation	28,126	3,022	-	122,726	281,319	435,193
Total Operating Expenses	<u>498,999</u>	<u>294,297</u>	<u>946,175</u>	<u>860,379</u>	<u>2,123,271</u>	<u>4,723,121</u>
Operating Income (Loss)	<u>(52,288)</u>	<u>(123,384)</u>	<u>130,481</u>	<u>81,643</u>	<u>(1,885,998)</u>	<u>(1,849,546)</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental revenues	-	-	-	-	1,172,108	1,172,108
Investment income (loss)	(904)	(3,062)	5,653	9,484	(647)	10,524
Interest expense	(1,208)	(670)	-	(80,766)	(29,710)	(112,354)
Amortization of debt issuance costs and premiums	-	-	-	(2,610)	-	(2,610)
General property taxes	-	-	-	-	519,980	519,980
Interest subsidy received on Build America Bonds	-	-	-	18,741	-	18,741
Total Nonoperating Revenues (Expenses)	<u>(2,112)</u>	<u>(3,732)</u>	<u>5,653</u>	<u>(55,151)</u>	<u>1,661,731</u>	<u>1,606,389</u>
Income (loss) before contributions	(54,400)	(127,116)	136,134	26,492	(224,267)	(243,157)
Capital contributions	-	-	-	55,598	261,099	316,697
Change in Net Assets	(54,400)	(127,116)	136,134	82,090	36,832	73,540
TOTAL NET ASSETS - Beginning	<u>389,089</u>	<u>439,601</u>	<u>480,061</u>	<u>7,794,462</u>	<u>4,926,429</u>	<u>14,029,642</u>
TOTAL NET ASSETS - Ending	<u>\$ 334,689</u>	<u>\$ 312,485</u>	<u>\$ 616,195</u>	<u>\$ 7,876,552</u>	<u>\$ 4,963,261</u>	<u>\$ 14,103,182</u>

CITY OF БЕЛОIT

STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2010

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
CASH FLOWS FROM OPERATING ACTIVITIES						
Received from customers	\$ 446,711	\$ 174,637	\$ 1,015,058	\$ 943,071	\$ 240,279	\$ 2,819,756
Paid to suppliers for goods and services	(293,159)	(120,189)	(186,060)	(411,978)	(1,105,917)	(2,117,303)
Payments to employees for services	(221,506)	(117,652)	(756,230)	(311,581)	(767,031)	(2,174,000)
Net Cash Provided by Operating Activities	(67,954)	(63,204)	72,768	219,512	(1,632,669)	(1,471,547)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating grants received	-	-	-	-	1,054,221	1,054,221
Interest subsidy received on Build America Bonds	-	-	-	14,498	-	14,498
Property taxes received	-	-	-	-	519,980	519,980
Non-capital advance (and repayment)	80,000	-	-	-	(170,920)	(90,920)
Net Cash Used by Noncapital Financing Activities	80,000	-	-	14,498	1,403,281	1,497,779
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt retired	(9,934)	(3,446)	-	(65,715)	(116,821)	(195,916)
Interest paid	(1,208)	(670)	-	(100,645)	(31,007)	(133,530)
Debt issuance costs and premium	-	-	-	(47,623)	-	(47,623)
Proceeds from issuance of new debt	-	-	-	1,538,113	-	1,538,113
Acquisition and construction of capital assets	-	-	-	(408,691)	(1,287,956)	(1,696,647)
Construction grants received	-	-	-	-	1,488,320	1,488,320
Net Cash Provided (Used) by Capital and Related Financing Activities	(11,142)	(4,116)	-	915,439	52,536	952,717
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income (loss)	(904)	(3,062)	5,653	9,484	(647)	10,524
Net Cash Provided (Used) by Investing Activities	(904)	(3,062)	5,653	9,484	(647)	10,524
Net Increase (Decrease) in Cash and Cash Equivalents	-	(70,382)	78,421	1,158,933	(177,499)	989,473
CASH AND CASH EQUIVALENTS - Beginning	750	70,382	278,544	434,019	177,859	961,554
CASH AND CASH EQUIVALENTS - Ending	\$ 750	\$ 0	\$ 356,965	\$ 1,592,952	\$ 360	\$ 1,951,027
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES						
Operating income (Loss)	\$ (52,288)	\$ (123,384)	\$ 130,481	\$ 81,643	\$ (1,885,998)	\$ (1,849,546)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Depreciation expense	28,126	3,022	-	122,726	281,319	435,193
Change in non-cash Components of Working Capital						
Accounts receivable	-	3,724	(61,598)	1,049	3,006	(53,819)
Prepayments	-	-	-	-	-	-
Inventories	-	-	-	-	(3,627)	(3,627)
Accounts payable	(1,326)	328	(216)	16,596	(45,491)	(30,109)
Other post-employment benefits	332	332	-	1,107	3,654	5,425
Payable to other funds	(54,639)	51,108	-	-	-	(3,531)
Compensated absences	-	-	-	(3,609)	14,468	10,859
Other current liabilities	11,841	1,666	4,101	-	-	17,608
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (67,954)	\$ (63,204)	\$ 72,768	\$ 219,512	\$ (1,632,669)	\$ (1,471,547)

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITY

During 2010, \$55,598 of storm capital assets were contributed by the City.
 During 2010, \$32,292 of storm interest was capitalized.
 During 2010, \$261,099 of transit capital grants were accrued.

CITY OF BELOIT

ENTERPRISE FUND - BELOIT MASS TRANSIT DETAILED SCHEDULE OF REVENUES AND EXPENSES - REGULATORY BASIS For the Year Ended December 31, 2010

	<u>2010</u>
REVENUE	
401 - Passenger fares for transit service	\$ 206,286
407 - Non-transportation revenue	
Advertising	13,149
Investment Income	(674)
Rental Income	17,525
Charter and miscellaneous	313 *
409 - Local operating assistance - city levy	519,980
409 - Local operating assistance - inter-government	67,125
411 - State operating assistance	472,211
413 - Federal operating assistance	632,772
Capital contributions	<u>261,099</u>
Total Revenue	<u>2,189,786</u>
EXPENSES - BY OBJECT CLASS TOTAL	
501 - Labor	766,885
502 - Fringe benefits	639,304
503 - Services	52,724
504 - Materials and supplies	228,794
505 - Utilities	46,512
506 - Casualty and liability costs	58,037
508 - Purchased transportation services	18,343
509 - Miscellaneous	31,353
509 - Interest expense	29,710
513 - Depreciation	<u>281,319</u>
Total Expenses	<u>2,152,981</u>
EXCESS EXPENSES OVER REVENUES FOR THE YEAR	<u>\$ 36,805</u>

* Contra expense for state subsidy purposes.

CITY OF BELOIT

ENTERPRISE FUND - BELOIT MASS TRANSIT
 RECONCILIATION OF REVENUES AND EXPENSES TO WISDOT AND FEDERAL
 RECOGNIZED REVENUES AND EXPENSES
 For the Year Ended December 31, 2010

	Per WisDOT Guidelines	Per Federal Guidelines
Beloit Revenues	\$ 2,189,786	\$ 2,189,786
Less Unrecognized Revenues		
Advertising Revenue	-	13,149
Charter Revenue	313	313
Investment income	(674)	(674)
Local Operating Assistance	587,105	587,105
State Operating Assistance	472,211	472,211
Federal Operating Assistance	632,772	632,772
Capital Contributions	1 261,099	261,099
ADJUSTED REVENUES	<u>\$ 236,960</u>	<u>\$ 223,811</u>
 Total Expenses	 \$ 2,152,981	 \$ 2,152,981
Less Non-Recognized Expenses		
Interest	29,710	29,710
Depreciation	281,319	281,319
Less Contra Expenses		
Charter Revenue	313	313
Capital Contributions for Operating Expenses	2 -	-
RECOGNIZED EXPENSES	<u>\$ 1,841,639</u>	<u>\$ 1,841,639</u>
RECOGNIZED EARNINGS (DEFICITS)	<u>\$ (1,604,679)</u>	<u>\$ (1,617,828)</u>
 1 - Capital contributions - assets capitalized	 261,099	
Capital contributions - expensed	-	
Total capital contributions	<u>261,099</u>	
 2 - Capital contributions - expensed	 -	
Federal share	80%	
Federal and local share of expenses	<u>-</u>	

CITY OF BELOIT

ENTERPRISE FUND - BELOIT MASS TRANSIT
 COMPUTATION OF THE DEFICIT DISTRIBUTION AMONG THE SUBSIDY GRANTORS
 For the Year Ended December 31, 2010

STATE FUNDS

WisDOT Contract Amount		<u>\$ 511,396</u>
Local Operating Subsidy	<u>\$ 587,105</u>	
5 Times Operating Subsidy		<u>\$ 2,935,525</u>
WisDOT Recognized Deficit	<u>\$ 1,622,204</u>	
Federal Share of Operating Assistance	<u>\$ 632,772</u>	
Remaining State Share of Deficit		<u>\$ 989,432</u>
WisDOT Recognized Expenses	<u>\$ 1,841,639</u>	
Maximum State and Federal Operating Assistance	60.00%	
	<u>\$ 1,104,983</u>	
Federal Share of Operating Assistance	<u>\$ 632,772</u>	
Remaining State Share of Operating Assistance		<u>\$ 472,211</u>
State Share – Least of the Five		<u>\$ 472,211</u>

FEDERAL SECTION 9 FUNDS

Federally Recognized Deficit	<u>\$ 1,635,353</u>	
50% of Federal Deficit		<u>\$ 817,677</u>
Federal Recognized Deficit	<u>\$ 1,635,353</u>	
Less: State share	<u>472,211</u>	
Local Share		<u>\$ 1,163,142</u>
Federal Share of Prior Year Grant Award		61,535
Maximum Federal Share Per Grant Award		<u>\$ 632,772</u>
Federal Section 9 Share – Least of the Three		<u>\$ 632,772</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - INTERNAL SERVICE FUNDS December 31, 2010

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
ASSETS					
Current Assets					
Cash and investments	\$ 59,832	\$ 410,702	\$ 141,806	\$ -	\$ 612,340
Accounts receivable	28,233	2,620	415,444	2,118	448,415
Total Current Assets	<u>88,065</u>	<u>413,322</u>	<u>557,250</u>	<u>2,118</u>	<u>1,060,755</u>
Non-Current Assets					
Restricted Assets					
Deposit with risk pool	-	1,575,475	-	-	1,575,475
Total Restricted Assets	<u>-</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,575,475</u>
Capital Assets					
Machinery, equipment, and vehicles	67,165	-	-	-	67,165
Less: Accumulated depreciation	(46,343)	-	-	-	(46,343)
Net Capital Assets	<u>20,822</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>20,822</u>
Total Non-Current Assets	<u>20,822</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,596,297</u>
Total Assets	<u>108,887</u>	<u>1,988,797</u>	<u>557,250</u>	<u>2,118</u>	<u>2,657,052</u>
LIABILITIES					
Current Liabilities					
Accounts payable	21,811	14,026	2,352	714	38,903
Claims payable	-	143,109	2,258,270	-	2,401,379
Due to other funds	-	-	504	1,693	2,197
Total Liabilities	<u>21,811</u>	<u>157,135</u>	<u>2,261,126</u>	<u>2,407</u>	<u>2,442,479</u>
NET ASSETS					
Invested in capital assets	20,822	-	-	-	20,822
Unrestricted (deficit)	66,254	1,831,662	(1,703,876)	(289)	193,751
TOTAL NET ASSETS	<u>\$ 87,076</u>	<u>\$ 1,831,662</u>	<u>\$(1,703,876)</u>	<u>\$ (289)</u>	<u>\$ 214,573</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS -
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2010

	<u>Equipment Operations</u>	<u>General Liability Insurance</u>	<u>Health Insurance</u>	<u>Retiree Health Insurance</u>	<u>Totals</u>
OPERATING REVENUES					
Charges for services	\$ 1,316,058	\$ 1,160,022	\$ 6,552,579	\$ 1,482,359	\$ 10,511,018
Total Operating Revenue	<u>1,316,058</u>	<u>1,160,022</u>	<u>6,552,579</u>	<u>1,482,359</u>	<u>10,511,018</u>
OPERATING EXPENSES					
Operation and maintenance	1,406,527	696,275	7,119,352	2,051,596	11,273,750
Contractual services	25,497	566,254	-	-	591,751
Depreciation	2,940	-	-	-	2,940
Total Operating Expenses	<u>1,434,964</u>	<u>1,262,529</u>	<u>7,119,352</u>	<u>2,051,596</u>	<u>11,868,441</u>
Operating Income (loss)	<u>(118,906)</u>	<u>(102,507)</u>	<u>(566,773)</u>	<u>(569,237)</u>	<u>(1,357,423)</u>
Transfer In	-	-	-	1,287,000	1,287,000
Transfer Out	-	-	(1,287,000)	-	(1,287,000)
Change in Net Assets	(118,906)	(102,507)	(1,853,773)	717,763	(1,357,423)
TOTAL NET ASSETS - Beginning	<u>205,982</u>	<u>1,934,169</u>	<u>149,897</u>	<u>(718,052)</u>	<u>1,571,996</u>
TOTAL NET ASSETS - ENDING	<u>\$ 87,076</u>	<u>\$ 1,831,662</u>	<u>\$ (1,703,876)</u>	<u>\$ (289)</u>	<u>\$ 214,573</u>

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2010

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	\$ 1,313,216	\$ 1,160,385	\$ 6,157,772	\$ 1,484,100	\$ 10,115,473
Paid to suppliers for goods and services	(996,249)	(1,163,671)	(6,534,429)	(2,771,100)	(11,465,449)
Payments to employees for services	(450,346)	(84,506)	-	-	(534,852)
Net Cash Provided (Used) by Operating Activities	<u>(133,379)</u>	<u>(87,792)</u>	<u>(376,657)</u>	<u>(1,287,000)</u>	<u>(1,884,828)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers out	-	-	(1,287,000)	1,287,000	-
Net Cash Used by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(1,287,000)</u>	<u>1,287,000</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(133,379)	(87,792)	(1,663,657)	-	(1,884,828)
CASH AND CASH EQUIVALENTS - Beginning	<u>193,211</u>	<u>498,494</u>	<u>1,805,463</u>	<u>-</u>	<u>2,497,168</u>
CASH AND CASH EQUIVALENTS - Ending	<u>\$ 59,832</u>	<u>\$ 410,702</u>	<u>\$ 141,806</u>	<u>\$ -</u>	<u>\$ 612,340</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ (118,906)	\$ (102,507)	\$ (566,773)	\$ (569,237)	\$ (1,357,423)
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities					
Depreciation expense	2,940	-	-	-	2,940
Change in non-cash Components of Working Capital					
Accounts receivable	(2,842)	363	(394,807)	1,741	(395,545)
Accounts payable	(14,571)	13,509	1,743	293	974
Payable to other funds	-	-	504	(719,797)	(719,293)
Claims payable	-	843	582,676	-	583,519
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ (133,379)</u>	<u>\$ (87,792)</u>	<u>\$ (376,657)</u>	<u>\$ (1,287,000)</u>	<u>\$ (1,884,828)</u>

CITY OF BELOIT

COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - TAX COLLECTIONS
For the year ended December 31, 2010

	<u>Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u>
	<u>January 1, 2010</u>			<u>December 31, 2010</u>
TAX COLLECTIONS				
Assets				
Cash and investments	\$ 12,188,936	\$ 11,377,082	\$ 12,188,936	\$ 11,377,082
Property taxes receivable	<u>11,061,531</u>	<u>12,492,827</u>	<u>11,061,531</u>	<u>12,492,827</u>
TOTAL ASSETS	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>
Liabilities				
Due to other taxing units	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>
TOTAL LIABILITIES	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>	<u>\$ 23,250,467</u>	<u>\$ 23,869,909</u>

CITY OF БЕЛОIT

COMBINING STATEMENT OF NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
December 31, 2010

	Primary Government			Total Primary Government	Component Unit	Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Beloit			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable		Apartments Redevelopment Phase I, LLC			
ASSETS								
Current Assets								
Cash and investments	\$ 870,799	\$ 470,596	\$ -	\$ 1,341,395	\$ 75,194	\$ 1,416,589	\$ -	\$ 1,416,589
Receivables								
Accounts	23,161	142,949	-	166,110	1,252	167,362	-	167,362
Lease receivable from Beloit Apartments Redevelopment - Phase I - LLC	-	2,151,487	-	2,151,487	-	2,151,487	(2,151,487)	-
Lease receivable from primary government	-	-	1,305,000	1,305,000	-	1,305,000	-	1,305,000
Due from Beloit Apartments Redevelopment - Phase I - LLC	-	284,498	-	284,498	-	284,498	(74,695)	209,803
Due from Beloit Apartments Redevelopment - Phase 2 - LLC	-	135,860	-	135,860	-	135,860	-	135,860
Due from other governmental units	-	4,140	-	4,140	-	4,140	-	4,140
Tax credit fees	-	-	-	-	110,784	110,784	-	110,784
Prepaid items	391	-	-	391	-	391	-	391
Total Current Assets	<u>894,351</u>	<u>3,189,530</u>	<u>1,305,000</u>	<u>5,388,881</u>	<u>187,230</u>	<u>5,576,111</u>	<u>(2,226,182)</u>	<u>3,349,929</u>
Non-Current Assets								
Restricted Assets								
Cash and investments	-	-	2,641,934	2,641,934	25,802	2,667,736	-	2,667,736
Capital Assets								
Land	-	414,539	-	414,539	409,500	824,039	(409,500)	414,539
Land improvements	-	-	-	-	92,478	92,478	-	92,478
Construction in progress	-	1,498	-	1,498	812,008	813,506	-	813,506
Buildings	-	1,816,720	-	1,816,720	1,540,500	3,357,220	(589,315)	2,767,905
Building improvements	-	-	-	-	2,076,288	2,076,288	-	2,076,288
Machinery, equipment, furnishings and vehicles	11,802	2,324,899	-	2,336,701	44,751	2,381,452	-	2,381,452
Less: Accumulated depreciation	(10,313)	(3,074,255)	-	(3,084,568)	(5,880)	(3,090,448)	-	(3,090,448)
Total Capital Assets, Net	<u>1,489</u>	<u>1,483,401</u>	<u>-</u>	<u>1,484,890</u>	<u>4,969,645</u>	<u>6,454,535</u>	<u>(998,815)</u>	<u>5,455,720</u>
Other Assets								
Lease receivable from primary government	-	-	16,418,066	16,418,066	-	16,418,066	-	16,418,066
Total Non-Current Assets	<u>1,489</u>	<u>1,483,401</u>	<u>19,060,000</u>	<u>20,544,890</u>	<u>4,995,447</u>	<u>25,540,337</u>	<u>(998,815)</u>	<u>24,541,522</u>
Total Assets	<u>895,840</u>	<u>4,672,931</u>	<u>20,365,000</u>	<u>25,933,771</u>	<u>5,182,677</u>	<u>31,116,448</u>	<u>(3,224,997)</u>	<u>27,891,451</u>

	Primary Government			Total Primary Government	Component Unit	Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Beloit			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable		Apartments Redevelopment Phase I, LLC			
LIABILITIES								
Current Liabilities								
Accounts payable	\$ 6,298	\$ 3,241	\$ -	\$ 9,539	\$ 73,689	\$ 83,228	\$ (73,321)	\$ 9,907
Construction payables	-	-	-	-	673,485	673,485	-	673,485
Accrued liabilities	19,867	41,066	-	60,933	27,339	88,272	(1,374)	86,898
Due to primary government	29,614	166,949	-	196,563	-	196,563	-	196,563
Unearned revenues	-	81,727	-	81,727	1,216,240	1,297,967	-	1,297,967
Deposits	32,323	16,113	-	48,436	25,800	74,236	-	74,236
Lease revenue bonds payable	-	-	1,305,000	1,305,000	-	1,305,000	-	1,305,000
Total Current Liabilities	<u>88,102</u>	<u>309,096</u>	<u>1,305,000</u>	<u>1,702,198</u>	<u>2,016,553</u>	<u>3,718,751</u>	<u>(74,695)</u>	<u>3,644,056</u>
Non-Current Liabilities								
Compensated absences	3,070	28,275	-	31,345	-	31,345	-	31,345
Mortgage notes payable	-	-	-	-	2,230,749	2,230,749	(2,151,487)	79,262
Lease revenue bonds payable	-	-	19,060,000	19,060,000	-	19,060,000	-	19,060,000
Total Noncurrent Liabilities	<u>3,070</u>	<u>28,275</u>	<u>19,060,000</u>	<u>19,091,345</u>	<u>2,230,749</u>	<u>21,322,094</u>	<u>(2,151,487)</u>	<u>19,170,607</u>
Total Liabilities	<u>91,172</u>	<u>337,371</u>	<u>20,365,000</u>	<u>20,793,543</u>	<u>4,247,302</u>	<u>25,040,845</u>	<u>(2,226,182)</u>	<u>22,814,663</u>
NET ASSETS								
Invested in capital assets	1,489	1,483,401	-	1,484,890	-	1,484,890	(998,815)	486,075
Members' equity	-	-	-	-	935,375	935,375	-	935,375
Restricted for grant programs	803,179	2,852,159	-	3,655,338	-	3,655,338	-	3,655,338
TOTAL NET ASSETS	<u>\$ 804,668</u>	<u>\$ 4,335,560</u>	<u>\$ -</u>	<u>\$ 5,140,228</u>	<u>\$ 935,375</u>	<u>\$ 6,075,603</u>	<u>\$ (998,815)</u>	<u>\$ 5,076,788</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
 Year Ended December 31, 2010

	Primary Government			Total Primary Government	Component	Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Unit			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Lease Receiveable		Beloit Apartments Redevelopment Phase I, LLC			
EXPENSES								
Community development	\$ 3,335,078	\$ 909,171	\$ -	\$ 4,244,249	\$ 27,396	\$ 4,271,645	\$ (17,014)	\$ 4,254,631
PROGRAM REVENUES								
Charges for services	-	191,072	-	191,072	21,516	212,588	(17,014)	195,574
Operating grants and contributions	3,514,466	715,451	-	4,229,917	-	4,229,917	-	4,229,917
Other revenue	-	-	-	-	9,568	9,568	-	9,568
Total Program Revenues	3,514,466	906,523	-	4,420,989	31,084	4,452,073	(17,014)	4,435,059
Net Revenues (Expenses)	179,388	(2,648)	-	176,740	3,688	180,428	-	180,428
GENERAL REVENUES (EXPENSES)								
Investment income	1,856	2,874	1,279,933	1,284,663	2	1,284,665	-	1,284,665
Interest and amortization	-	-	(1,279,933)	(1,279,933)	(25,216)	(1,305,149)	-	(1,305,149)
Gain on capital assets	-	998,815	-	998,815	-	998,815	(998,815)	-
Loss on capital assets	-	(64,099)	-	(64,099)	-	(64,099)	-	(64,099)
Miscellaneous	19,081	-	-	19,081	-	19,081	-	19,081
Total General Revenue (Expenses)	20,937	937,590	-	958,527	(25,214)	933,313	(998,815)	(65,502)
Revenues (Expenses) Before Contributions	200,325	934,942	-	1,135,267	(21,526)	1,113,741	(998,815)	114,926
CAPITAL CONTRIBUTIONS	-	-	-	-	956,901	956,901	-	956,901
CHANGE IN NET ASSETS	200,325	934,942	-	1,135,267	935,375	2,070,642	(998,815)	1,071,827
NET ASSETS – Beginning of Year	604,343	3,400,618	-	4,004,961	-	4,004,961	-	4,004,961
NET ASSETS – END OF YEAR	\$ 804,668	\$ 4,335,560	\$ -	\$ 5,140,228	\$ 935,375	\$ 6,075,603	\$ (998,815)	\$ 5,076,788

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS - COMMUNITY DEVELOPMENT AUTHORITY
For the Year Ended December 31, 2010

	Primary Government			Totals
	Major	Major	Major	
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable	
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 53,375	\$ 30,082	\$ -	\$ 83,457
Paid to suppliers for goods and services	(3,178,496)	(337,245)	-	(3,515,741)
Payments to employees for services	(172,805)	(236,178)	-	(408,983)
Payments to city for tax equivalent	-	(8,732)	-	(8,732)
Net Cash Flows From Operating Activities	(3,297,926)	(552,073)	-	(3,849,999)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating grants received	3,242,659	596,469	-	3,839,128
Collections on leases receivable	-	-	1,261,869	1,261,869
Net Cash Flows From Non-Capital Financing Activities	3,242,659	596,469	1,261,869	5,100,997
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES				
Debt retired	-	-	(1,175,000)	(1,175,000)
Interest paid	-	-	(1,279,933)	(1,279,933)
Capital grants received	-	118,982	-	118,982
Acquisition and construction of capital assets	-	(9,198)	-	(9,198)
Cost of removal of property retired	-	(327,116)	-	(327,116)
Net Cash Flows From Capital and Related Financing Activities	-	(217,332)	(2,454,933)	(2,672,265)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,856	2,874	1,279,933	1,284,663
Net Cash Flows From Investing Activities	1,856	2,874	1,279,933	1,284,663
Net Change in Cash and Cash Equivalents	(53,411)	(170,062)	86,869	(136,604)
CASH AND CASH EQUIVALENTS - Beginning of Year	924,210	640,658	2,555,065	4,119,933
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 870,799	\$ 470,596	\$ 2,641,934	\$ 3,983,329
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating (loss)	\$ (3,335,078)	\$ (718,099)	\$ -	\$ (4,053,177)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by Operating Activities				
Non-operating income (loss)	19,081	-	-	19,081
Depreciation	802	242,378	-	243,180
Change in Assets and Liabilities				
Accounts receivable	34,294	(6,725)	-	27,569
Due from Beloit Apartments Redevelopment - Phase I - LLC	-	(210,395)	-	(210,395)
Due from other governmental units	-	10,229	-	10,229
Prepaid items	542	986	-	1,528
Accounts payable and accrued liabilities	6,426	(16,407)	-	(9,981)
Due to primary government	(14,559)	103,343	-	88,784
Unearned revenues	-	80,508	-	80,508
Deposits	-	(34,607)	-	(34,607)
Other liabilities	(9,434)	(3,284)	-	(12,718)
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (3,297,926)	\$ (552,073)	\$ -	\$ (3,849,999)
NONCASH CAPITAL AND FINANCING ACTIVITIES				
Capital assets sold under capital lease	\$ -	\$ 951,185	\$ -	\$ 951,185
Capital lease receivable	\$ -	\$ 1,950,000	\$ -	\$ 1,950,000

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NON-MAJOR COMPONENT UNITS

December 31, 2010

	Non-Major Business Improvement District	Non-Major Beloit Public Library Foundation, Inc.	Totals
ASSETS			
Current Assets			
Cash and investments	\$ 151,788	\$ 512,857	\$ 664,645
Advance payments	-	3,370	3,370
Receivables			
Special assessments	125,486	-	125,486
Accrued interest	-	433	433
Total Current Assets	277,274	516,660	793,934
Total Assets	277,274	516,660	793,934
LIABILITIES			
Current Liabilities			
Accounts payable	3,837	-	3,837
Due to primary government	101,694	-	101,694
Library campaign pledge	-	50,000	50,000
Unearned revenues	125,486	-	125,486
Total Current Liabilities	231,017	50,000	281,017
Non-Current Liabilities			
Library campaign pledge	-	150,000	150,000
Total Noncurrent Liabilities	-	150,000	150,000
Total Liabilities	231,017	200,000	431,017
NET ASSETS			
Restricted for grant programs	-	5,404	5,404
Unrestricted	46,257	311,256	357,513
TOTAL NET ASSETS	\$ 46,257	\$ 316,660	\$ 362,917

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET ASSETS - NON-MAJOR COMPONENT UNITS
 Year Ended December 31, 2010

	<u>Non-major Business Improvement District</u>	<u>Non-major Beloit Public Library Foundation, Inc.</u>	<u>Totals</u>
EXPENSES			
Economic development	\$ 209,621	\$ -	\$ 209,621
Library services	-	31,526	31,526
Total Expenses	<u>209,621</u>	<u>31,526</u>	<u>241,147</u>
PROGRAM REVENUES			
Charges for services	129,500	58,185	187,685
Operating grants and contributions	<u>83,056</u>	<u>6,676</u>	<u>89,732</u>
Total Program Revenues	<u>212,556</u>	<u>64,861</u>	<u>277,417</u>
Operating Income (Loss)	<u>2,935</u>	<u>33,335</u>	<u>36,270</u>
GENERAL REVENUES			
Investment income	<u>912</u>	<u>14,543</u>	<u>15,455</u>
Total General Revenues	<u>912</u>	<u>14,543</u>	<u>15,455</u>
Change in Net Assets	3,847	47,878	51,725
TOTAL NET ASSETS - Beginning	<u>42,410</u>	<u>268,782</u>	<u>311,192</u>
TOTAL NET ASSETS - ENDING	<u>\$ 46,257</u>	<u>\$ 316,660</u>	<u>\$ 362,917</u>

THIS PAGE IS INTENTIONALLY LEFT BLANK

Statistical Section

This section of the City of Beloit's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the city's overall financial condition through multi-year comparative data.

<u>Contents</u>	<u>Pages</u>
Financial Trends - Schedules 1 through 5 These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	134 - 140
Revenue Capacity - Schedules 6 through 10 These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.	141 - 145
Debt Capacity - Schedules 11 through 14 These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.	146 - 149
Demographic and Economic Information - Schedules 15 and 16 These schedules provide demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place and to help make comparisons over time with other governments.	150 - 151
Operating Information - Schedules 17 through 19 These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.	152 - 154

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.*

City of Beloit, Wisconsin
Net Assets by Component,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	\$ (1,760,281)	\$ 32,455,579	\$ 34,301,380	\$ 39,628,194	\$ 41,730,847	\$ 34,379,310	\$ 35,513,141	\$ 32,392,062
Restricted	13,796,880	10,863,873	11,768,879	13,459,223	11,760,200	10,428,457	8,816,905	8,659,283
Unrestricted	13,392,661	17,504,451	14,956,037	8,766,021	4,566,212	10,045,542	2,934,357	2,410,345
Total governmental activities net assets	<u>\$25,429,260</u>	<u>\$ 60,823,903</u>	<u>\$ 61,026,296</u>	<u>\$ 61,853,438</u>	<u>\$ 58,057,259</u>	<u>\$ 54,853,309</u>	<u>\$ 47,264,403</u>	<u>\$ 43,461,690</u>
Business-type activities								
Invested in capital assets, net of related debt	\$40,795,700	\$ 39,876,034	\$ 42,866,172	\$ 43,679,392	\$ 51,141,052	\$ 56,401,815	\$ 62,058,630	\$ 62,944,168
Restricted	3,296,536	9,258,839	7,524,675	8,032,063	8,110,918	6,694,042	2,899,983	3,138,458
Unrestricted	12,571,082	8,475,678	8,052,070	9,232,479	9,583,948	7,893,186	9,454,212	8,713,964
Total business-type activities net assets	<u>\$56,663,318</u>	<u>\$ 57,610,551</u>	<u>\$ 58,442,917</u>	<u>\$ 60,943,934</u>	<u>\$ 68,835,918</u>	<u>\$ 70,989,043</u>	<u>\$ 74,412,825</u>	<u>\$ 74,796,590</u>
Primary government								
Invested in capital assets, net of related debt	\$39,035,419	\$ 72,331,613	\$ 77,167,552	\$ 83,307,586	\$ 92,871,899	\$ 90,781,125	\$ 93,328,072	\$ 89,611,229
Restricted	17,093,416	20,122,712	20,885,644	21,491,286	19,871,118	17,122,499	11,716,888	11,797,741
Unrestricted	25,963,743	25,980,129	21,416,017	17,998,500	14,150,160	17,938,728	16,632,268	16,849,310
Total primary government net assets	<u>\$82,092,578</u>	<u>\$ 118,434,454</u>	<u>\$ 119,469,213</u>	<u>\$ 122,797,372</u>	<u>\$ 126,893,177</u>	<u>\$ 125,842,352</u>	<u>\$ 121,677,228</u>	<u>\$ 118,258,280</u>

Note: The city began to report accrual information when it implemented GASB Statement 34 in 2003. The 2004 balances were restated for the retroactive reporting of infrastructure capital assets.

**City of Beloit, Wisconsin
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)**

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Expenses								
Governmental activities:								
General government	\$ 644,342	\$ 612,189	\$ 723,994	\$ 715,922	\$ 776,459	\$ 804,713	\$ 780,235	\$ 680,410
Finance and administrative services	4,031,333	4,202,312	4,354,243	4,782,420	6,767,790	7,277,848	6,927,516	7,947,872
Community development	3,091,287	2,819,663	2,673,273	3,774,720	2,743,751	2,221,424	3,173,955	3,569,817
Economic development	212,794	232,040	225,825	241,839	264,699	266,796	278,919	315,893
Public safety:								
Police services	9,534,429	9,689,839	9,657,237	10,780,470	10,969,806	14,125,683	13,176,014	14,431,648
Fire services	6,087,103	6,279,879	6,553,907	6,794,772	7,335,343	7,544,082	8,709,729	9,460,266
Health	2,119,051	1,816,663	1,625,005	200,144	-	-	-	-
Public works	11,936,384	11,396,417	11,159,001	13,460,584	13,366,204	12,973,727	15,243,667	13,882,641
Library	1,717,707	1,766,186	1,862,844	1,988,168	2,050,640	2,117,408	2,701,175	2,222,913
Interest and fiscal charges	2,747,848	2,322,088	2,508,848	2,813,184	3,501,709	2,084,379	3,063,257	3,164,857
Total governmental activities	<u>42,122,278</u>	<u>41,137,276</u>	<u>41,344,177</u>	<u>45,552,223</u>	<u>47,776,401</u>	<u>49,416,060</u>	<u>54,054,467</u>	<u>55,676,317</u>
Business-type activities:								
Water	552,420	3,863,256	4,287,366	3,972,012	3,939,599	4,293,844	4,799,644	4,505,850
Sewer	7,413,585	7,775,483	8,419,122	7,013,940	7,189,675	7,500,706	7,683,971	7,920,544
Other non-major enterprise funds	3,066,042	3,081,295	3,407,599	3,552,212	4,345,532	4,630,975	4,699,156	4,962,055
Total business-type activities	<u>11,032,047</u>	<u>14,720,034</u>	<u>16,114,087</u>	<u>14,538,164</u>	<u>15,474,806</u>	<u>16,425,525</u>	<u>17,182,771</u>	<u>17,388,449</u>
Total primary government expenses	<u>\$ 53,154,325</u>	<u>\$ 55,857,310</u>	<u>\$ 57,458,264</u>	<u>\$ 60,090,387</u>	<u>\$ 63,251,207</u>	<u>\$ 65,841,585</u>	<u>\$ 71,237,238</u>	<u>\$ 73,064,766</u>
Program Revenues (see Schedule 3)								
Governmental activities:								
Charges for services:								
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074	\$ 21,402	\$ 17,856	\$ 15,507	\$ 26,550
Finance and administrative services	2,733,344	1,915,701	1,029,731	2,180,127	1,454,134	2,804,954	2,870,541	3,670,559
Community development	320,366	172,899	-	139,683	367,089	19,496	143,657	113,941
Economic development	57,215	68,227	23,091	14,585	-	-	-	-
Public safety:								
Police services	74,130	1,226,210	1,123,379	1,146,735	1,429,750	969,005	1,322,122	1,383,631
Fire services	39,428	63,229	60,024	22,061	19,589	164,324	40,676	52,421
Health	122,702	91,599	85,037	759	-	-	-	-
Public works	1,748,783	1,966,409	2,004,048	2,364,965	2,259,768	2,359,255	2,214,592	2,519,039
Library	54,255	63,308	103,841	150,241	140,446	160,832	195,909	194,405
Operating grants and contributions	3,585,554	4,308,531	2,755,787	2,398,066	1,157,167	1,861,658	2,693,755	1,992,886
Capital grants and contributions	3,705,837	1,779,114	767,858	846,026	233,136	262,640	1,157,709	234,354
Total governmental activities program revenues	<u>12,491,630</u>	<u>11,675,615</u>	<u>7,979,538</u>	<u>9,285,322</u>	<u>7,082,481</u>	<u>8,620,020</u>	<u>10,654,468</u>	<u>10,187,786</u>
Business-type activities:								
Charges for services:								
Water	357,578	4,469,255	4,507,623	4,660,075	4,605,675	4,693,431	4,690,251	5,029,628
Sewer	7,585,688	7,503,078	7,500,532	7,523,826	7,479,230	7,189,691	6,809,634	6,946,357
Other non-major enterprise funds	1,347,050	1,263,756	1,555,212	1,636,118	2,302,068	2,531,473	2,580,501	2,873,575
Operating grants and contributions	785,093	944,628	1,087,975	1,074,996	1,107,569	1,119,323	1,132,853	-
Capital grants and contributions	3,398,652	1,097,293	1,362,933	1,500,373	1,173,071	934,212	-	-
Total business-type activities program revenues	<u>13,474,061</u>	<u>15,278,010</u>	<u>16,014,275</u>	<u>16,395,388</u>	<u>16,667,613</u>	<u>16,468,130</u>	<u>15,213,239</u>	<u>14,849,560</u>
Total primary government program revenues	<u>\$ 25,965,691</u>	<u>\$ 26,953,625</u>	<u>\$ 23,993,813</u>	<u>\$ 25,680,710</u>	<u>\$ 23,750,094</u>	<u>\$ 25,088,150</u>	<u>\$ 25,867,707</u>	<u>\$ 25,037,346</u>
Net (expense)/revenue								
Governmental activities	\$(29,630,648)	\$(29,461,661)	\$(33,364,639)	\$(36,266,901)	\$(40,693,920)	\$(40,796,040)	\$(43,399,999)	\$(45,488,531)
Business-type activities	2,442,014	557,976	(99,812)	1,857,224	1,192,807	42,605	(1,969,532)	(2,538,889)
Total primary government net expense	<u>\$(27,188,634)</u>	<u>\$(28,903,685)</u>	<u>\$(33,464,451)</u>	<u>\$(34,409,677)</u>	<u>\$(39,501,113)</u>	<u>\$(40,753,435)</u>	<u>\$(45,369,531)</u>	<u>\$(48,027,420)</u>

(continued)

(concluded)

City of Beloit, Wisconsin
Changes in Net Assets,
Last Eight Fiscal Years
(accrual basis of accounting)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General revenues and other changes in net assets								
Governmental activities:								
Taxes								
Property taxes, levied for general purposes	\$ 4,737,886	\$ 4,689,377	\$ 4,843,078	\$ 5,156,577	\$ 5,375,871	\$ 5,570,069	\$ 5,654,118	\$ 5,990,830
Property taxes, levied for debt service	2,626,280	3,079,460	2,752,289	2,502,289	2,882,495	3,603,871	3,816,130	4,298,477
Property taxes, levied for other	3,171,118	3,193,143	3,304,771	3,808,617	4,360,329	6,816,113	7,492,551	8,560,888
Other taxes	65,209	114,248	291,301	619,176	508,753	551,547	510,674	612,327
Intergovernmental revenues not restricted to specific programs								
Public gifts and/or grants	19,560,171	18,667,021	20,368,636	21,794,494	20,671,176	20,071,655	20,679,687	21,209,003
Investment income	18,453	-	6,311	760	-	-	-	-
Gain (loss) on sale of property	705,929	640,920	562,780	1,793,770	2,397,498	691,086	630,129	39,470
Miscellaneous	-	-	-	300,835	623,359	318,690	86,179	172,518
Transfers	293,652	347,364	1,137,866	341,679	1,646,145	992,256	1,327,240	1,628,340
Total governmental activities	<u>32,921,253</u>	<u>31,031,533</u>	<u>33,567,032</u>	<u>37,094,043</u>	<u>36,897,741</u>	<u>37,592,090</u>	<u>35,811,093</u>	<u>41,685,818</u>
Business-type activities:								
Taxes								
Intergovernmental revenues not restricted to specific programs	586,230	503,520	618,208	754,260	700,697	594,530	530,980	519,980
Investment income	-	-	-	-	-	-	-	1,172,108
Miscellaneous	512,691	561,506	586,234	574,614	669,637	492,793	457,938	377,693
Gain (loss) on sale of property	36,619	15,483	27,736	-	-	-	15,781	26,838
Transfers	-	-	-	-	-	-	3,000	-
Total business-type activities	<u>1,135,540</u>	<u>780,509</u>	<u>932,178</u>	<u>553,028</u>	<u>2,938,219</u>	<u>2,110,520</u>	<u>5,393,314</u>	<u>2,922,654</u>
Total primary government	<u>\$ 34,056,793</u>	<u>\$ 31,812,042</u>	<u>\$ 34,499,210</u>	<u>\$ 37,647,071</u>	<u>\$ 39,835,960</u>	<u>\$ 39,702,610</u>	<u>\$ 41,204,407</u>	<u>\$ 44,608,472</u>
Change in net assets								
Governmental activities	\$ 3,290,605	\$ 1,569,872	\$ 202,393	\$ 827,142	\$ (3,796,179)	\$ (3,203,950)	\$ (7,588,906)	\$ (3,802,713)
Business-type activities	3,577,554	1,338,485	832,366	2,410,252	4,131,026	2,153,125	3,423,782	383,765
Total primary government	<u>\$ 6,868,159</u>	<u>\$ 2,908,357</u>	<u>\$ 1,034,759</u>	<u>\$ 3,237,394</u>	<u>\$ 334,847</u>	<u>\$ (1,050,825)</u>	<u>\$ (4,165,124)</u>	<u>\$ (3,418,948)</u>

Notes: The city began to report accrual information when it implemented GASB Statement 34 in 2003

In November 2003 the city acquired the water utility from Alliant Energy (Wisconsin Power and Light).

In 2006 the city consolidated its Health Department with the Rock County Health Department. The county now provides these services to city residents.

City of Beloit, Wisconsin
Program Revenues by Function/Program,
Last Eight Fiscal Years
(accrual basis of accounting)

Function/Program	Program Revenues							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074	\$ 21,402	\$ 17,856	\$ 15,507	\$ 26,550
Finance and administrative services	3,106,579	1,922,133	1,036,048	2,183,782	1,455,401	2,817,806	3,086,078	3,873,509
Community development	1,247,347	1,791,483	781,256	970,331	588,969	199,078	1,665,932	1,059,927
Economic development	231,744	68,227	40,357	396,608	166,421	11,076	41,529	-
Public safety:								
Police services	545,017	1,490,977	1,170,936	1,146,735	1,476,936	1,217,410	1,588,909	1,433,267
Fire services	86,559	114,971	115,011	79,169	68,752	248,684	105,548	118,626
Health	1,502,466	1,233,420	809,326	759	-	-	-	-
Public works	5,387,848	4,680,410	3,614,713	4,065,701	2,901,070	3,697,776	3,711,718	3,206,532
Library	334,054	353,606	385,149	420,163	403,530	410,334	439,247	469,375
Total governmental activities	<u>12,491,630</u>	<u>11,675,615</u>	<u>7,979,538</u>	<u>9,285,322</u>	<u>7,082,481</u>	<u>8,620,020</u>	<u>10,654,468</u>	<u>10,187,786</u>
Business-type activities:								
Water	2,462,326	5,469,747	5,665,145	5,287,437	4,886,450	4,980,009	5,680,334	6,123,465
Sewer	8,822,605	7,521,152	7,616,106	7,792,114	7,573,835	7,291,004	8,262,681	6,946,357
Other non-major enterprise funds	2,189,130	2,287,111	2,733,024	3,315,837	4,207,328	4,197,117	6,142,220	3,190,272
Total business-type activities	<u>13,474,061</u>	<u>15,278,010</u>	<u>16,014,275</u>	<u>16,395,388</u>	<u>16,667,613</u>	<u>16,468,130</u>	<u>20,085,235</u>	<u>16,260,094</u>
Total primary government	<u>\$ 25,965,691</u>	<u>\$ 26,953,625</u>	<u>\$ 23,993,813</u>	<u>\$ 25,680,710</u>	<u>\$ 23,750,094</u>	<u>\$ 25,088,150</u>	<u>\$ 30,739,703</u>	<u>\$ 26,447,880</u>

Notes: The city began to report accrual information when it implemented GASB Statement 34 in 2003.

In November 2003 the city acquired the water utility from Alliant Energy (Wisconsin Power and Light).

In 2006 the city consolidated its Health Department with the Rock County Health Department. The county now provides these services for city residents.

City of Beloit, Wisconsin
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General fund										
Reserved	\$ 2,671,669	\$ 3,045,541	\$ 2,291,884	\$ 2,301,074	\$ 2,441,506	\$ 2,272,741	\$ 2,031,796	\$ 2,149,150	\$ 1,924,704	\$ 2,076,049
Unreserved	8,105,121	8,903,048	9,156,158	8,025,173	7,312,676	8,165,444	8,547,741	8,184,365	8,519,970	8,724,137
Total general fund	<u>\$ 10,776,790</u>	<u>\$ 11,948,589</u>	<u>\$ 11,448,042</u>	<u>\$ 10,326,247</u>	<u>\$ 9,754,182</u>	<u>\$ 10,438,185</u>	<u>\$ 10,579,537</u>	<u>\$ 10,333,515</u>	<u>\$ 10,444,674</u>	<u>\$ 10,800,186</u>
All other governmental funds										
Reserved	\$ 10,622,595	\$ 13,928,934	\$ 8,985,078	\$ 11,494,064	\$ 12,554,918	\$ 11,856,614	\$ 10,935,007	\$ 11,565,636	\$ 8,022,576	\$ 7,271,469
Unreserved, reported in:										
Special revenue funds	(1,589,402)	2,243,709	6,645,230	5,733,357	5,483,717	3,082,789	3,423,288	533,830	(485,129)	243,976
Capital projects funds	11,591,808	12,443,822	15,211,988	7,880,186	5,863,503	11,299,595	22,179,563	9,335,975	8,910,576	9,354,103
Debt service funds	(6,650,085)	(8,566,563)	(8,349,672)	(2,721,092)	(2,227,682)	(6,489,022)	(5,136,143)	-	-	-
Total all other governmental funds	<u>\$ 13,974,916</u>	<u>\$ 20,049,902</u>	<u>\$ 22,492,624</u>	<u>\$ 22,386,515</u>	<u>\$ 21,674,456</u>	<u>\$ 19,749,976</u>	<u>\$ 31,401,715</u>	<u>\$ 21,435,441</u>	<u>\$ 16,448,023</u>	<u>\$ 16,869,548</u>
Total governmental funds	<u>\$ 24,751,706</u>	<u>\$ 31,998,491</u>	<u>\$ 33,940,666</u>	<u>\$ 32,712,762</u>	<u>\$ 31,428,638</u>	<u>\$ 30,188,161</u>	<u>\$ 41,981,252</u>	<u>\$ 31,768,956</u>	<u>\$ 26,892,697</u>	<u>\$ 27,669,734</u>

Note: It is the city's policy to maintain an unreserved, undesignated general fund balance of not less than 15% of operating revenues or three months of general fund expenditures, whichever is greater. The projected target for 2010 was \$7,423,075 which represents three months of budgeted operating expenditures. The city exceeded this limit by \$1,301,063.

City of Beloit, Wisconsin
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes (see Schedule 6)	\$ 9,208,327	\$ 9,764,202	\$ 10,600,491	\$ 10,843,237	\$ 11,265,060	\$ 11,572,159	\$ 12,615,533	\$ 16,047,362	\$ 17,006,060	\$ 18,928,612
Intergovernmental	24,245,788	25,053,509	26,625,582	23,246,309	22,225,934	23,493,675	21,902,213	21,831,391	22,996,684	23,009,047
Licenses and permits	527,722	593,274	599,810	639,774	776,138	862,170	758,459	733,953	567,135	579,017
Fines, forfeitures and penalties	817,194	907,809	886,032	952,782	993,225	1,128,260	1,212,231	1,187,381	1,166,653	1,270,139
Fees and service charges	1,466,635	1,599,255	722,437	951,737	511,779	662,075	630,560	677,097	648,181	720,898
Rent	73,652	82,679	112,476	58,103	38,988	44,459	43,182	30,715	30,026	15,469
Special assessments	451,184	385,596	216,283	183,671	294,488	388,906	314,066	246,045	250,769	158,485
Investment income	1,924,602	1,923,913	736,590	726,856	904,864	1,977,154	2,908,368	2,247,632	671,550	28,627
Public charges for services	-	-	1,586,080	1,757,120	1,682,946	2,031,103	2,256,901	2,261,251	2,254,880	2,576,526
Donations	17,379	38,008	13,876	13,531	17,502	-	-	-	-	-
Other	2,134,144	2,405,551	2,358,834	2,016,416	2,636,405	2,085,813	2,775,930	2,350,749	3,373,864	2,963,236
Total revenues	40,866,627	42,753,796	44,458,491	41,389,536	41,347,329	44,245,774	45,417,443	47,613,576	48,965,802	50,250,056
Expenditures										
Current										
General government	3,504,344	5,008,061	3,712,424	3,678,019	3,807,291	3,771,853	3,895,310	3,965,843	4,274,654	3,849,649
Community development	3,026,257	2,443,943	2,919,207	3,171,269	2,802,778	4,143,333	2,775,921	2,600,297	3,101,277	3,963,150
Public safety	13,655,810	14,270,529	15,400,453	15,982,181	16,369,892	16,961,863	17,960,197	18,022,207	18,225,392	18,447,116
Public health	1,937,255	2,025,143	2,097,905	1,834,356	1,655,042	334,012	-	-	-	-
Public works	6,646,582	6,648,828	7,228,369	7,441,486	7,633,559	8,095,485	8,797,432	8,780,712	8,622,853	8,325,488
Parks, recreation, and education	1,615,103	1,604,472	1,767,192	1,779,022	1,811,607	1,907,205	1,938,463	1,970,069	1,928,426	1,992,966
Capital outlay	9,467,586	10,816,717	9,278,605	8,663,952	12,142,447	14,193,984	10,443,691	18,213,473	20,304,947	9,474,436
Debt service:										
Principal retirement	4,237,255	3,296,793	8,198,136	4,129,286	3,612,222	3,570,886	11,760,034	10,294,458	4,946,407	5,609,568
Interest and fiscal charges	2,073,925	2,321,430	2,867,062	2,612,794	2,756,201	2,862,355	3,876,435	1,956,651	3,181,079	3,119,978
Total expenditures	46,164,117	48,435,916	53,469,353	49,292,365	52,591,039	55,840,976	61,447,483	65,803,710	64,585,035	54,782,351
Excess of revenues over (under) expenditures	(5,297,490)	(5,682,120)	(9,010,862)	(7,902,829)	(11,243,710)	(11,595,202)	(16,030,040)	(18,190,134)	(15,619,233)	(4,532,295)

(continued)

(concluded)

City of Beloit, Wisconsin
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Other financing sources (uses)										
Debt issued	6,619,780	3,905,077	12,088,452	8,172,166	8,174,118	8,227,299	15,196,994	3,438,190	15,785,965	4,462,587
Capital lease issued	1,877,558	8,049,570	941,204	934,549	662,726	616,592	11,213,109	5,085,000	-	-
Premium on bonds	-	-	-	52,776	-	-	-	-	-	-
Payments to escrow agent	(2,612,379)	-	-	(2,904,746)	-	-	-	-	(1,194,912)	-
Sale of city property	81,579	218,165	254,536	163,416	822,742	734,988	780,745	477,845	88,022	262,246
Debt service - principal	-	-	-	-	-	-	-	-	(4,880,389)	-
Transfers in	1,913,852	2,168,654	1,350,951	2,313,628	1,204,367	1,984,009	1,017,571	1,350,505	3,247,606	2,141,710
Transfers out	(1,913,852)	(2,626,561)	(1,350,951)	(2,056,864)	(904,367)	(1,208,163)	(385,288)	(2,373,702)	(2,303,318)	(1,557,211)
Total other financing sources (uses)	<u>5,966,538</u>	<u>11,714,905</u>	<u>13,284,192</u>	<u>6,674,925</u>	<u>9,959,586</u>	<u>10,354,725</u>	<u>27,823,131</u>	<u>7,977,838</u>	<u>10,742,974</u>	<u>5,309,332</u>
Special item										
Retirement prior service	-	-	(2,323,452)	-	-	-	-	-	-	-
Total special items	-	-	<u>(2,323,452)</u>	-	-	-	-	-	-	-
Net change in fund balances	<u>\$ 669,048</u>	<u>\$ 6,032,785</u>	<u>\$ 1,949,878</u>	<u>\$ (1,227,904)</u>	<u>\$ (1,284,124)</u>	<u>\$ (1,240,477)</u>	<u>\$ 11,793,091</u>	<u>\$ (10,212,296)</u>	<u>\$ (4,876,259)</u>	<u>\$ 777,037</u>
Debt service as a percentage of non-capital expenditures	17.20%	14.93%	22.76%	14.98%	14.69%	13.28%	28.41%	23.93%	14.68%	16.78%

City of Beloit, Wisconsin
Tax Revenues by Source, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year	Property	Mobile Home	Payments In Lieu of	Prior Year Collections/ (Rescinded)	Motel	Total
2001	\$ 9,063,576	\$ 22,927	\$ 15,850	\$ 73,586	\$ 32,388	\$ 9,208,327
2002	9,678,621	27,583	16,342	-	41,656	9,764,202
2003	10,540,598	28,464	9,181	(18,960)	41,208	10,600,491
2004	10,963,221	23,515	8,489	(195,931)	43,943	10,843,237
2005	11,093,961	22,468	8,008	96,072	44,551	11,265,060
2006	11,430,534	18,786	9,097	63,981	49,761	11,572,159
2007	12,621,107	22,868	-	(82,301)	53,859	12,615,533
2008	15,992,806	25,791	13,185	(64,930)	80,510	16,047,362
2009	16,965,490	10,018	10,312	(372)	20,612	17,006,060
2010	18,852,196	12,182	10,509	899	52,826	18,928,612

Note: In 2009, the Wisconsin Legislature approved a bill that limits for two years the amount that local property taxes may be increased. Under this legislation, the property tax levy can only increase by 3% or the percentage that the previous year's net new construction represents of total equalized value.

City of Beloit, Wisconsin
Assessed Value and Equalized Value of Taxable Property,
Last Ten Fiscal Years

Fiscal Year	Residential Property	Commercial Property	Manufacturing Property	Agricultural Property	Personal Property	Total Taxable Assessed Value	City Direct Tax Rate	Total Equalized Value	Taxable Assessed Value as a Percentage of Equalized Value
2001	\$ 722,442,100	\$ 256,490,400	\$ 73,562,300	\$ 1,459,800	\$ 62,849,010	\$ 1,116,803,610	\$ 8.41	\$ 1,113,497,300	100.30%
2002	755,404,400	269,094,100	77,090,000	837,200	59,898,100	1,162,323,800	8.56	1,165,552,800	99.72%
2003	804,335,800	276,412,100	85,489,000	592,100	54,811,020	1,221,640,020	8.41	1,224,010,800	99.81%
2004	865,566,200	296,065,500	93,956,800	588,200	54,701,730	1,310,878,430	7.89	1,289,346,100	101.67%
2005	909,742,900	325,246,300	88,058,400	664,000	54,982,590	1,378,694,190	7.68	1,387,616,400	99.36%
2006	971,475,800	365,904,900	96,725,400	693,400	55,914,090	1,490,713,590	7.58	1,470,055,900	101.41%
2007	1,046,740,100	423,735,800	114,075,400	710,400	79,446,830	1,664,708,530	7.87	1,630,887,400	102.07%
2008	1,054,404,900	439,788,300	121,180,400	691,200	83,002,580	1,699,067,380	8.08	1,718,751,200	98.85%
2009	1,003,840,630	449,214,400	142,397,900	700,400	88,111,210	1,684,264,540	8.89	1,744,186,100	96.56%
2010	900,230,900	427,694,300	135,080,700	679,600	87,133,340	1,550,818,840	10.04	1,610,889,800	96.27%

Note: Property in the city is assessed each year as of January 1. Property is assessed at actual value; however, the Wisconsin Department of Revenue each year estimates the market value of all taxable property for the purpose of apportioning tax levies among the various taxing jurisdictions. This value is referred to as the equalized value. Taxable assessed value does not include tax exempt properties. Tax rates are per \$1,000 of assessed value and the city direct rate represents the city's portion of the tax levy. The total tax rates including those of other taxing jurisdictions can be found on Schedule 8. Taxes are levied in December based on the assessed value as of January 1 and collected the following year.

Source: City of Beloit annual budget.

City of Beloit, Wisconsin
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$1,000 of assessed value)

Beloit School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Beloit School District			
2001	2002	\$ 5.75	\$ 2.66	\$ 8.41	\$ 5.81	\$ 0.20	\$ 1.69	\$ 11.29	\$ 27.40	\$ (1.76)	\$ 25.64
2002	2003	6.30	2.26	8.56	5.89	0.20	1.72	10.68	27.05	(1.63)	25.42
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	10.67	27.08	(1.47)	25.61
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	10.27	25.89	(1.34)	24.55
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	10.44	25.92	(1.23)	24.69
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	10.22	25.02	(1.45)	23.57
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	9.08	24.03	(1.47)	22.55
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	7.73	23.03	(1.56)	21.48
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	8.53	25.15	(1.40)	23.75
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	9.84	28.08	(1.37)	26.71

Beloit Turner School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Beloit Turner School District			
2001	2002	\$ 5.75	\$ 2.66	\$ 8.41	\$ 5.81	\$ 0.20	\$ 1.69	\$ 13.21	\$ 29.32	\$ (1.76)	\$ 27.56
2002	2003	6.30	2.26	8.56	5.89	0.20	1.72	11.70	28.07	(1.63)	26.44
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	11.27	27.68	(1.47)	26.21
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	11.51	27.13	(1.34)	25.79
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	9.93	25.41	(1.23)	24.18
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	9.19	23.99	(1.45)	22.55
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	8.94	23.89	(1.47)	22.42
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	9.98	25.28	(1.56)	23.72
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	10.35	26.96	(1.40)	25.56
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	10.95	29.20	(1.37)	27.83

Clinton Community School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Clinton School District			
2001	2002	\$ 5.75	\$ 2.66	\$ 8.41	\$ 5.81	\$ 0.20	\$ 1.69	\$ 12.71	\$ 28.82	\$ (1.76)	\$ 27.06
2002	2003	6.30	2.26	8.56	5.89	0.20	1.72	12.50	28.87	(1.63)	27.24
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	12.31	28.72	(1.47)	27.25
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	9.09	24.71	(1.34)	23.37
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	10.47	25.95	(1.23)	24.72
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	10.17	24.97	(1.45)	23.52
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	9.87	24.82	(1.47)	23.35
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	10.32	25.62	(1.56)	24.07
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	11.42	28.03	(1.40)	26.63
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	11.97	30.21	(1.37)	28.84

Note: The city's property tax rate is approved each year by the City Council and is based on the city's tax levy and the taxable assessed value of property in the city. Property taxes are levied in December based on the assessed value as of January 1 of the tax year and collected the following year.

(a) Overlapping rates are those of other local governments and taxing authorities that apply to property owners within the City of Beloit. The school district rates apply only to those properties located within the various school districts whereas the city, county, state, and technical college rates would apply to all properties in the city.

**City of Beloit, Wisconsin
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Taxpayer	Type of Business/Property	2010			2001		
		Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank	Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank
ABC Supply/Hendricks	Wholesale Distribution/Property Development	\$ 63,466,540	4.09%	1	\$ 15,265,850	1.37%	2
Kerry Ingredients	Mfg of Food Additives	51,218,100	3.30%	2	9,079,300	0.81%	7
Staples Contract & Commercial LLC	Order Fulfillment Center	34,139,420	2.20%	3			
Frito Lay Inc	Food Processor	22,261,600	1.44%	4	17,950,100	1.61%	1
Walmart	Retailer	16,322,510	1.05%	5	10,886,080		4
Menards	Retailer	16,076,710	1.04%	6		0.00%	
Beloit Clinic	Health Services	14,866,820	0.96%	7	7,224,950	0.65%	10
Woodmans	Retail Grocer	14,643,250	0.94%	8	13,464,530		3
Jacobson Beloit LLC	Manufacturer	12,825,000	0.83%	9			
Hawks Ridge Apartments LLC	Apartment Rentals	11,711,350	0.76%	10			
Reynolds Aluminum	Manufacturer				10,059,200	0.90%	6
George Hormel & Co.	Food Processor				10,416,300	0.93%	5
Genencor International	Food & Beverage Additives Processor				7,397,100	0.66%	9
Bombardier Motor Corp.	Manufacturer				7,483,000	0.67%	8
Totals		<u>\$ 257,531,300</u>	<u>16.61%</u>		<u>\$ 109,226,410</u>	<u>9.78%</u>	

Source: City of Beloit Assessor's Office.

**City of Beloit, Wisconsin
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Levy Year	Collection Year	Total City Tax Levy (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2001	2002	\$ 9,391,862	\$ 1,185,525	12.62%	\$ 8,204,519	\$ 9,390,044	99.98%
	2003	9,944,939	1,779,328	17.89%	8,163,729	9,943,057	99.98%
	2004	10,278,170	2,342,404	22.79%	7,932,213	10,274,617	99.97%
	2005	10,339,882	2,158,553	20.88%	8,180,264	10,338,817	99.99%
	2006	10,589,015	2,710,639	25.60%	7,877,778	10,588,417	99.99%
	2007	11,296,602	1,719,444	15.22%	9,576,012	11,295,456	99.99%
	2008	13,108,729	2,198,715	16.77%	10,906,854	13,105,569	99.98%
	2009	13,727,262	2,804,254	20.43%	10,920,358	13,724,612	99.98%
	2010	14,980,809	4,112,716	27.45%	10,858,577	14,971,293	99.94%
	2011	15,564,530	3,861,158	24.81%	-	3,861,158	24.81%

Note: In addition to city property taxes, the city also collects and remits property taxes to the State of Wisconsin, Rock County, Beloit School District, Beloit Turner School District, Clinton Community School District and Blackhawk Technical College. Taxes are levied in December of each year based on the assessed value as of the preceding January 1. Real estate taxes can be paid in four installments on January 31, March 31, May 31 and July 31. Personal property taxes are due January 31. Tax settlements to the other taxing authorities are made in January, February, April, June and the final settlement is in August. The city contracts with the Rock County Treasurer to collect all real estate taxes. The city collects all personal property taxes unpaid after January 31.

(1) Source: City of Beloit budget

City of Beloit, Wisconsin
 Ratios of Outstanding Debt by Type,
 Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities					Total Primary Government	Percentage of Estimated Personal Income (a)	Per Capita (a)	
	General Obligation Bonds (b)	Other Debt	Capital Leases	Total	General Obligation Bonds (b)	Other Debt	Sewer Revenue Bonds	Water Revenue Bonds	Storm Water Revenue Bonds				Total
2001	\$26,008,509	\$ 66,349	\$4,031,527	\$30,106,385	\$1,465,064	\$ 465,584	\$ 24,872,894	\$ -	\$ -	\$ 26,803,542	\$ 56,909,927	5.93%	\$ 1,584
2002	26,590,422	282,720	11,843,174	38,716,316	1,240,493	363,112	22,231,690	-	-	23,835,295	62,551,611	6.31%	1,742
2003	31,122,651	244,931	12,539,030	43,906,612	302,400	260,474	19,460,330	25,210,000	-	45,233,204	89,139,816	8.54%	2,488
2004	32,128,176	317,987	13,473,579	45,919,742	360,974	154,714	16,538,407	24,645,000	-	41,699,095	87,618,837	8.46%	2,430
2005	36,414,248	609,211	14,136,305	51,159,764	1,861,902	54,402	12,190,504	24,065,000	-	38,171,808	89,331,572	8.47%	2,474
2006	41,318,203	527,882	14,430,759	56,276,844	2,747,023	-	9,586,186	23,470,000	-	35,803,209	92,080,053	8.11%	2,519
2007	53,255,304	306,532	17,136,868	70,698,704	4,169,402	-	6,890,000	23,700,000	-	34,759,402	105,458,106	8.96%	2,842
2008	52,967,110	235,479	15,670,044	68,872,633	5,928,389	-	4,090,000	23,025,000	-	33,043,389	101,916,022	8.63%	2,746
2009	53,844,175	110,000	19,681,831	73,636,006	5,986,851	-	-	26,240,000	-	32,226,851	105,862,857	9.29%	2,861
2010	54,003,141	100,000	18,325,674	72,428,815	5,925,112	-	-	29,155,000	1,470,000	36,550,112	108,978,927	N/A	2,948

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

(a) See Schedule 15 for personal income and population data.

(b) The city issued \$4.765 million in new general obligation debt in 2010.

City of Beloit, Wisconsin
Ratios of General Bonded Debt Outstanding and Legal Debt Margin,
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds	Percentage of Estimated Actual Market Value of Property (a)	Per Capita (b)	Total Debt Applicable to Debt Limit	Legal Debt Limit (c)	Legal Debt Margin (d)	Legal Debt Margin as a Percentage of the Debt Limit
2001	\$ 27,473,573	2.47%	\$ 765	\$ 27,473,573	\$ 55,674,865	\$ 28,201,292	50.65%
2002	27,830,915	2.39%	775	27,830,915	58,277,640	30,446,725	52.24%
2003	31,425,051	2.57%	877	31,425,051	61,200,540	29,775,489	48.65%
2004	32,489,150	2.52%	901	32,489,150	64,467,305	31,978,155	49.60%
2005	38,276,150	2.76%	1,060	38,276,150	69,380,820	31,104,670	44.83%
2006	44,065,226	3.00%	1,205	44,065,226	73,502,795	29,437,569	40.05%
2007	57,424,706	3.52%	1,547	57,424,706	81,544,370	24,119,664	29.58%
2008	58,895,499	3.43%	1,587	58,895,499	85,937,560	27,042,061	31.47%
2009	59,831,026	3.43%	1,617	59,831,026	87,209,305	27,378,279	31.39%
2010	59,928,253	3.72%	1,621	59,928,253	80,544,490	20,616,237	25.60%

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

(a) Property value data can be found in Schedule 6: Total Equalized Value is used as estimated market value.

(b) Population data can be found in Schedule 14: Demographic and Economic Indicators. Under city's Debt Policy target is \$950-\$1,050.

(c) Wisconsin State Statutes limit the city's general obligation indebtedness to 5% of the equalized value of taxable property within the city's boundaries. The city has established a self imposed limit under its Debt Policy of 3.5% of equalized value.

(d) The legal debt margin is the city's available borrowing authority under State Statutes and is calculated by subtracting the debt applicable to the legal debt limit from the legal debt limit.

The city issued \$4.765 million in new general obligation debt in 2010.

City of Beloit, Wisconsin
Direct and Overlapping Governmental Activities Debt
as of December 31, 2010

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Rock County	\$ 19,840,000	15.9503%	\$ 3,164,540
Beloit School District	12,990,092	94.5130%	12,277,326
Blackhawk Technical College	20,805,000	13.4191%	2,791,844
Beloit Turner School District	10,033,342	11.4373%	1,147,543
Clinton Community School District	13,175,000	11.4995%	<u>1,515,059</u>
Subtotal, overlapping debt			<u>20,896,311</u>
City direct debt			<u>54,003,141</u>
Total direct and overlapping debt			<u><u>\$ 74,899,452</u></u>

Sources: Equalized value data provided by the Wisconsin Department of Revenue was used to determine the estimated percentage of overlapping debt applicable. Debt outstanding data was provided by each jurisdiction.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Beloit. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be considered. However, this does not imply that every taxpayer is a resident and is responsible for repaying the debt of each overlapping government.

(a) The percentage of overlapping debt applicable is estimated using estimated market value (equalized value) of property as provided by the Wisconsin Department of Revenue. Applicable percentages were calculated by using the portion of the taxing jurisdiction's estimated market value that is within the city's boundaries and dividing it by the jurisdiction's total estimated market value.

City of Beloit, Wisconsin
Pledged Revenue Coverage,
Last Ten Fiscal Years

Fiscal Year	Sewer Utility Revenue Bonds (c)						Water Utility Revenue Bonds (a)						Storm Water Utility Revenue Bonds (a)					
	Debt Service						Debt Service						Debt Service					
	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage (b)	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage (b)	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage (b)
2001	\$ 9,432,034	\$4,156,001	\$ 5,276,033	\$ 1,900,000	\$1,603,162	1.51	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -	-
2002	9,600,571	4,026,390	5,574,181	2,050,000	1,474,913	1.58	-	-	-	-	-	-	-	-	-	-	-	-
2003	8,109,063	3,667,383	4,441,680	2,771,360	1,089,480	1.15	357,578	337,108	20,470	-	-	-	-	-	-	-	-	-
2004	7,865,348	4,138,694	3,726,654	2,921,923	954,384	0.96	4,658,328	1,967,294	2,691,034	565,000	1,092,770	1.62	-	-	-	-	-	-
2005	7,950,886	4,153,179	3,797,707	3,072,903	995,992	0.93	4,609,360	1,698,314	2,911,046	580,000	1,077,770	1.76	-	-	-	-	-	-
2006	7,894,227	4,122,852	3,771,375	2,604,318	446,585	1.24	4,791,033	1,757,711	3,033,322	595,000	1,066,170	1.83	-	-	-	-	-	-
2007	7,854,276	4,341,516	3,512,760	2,696,186	352,407	1.15	4,791,676	1,771,273	3,020,403	780,000	865,315	1.84	-	-	-	-	-	-
2008	7,495,480	4,613,801	2,881,679	2,800,000	248,500	0.95	4,851,984	1,914,142	2,937,842	675,000	980,887	1.77	-	-	-	-	-	-
2009	7,066,624	5,019,792	2,046,832	-	-	-	4,756,316	2,268,695	2,487,621	695,000	1,030,961	1.44	-	-	-	-	-	-
2010	7,083,699	5,370,311	1,713,388	-	-	-	5,227,163	1,853,338	3,373,825	1,110,000	1,189,850	1.47	983,798	737,653	246,145	-	41,424	5.94

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements. Sewer and water charges and other includes non-operating revenues. Operating expenses does not include interest, amortization expenses or depreciation.

- (a) The city acquired the water utility in November 2003 from Alliant Energy an affiliate of Wisconsin Power and Light and established the storm water utility January 1, 2007.
- (b) The city's required coverage ratios are 1.10 times for the sewer utility and 1.25 times for the water and storm water utilities.
- (c) The city had no outstanding sewer utility revenue bonds as of December 31, 2010.

City of Beloit, Wisconsin
Demographic and Economic Statistics,
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Estimated Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>School Enrollment (4)</u>	<u>Labor Force (5)</u>	<u>Employment (5)</u>	<u>Unemployment (5)</u>	<u>City Unemployment Rate (5)</u>
2001	35,931	\$ 959,213,976	\$ 26,696	6,880	17,747	16,314	1,433	8.1%
2002	35,918	991,588,226	27,607	6,967	17,403	15,830	1,573	9.0%
2003	35,826	1,043,253,120	29,120	6,799	17,174	15,686	1,488	8.7%
2004	36,058	1,035,297,296	28,712	6,941	17,129	15,766	1,363	8.0%
2005	36,106	1,054,403,518	29,203	7,113	17,065	15,691	1,374	8.1%
2006	36,560	1,135,699,840	31,064	7,169	17,459	16,192	1,267	7.3%
2007	37,110	1,177,500,300	31,730	7,125	17,493	16,193	1,300	7.4%
2008	37,110	1,181,062,860	31,826	7,130	16,981	15,548	1,433	8.4%
2009	37,000	1,139,489,000	30,797	7,146	17,275	14,254	3,021	17.5%
2010	36,966	NA	NA	6,891	16,486	14,362	2,124	12.9%

Sources: (1) State of Wisconsin Department of Administration or U. S. Census Bureau.

(2) Personal income estimate for the city is based on city population and per capita personal income for the Janesville/Beloit MSA using data obtained from the Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce.

(3) Regional Economic Information System, Bureau of Economic Analysis, U.S. Department of Commerce, Janesville/Beloit MSA.

(4) State of Wisconsin Department of Public Instruction.

(5) State of Wisconsin Department of Workforce Development - Office of Economic Advisors.

Note: Late in 2008 the General Motors assembly plant in Janesville, WI closed eliminating over 1,200 jobs and severely impacting the regional economy.

The affect of the plant's closure on the City of Beloit led to the unemployment rate soaring to almost 20% in 2009 and it remains as one of the highest in the State of Wisconsin.

**City of Beloit, Wisconsin
Principal Employers,
Current Year and Nine Years Ago**

Employer	2010			2001		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Beloit Health Systems	1,491	1	10.38%	938	1	5.75%
School District of Beloit	1,159	2	8.07%	890	2	5.46%
Frito-Lay	739	3	5.15%	640	5	3.92%
Kerry Ingredients	633	4	4.41%	400	8	2.45%
City of Beloit	519	5	3.61%	764	3	4.68%
Beloit College	422	6	2.94%	454	7	2.78%
Fairbanks-Morse	345	7	2.40%	375	9	2.30%
Hormel	304	8	2.12%	-	-	-
First National Bank & Trust	252	9	1.75%	-	-	-
Staples Distribution Center	242	10	1.69%	-	-	-
Regal-Beloit Corporation	-	-	-	650	4	3.98%
Reynolds Aluminum	-	-	-	550	6	3.37%
Wal-Mart	-	-	-	318	10	1.95%
Total	6,106		39.27%	5,661		34.70%

Source: City of Beloit Department of Economic Development.

City of Beloit, Wisconsin
Full-time Equivalent City Employees by Function/Program,
Last Ten Fiscal Years

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
Finance and Administrative Services	35.55	34.29	31.88	35.50	36.70	36.18	36.55	35.35	34.30	33.35
Community Development	34.77	32.92	34.00	22.40	17.40	17.00	19.00	19.00	18.00	18.00
Economic Development	1.65	1.90	1.58	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Public Safety:										
Police Services	103.60	100.10	97.10	94.59	95.45	95.05	95.75	95.95	95.91	95.91
Fire Services	63.50	64.50	63.50	63.50	63.50	65.10	65.62	65.65	65.65	65.65
Health	57.79	60.60	66.24	37.62	32.74	-	-	-	-	-
Engineering and public works	59.70	58.62	57.30	53.18	57.70	60.92	60.83	60.83	61.83	60.54
Parks and Recreation	28.21	25.99	18.75	26.48	26.56	38.97	40.64	40.26	40.26	39.26
Library	26.97	26.60	27.08	27.00	27.00	27.00	27.00	26.48	25.82	25.59
Water and Sewer Utility	34.74	32.41	30.60	33.20	33.60	34.20	34.96	36.80	36.82	37.11
Transit	18.35	18.90	18.77	19.50	19.50	20.50	20.50	20.10	20.50	20.50
Total	470.83	462.83	452.80	423.37	420.55	405.32	411.25	410.82	409.49	406.31

Source: City of Beloit annual budget

Notes: In 2006 the city merged its Health Department with the Rock County Health Department. The County now provides public health services for residents of the city.

A full time employee is scheduled to work 2,088 hours per year (including vacation and sick leave used). Full time equivalent employment is determined by dividing the total hours worked by 2,088.

City of Beloit, Wisconsin
Operating Indicators by Function/Program
Last Ten Years

<u>Function/Program</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General government										
New Building permits	52	78	76	92	65	83	27	17	9	2
Building permits issued	632	611	671	641	763	656	967	936	625	925
Building inspections conducted	4,549	4,416	4,997	5,185	3,871	5,310	5,585	4,215	3,811	3,972
Site plans reviewed	18	18	20	26	27	30	27	26	22	14
Rental permits issued	5,473	5,455	5,503	5,473	5,793	4,837	5,748	5,456	5,673	5,624
Police										
Physical Arrests	8,734	9,639	9,472	10,218	10,039	9,154	10,467	9,777	8,384	7,952
Traffic Violations	2,736	3,868	3,595	4,510	4,733	5,607	6,639	5,578	5,328	6,434
Parking Violations	10,236	8,067	7,541	10,350	10,579	12,401	12,663	11,209	8,197	9,536
Fire										
Emergency responses	6,645	6,762	6,724	6,972	7,256	7,327	7,565	7,979	7,262	7,834
Fires extinguished	83	72	70	71	76	73	115	122	96	125
Inspections conducted	1,600	1,858	1,921	1,970	1,979	2,420	2,430	2,449	2,349	2,336
Ambulance runs	3,727	3,391	3,152	3,214	3,330	3,388	3,392	3,625	3,394	3,498
Engineering and public works										
Development plans reviewed	18	18	20	26	27	30	27	26	22	14
Infrastructure projects designed	15	15	18	22	23	25	27	28	30	30
Infrastructure projects completed	12	13	15	18	21	20	14	18	20	20
Highways and Streets										
Street resurfacing (miles)	2.00	1.00	1.00	1.00	2.00	2.00	1.00	1.50	4.40	5
Potholes repaired	26,367	25,279	22,859	30,432	32,999	31,162	42,972	38,897	47,309	47,218
Sanitation										
Refuse collected (tons/day)	47	38	37	39	38	40	38	38	37	34
Recyclables collected (tons/day)	11	11	11	11	11	21	21	20	20	23
Culture and Recreation										
Facility use permits issued	292	309	350	357	439	469	453	465	459	448
Number of programs offered	67	65	67	65	65	64	66	67	79	77
Rounds of golf played	22,735	21,852	19,980	17,891	22,353	20,117	22,345	28,202	25,448	28,117
Senior center participants	23,868	23,870	23,880	24,000	24,225	20,571	20,411	22,564	24,199	24,318
Number of cemetery internments	159	160	173	151	165	193	169	178	148	161
Water										
Work orders processed			N/A	N/A	1,422	2,142	1,782	1,855	1,876	3,656
DHL locate tickets processed								4,706	4,620	4,248
Main breaks			N/A	45	29	30	49	39	34	35
Average daily production (MGD)			4.50	6.10	6.80	6.46	6.60	6.71	6.15	6
Peak daily production (MGD)			N/A	8.50	11.10	9.93	9.74	9.81	8.62	8
Wastewater										
Average daily treatment (MGD)	7.00	5.00	4.30	5.20	4.40	4.88	5.34	7.35	5.96	4
Peak daily treatment (MGD)	12.50	6.70	5.40	10.00	8.00	11.65	12.79	18.81	13.83	6
Transit										
Total route miles	312,595	317,916	319,324	317,160	392,041	392,041	392,041	392,041	392,041	343,029
Passengers	262,723	264,930	283,987	287,434	271,261	302,307	311,353	313,845	307,568	272,089

Source: Various city departments.

Note: Some of the information is not available for retroactive reporting and is identified as N/A. The water utility was acquired by the city in November 2003.

**City of Beloit, Wisconsin
Capital Asset Statistics by Function/Program
Last Ten Years**

<u>Function/Program</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	43	43	43	42	40	40	40	39	39	39
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Trucks	8	8	8	9	9	10	10	10	10	10
Ambulances	3	3	3	3	3	3	3	3	3	3
Refuse Collection										
Garbage trucks	14	14	14	14	15	14	14	14	14	14
Other public works										
Streets/highways (miles)	174.2	175.19	179.63	179.5	181.07	181.7	181.92	182.2	182.2	183.5
Streetlights	709	720	750	770	791	855	889	902	1,053	1,229
Traffic signals	42	42	42	40	39	40	40	40	40	40
Parks and recreation										
Acreage	833	833	837	837	851	851	851	851	861	861
Parks	31	31	32	32	34	34	34	34	35	35
Tennis courts	11	11	11	11	11	11	11	11	11	11
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Wells			7	7	7	7	7	7	7	7
Water mains (miles)			172	173	170	177	178	194	196.7	197.7
Hydrants			1380	1590	1559	1703	1714	1436	1434	1464
Storage capacity (MGD)			2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Wastewater										
Treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	162	162	162	163	164	164	168	170.5	170.8	175
Storm sewer (miles)	170	170	170	170	171	171	172	110.5	108	110.2
Treatment capacity (MGD)	11	11	11	11	11	11	11	11	11	11
Transit										
Buses	12	12	12	12	12	12	12	12	12	12

Source: Various city departments.

Note: The city acquired the water utility in November 2003. Prior to that date the water utility was owned by Alliant Energy a subsidiary of Wisconsin Power and Light Co.

THIS PAGE IS INTENTIONALLY LEFT BLANK

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

To the City Council
City of Beloit
Beloit, Wisconsin

We have audited 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 Beloit, Wisconsin as of and for the year ended December 31, 2010, which collectively comprise the City of Beloit's basic financial statements and have issued our report thereon dated June 27, 2011. Our report was modified to include a reference to other auditors and to disclose a restatement of the 2009 financial statements to correct an error. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Beloit Public Library Foundation, Inc., a component unit, and the limited liability corporation (LLC) presented as a component unit of the City of Beloit CDA, as described in our report on the City of Beloit's financial statements. The financial statements of the Beloit Public Library Foundation, Inc., a component unit of the City and the LLC of the CDA, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City of Beloit's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Beloit's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City of Beloit's internal control over financial reporting.

Our consideration of the internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses; and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. These material weaknesses are items 10-1, 10-2 and 10-3.

To the City Council
City of Beloit

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Beloit in a separate letter dated June 27, 2011.

The City of Beloit's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City of Beloit's responses and, accordingly, we express no opinion on them.

This report is intended solely for the information and use of the City of Beloit's management, city council, others within the entity, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly Victor Krause LLP

Madison, Wisconsin
June 27, 2011

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE STATE SINGLE AUDIT GUIDELINES

To the City Council
City of Beloit
Beloit, Wisconsin

Compliance

We have audited the City of Beloit, Wisconsin's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of the City of Beloit's major federal and major state programs for the year ended December 31, 2010. The City of Beloit's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and major state programs is the responsibility of the City of Beloit's management. Our responsibility is to express an opinion on the City of Beloit's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and the *State Single Audit Guidelines*. Those standards, OMB Circular A-133 and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or major state program occurred. An audit includes examining, on a test basis, evidence about the City of Beloit's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the City of Beloit's compliance with those requirements.

In our opinion, the City of Beloit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 or the *State Single Audit Guidelines* and which are described in the accompanying schedule of findings and questioned costs as items 10-4 and 10-5.

To the City Council
City of Beloit

Internal Control Over Compliance

Management of the City of Beloit is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal and state programs. In planning and performing our audit, we considered the City of Beloit's internal control over compliance with the requirements that could have a direct and material effect on a major federal or major state program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of the internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Beloit's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 10-4 and 10-5 to be material weaknesses.

This report is intended solely for the information and use of the City of Beloit's management, city council, others within the entity, federal and state awarding agencies and pass-through entities and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Tilly Vuckow-Krause LLP

Madison, Wisconsin
June 27, 2011

CITY OF BELOIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Direct Grant Number/ Pass-through Grantor's Number	Revenues				Expendi- tures Grantor Share
			Grantor Share		Total Revenues		
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)			
U.S. Department of Housing and Urban Development							
CDBG - Entitlement Grants Cluster							
Community Development Block Grants/Entitlement Grants	14.218	35959	\$ (194,243)	\$ 619,958	\$ 307,727	\$ 733,442	\$ 733,442
ARRA - Community Development Block Grants/Entitlement Grants - (Recovery Act Funded)	14.253	3595R	(20,625)	20,625	-	-	-
Total CDBG - Entitlement Grants Cluster			(214,868)	640,583	307,727	733,442	733,442
Passed through Wisconsin Department of Commerce							
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	73675200-4330-10479	(80,976)	907,858	-	826,882	826,882
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	3595E	(217,680)	217,680	147,363	147,363	147,363
Total CFDA #14.228			(298,656)	1,125,538	147,363	974,245	974,245
Passed Through City of Janesville							
Home Investment Partnerships Program	14.239	35125-35126-35127	(31,044)	151,721	26,292	146,969	-146,969
Public and Indian Housing	14.850		-	490,018	-	490,018	490,018
Section 8 Housing Choice Vouchers	14.871		-	3,514,466	-	3,514,466	3,514,466
CFP Cluster							
Public Housing Capital Fund	14.872						
WI39-PO64-501-07			(1,241)	12,941	-	11,700	11,700
WI39-PO64-501-08			(7,849)	23,246	3,020	18,417	18,417
WI39-PO64-501-09			(5,280)	167,151	-	161,871	161,871
WI39-PO64-501-10			-	4,728	1,120	5,848	5,848
Total Public Housing Capital Fund			(14,370)	208,066	4,140	197,836	197,836
ARRA - Public Housing Capital Fund Stimulus (Formula)	14.885	WI39S06450109	-	111,159	-	111,159	111,159
Capital Fund			-	111,159	-	111,159	111,159
Total CFP Cluster			(14,370)	319,225	4,140	308,995	308,995
Lead Hazard Reduction Demonstration Grant Program	14.905	73675200-436001-10510	-	64,687	(33,471)	31,216	31,216
Total U.S. Department of Housing and Urban Development			(558,937)	6,306,238	452,051	6,199,351	6,199,351
U.S. Department of Justice							
Passed through Rock County							
Bulletproof Vest Partnership Program	16.607	35378	(2,791)	5,293	-	2,502	2,502
Bulletproof Vest Partnership Program	16.607	35379	-	221	2,569	2,790	2,790
Total CFDA #16.607			(2,791)	5,514	2,569	5,292	5,292
Edward Byrne Memorial Justice Assistance Grant	16.738	35230	27,725	-	(8,968)	18,757	18,757
Edward Byrne Memorial Justice Assistance Grant	16.738	35231	-	23,400	(20,215)	3,185	3,185
Edward Byrne Memorial Justice Assistance Grant	16.738	35238	-	10,600	-	10,600	10,600
Edward Byrne Memorial Justice Assistance Grant	16.738	35239	12,756	-	(8,714)	4,042	4,042
Total CFDA #16.738			40,481	34,000	(37,897)	36,584	36,584
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	35189	-	745	-	745	745
Total U.S. Department of Justice			37,690	40,259	(35,328)	42,621	42,621

See notes to schedules of expenditures of federal and state awards.

CITY OF БЕЛОIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2010

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Direct Grant Number/ Pass-through Grantor's Number	Revenues				Expendi- tures Grantor Share
			Grantor Share			Total Revenues	
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance		
U.S. Department of Transportation							
Federal Transit Cluster							
ARRA - Federal Transit Capital Investment Grants 5307/5309	20.507	P2511263-4301-2009	\$ (763,901)	\$ 1,025,000	\$ -	\$ 261,099	\$ 261,099
Passed Through Wisconsin Department of Transportation							
Federal Transit Capital Investment Grants 5307/5309	20.500		(463,320)	463,320	-	-	-
Federal Transit Formula Grants	20.507	25707400-436002	(111,033)	553,973	189,832	632,772	632,772
Total Federal Transit Cluster			(1,338,254)	2,042,293	189,832	893,871	893,871
Passed Through Illinois Department of Transportation							
Highway Planning and Construction	20.505	35270	(10,325)	51,167	15,687	56,529	56,529
Passed Through Wisconsin Department of Transportation							
State and Community Highway Safety	20.600						
Speed Enforcement		10250-10251	(2,000)	19,562	4,922	22,484	22,484
Alcohol Enforcement		10260/10571	-	22,929	1,696	24,625	24,625
Total State and Community Highway Safety			(2,000)	42,491	6,618	47,109	47,109
Total U.S. Department of Transportation			(1,350,579)	2,135,951	212,137	997,509	997,509
U.S. Department of Homeland Security							
Passed Through Wisconsin Department of Administration							
Homeland Security Grant Program - Beloit Fire Department	97.067		-	1,348	-	1,348	1,348
TOTAL FEDERAL AWARDS			\$ (1,871,826)	\$ 8,483,796	\$ 628,860	\$ 7,240,829	\$ 7,240,829

See notes to schedules of expenditures of federal and state awards.

CITY OF BELOIT

SCHEDULE OF EXPENDITURES OF STATE AWARDS
For the Year Ended December 31, 2010

State Agency/Pass-Through Agency/Program Title	State Number	Direct Grant Number/Pass-through Grantor's Number	Revenues				Expenditures
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance	Total Revenues	
Wisconsin Department of Natural Resources							
Brownfield Site Assessment Grant	370.687	P4607526-438001-2008	\$ (99,950)	\$ 99,950	\$ -	\$ -	\$ -
Wisconsin Department of Transportation							
Transit Operating Aids	395.104						
2010 Operating Aids		25707400-436001	-	383,547	88,664	472,211	472,211
2009 Operating Aids		25707400-436001	14,656	-	(14,656)	-	-
2008 Operating Aids		25707400-436001	(49,576)	49,576	-	-	-
Total Transit Operating Aids			(34,920)	433,123	74,008	472,211	472,211
Planning Commission Program	395.202	35270	(28,526)	93,865	32,213	97,552	97,552
Total Wisconsin Department of Transportation			(63,446)	526,988	106,221	569,763	569,763
Wisconsin Department of Health Services							
Ambulance Funding Assistance Grant	435.162	74666400-436001-81021	-	9,735	-	9,735	9,735
Wisconsin Department of Administration							
Office of Justice Assistance							
Uniform Beat Patrol Officers	505.603	61622239-406001-10020	-	134,927	-	134,927	134,927
TOTAL STATE AWARDS			\$ (163,396)	\$ 771,600	\$ 106,221	\$ 714,425	\$ 714,425

See notes to schedules of expenditures of federal and state awards.

CITY OF BELOIT

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2010

NOTE 1 – REPORTING ENTITY

This report on Federal and State Awards includes the federal and state awards of the City of Beloit. The reporting entity for the city is based upon criteria established by the Governmental Accounting Standards Board.

The City of Beloit is the primary government according to GASB criteria, while the Beloit Community Development Authority (CDA) is a component unit.

Federal and state awards received directly by the CDA are included in this report.

The schedule includes only those programs required to be included in accordance with the *State Single Audit Guidelines*.

NOTE 2 – BASIS OF PRESENTATION

The accounting records for some grant programs are maintained on the modified accrual basis of accounting. Under the modified accrual basis, revenues are recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the liability is incurred. The accounting records for other grant programs are maintained on the accrual basis, i.e., when the revenue has been earned and the liability are incurred.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations* and the *State Single Audit Guidelines*.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2010

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

- > Material weakness(es) identified? X yes no
- > Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted?

 yes X no

FEDERAL OR STATE AWARDS

Internal control over major programs:

- > Material weakness(es) identified? X yes no
- > Significant deficiency(ies) identified? yes X none reported

Type of auditor’s report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

 X yes no

 Federal Programs State Programs

Auditee qualified as low-risk auditee?

 yes X no yes X no

Identification of major federal programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871	Section 8 Housing Choice Vouchers
	<u>CFP Cluster</u>
14.872	Public Housing Capital Fund
14.885	ARRA - Public Housing Capital Fund Stimulus (Formula)
	<u>Federal Transit Cluster</u>
20.507	ARRA - Federal Transit Capital Investment Grants 5307/5309
20.507	Federal Transit – Formula Grants

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2010

SECTION I – SUMMARY OF AUDITORS' RESULTS (cont.)

	<u>Federal</u>	<u>State</u>
Dollar threshold used to distinguish between type A and type B programs:	\$ 300,000	\$ 100,000

Identification of major state programs:

<u>State Number</u>	<u>Name of State Program</u>
395.104	Transit Operating Aids

SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Finding 10-1 Material Weakness – Internal Control Over Financial Reporting

Criteria: Statement on Auditing Standards (SAS) No. 115 requires us to communicate a material weakness if any of the following factors are relevant for the City of Beloit: 1) Material journal entries are detected as part of the financial audit; or 2) The auditor prepares the annual financial statements and footnotes.

Condition: The City of Beloit had material journal entries that were discovered during the course of the audit and we, as your auditors, prepared the city's financial statements.

Effect: The financial statements may not contain all of the required disclosures and the financial statements may be materially misstated.

Recommendation: We recommend that the city consider preparing its annual financial statements.

Management's Response: It would be extremely difficult given our current staffing complement for the City to comply with this recommendation without the addition of professional staff within the finance department. For efficiency, cost effectiveness and convenience the City has always required as part of its audit engagement, that the auditor prepares its annual financial statements and there is no immediate plan to deviate from this practice.

CITY OF БЕЛОIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (cont.)

Finding 10-2 Material Weakness – Internal Control Improvements

Criteria: Auditing standards state that a lack of controls is a weakness in internal control.

Condition: As part of the audit, we evaluated the controls over major transaction cycles. We identified the following conditions:

CONTROLS OVER ACCOUNTS PAYABLE/DISBURSEMENTS

1. There should be an appropriate system for review and approval of vendors.

Management's Response: The City currently requires all vendors to complete and submit an IRS Form W-9. We are amenable to initiating alternative procedures for the review and approval of vendors as recommended by the auditors.

2. Additional controls regarding check printing and processing should be developed for those instances when your normal controls cannot be followed.

Management's Response: The Accounting Division Director will approve cash disbursements in those instances when normal controls cannot be followed.

CONTROLS OVER RECEIVABLES/REVENUE

1. Utility accounts receivable balances should be reconciled to the billing system on a more regular basis.

Management's Response: The City will develop a process to reconcile utility accounts receivable balances to the billing system on a quarterly basis.

CONTROLS OVER INFORMATION TECHNOLOGY

1. There should be a formal process in place for setting up new employees in the system, changing settings for existing employees, and eliminating access for terminated employees.

Management's Response: The City's Human Resources Division will create a formal process for setting up new employees as well as eliminating system access for employees that is part of the termination process.

2. Access rights for the network and significant applications should be reviewed at least annually by an appropriate person. This is especially important without a formal process to set up, change, and eliminate users.

Management's Response: The review of access rights of the network and significant applications occurs every January and verified via email by the Director of Information Systems. This procedure formally begins in January 2011.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2010

SECTION II – FINANCIAL STATEMENT FINDINGS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS (cont.)

Finding 10-2 Material Weakness – Internal Control Improvements (cont.)

CONTROLS OVER INFORMATION TECHNOLOGY (cont.)

3. Security monitoring should be performed for access violations at the application and database levels and related threat events.

Management's Response: The review of access violations at the application and database levels occurs every January and verified via email by the Director of Information Systems. This procedure formally begins in January 2011.

CONTROLS OVER FINANCIAL REPORTING

1. The schedules of expenditures of federal and state awards should be reviewed and approved by someone other than the original preparer.

Management's Response: The Finance and Administrative Services Director will approve the schedules of expenditures of federal and state awards.

Effect: Internal controls that are not in place can cause a greater risk for both intentional and unintentional errors.

Recommendation: The city should designate a person within the organization to review these potential controls and make a suggestion on the city's ability and cost (including time) to implement some or all of them.

Finding 10-3 Material Weakness – Restatement

Criteria: Despite the fact that the City's management discovered the error, under current auditing standards, such a restatement is considered to be a material weakness in internal control as the error was not caught prior to the issuance of the 2009 financial statements.

Condition: During the current year, a restatement of the prior year financial statements was required to properly record TIF District No. 5 capital expenditures into TIF District No. 5. These expenditures had been recorded in the Capital Improvement Program Fund in 2009.

Effect: The 2009 financial statements were not properly recorded.

Recommendation: The City should update their records to correctly report the 2009 expenses.

Management's Response: The City has updated their records to report the 2009 expenses.

CITY OF БЕЛОIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2010

SECTION III – FEDERAL AWARDS AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

Finding 10-4 – CFP Cluster: 14.872/14.885

Criteria: OMB Common Rule A-102 requires that Federal agencies, or their subgrantees, shall not award assistance to applicants that are debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549. Agencies, or subgrantees, shall establish procedures for the effective use of the List of Parties Excluded from Federal Procurement or Nonprocurement programs to assure that they do not award assistance to listed parties in violation of the Executive Order.

Condition: The City did not verify that vendors were not suspended or debarred before approving contracts with them.

Effect: The City could be awarding federal funds to vendors that have been suspended or debarred from federal contracts.

Recommendation: We recommend that the City incorporate this step into the normal contracting process.

Management's Response: The City will verify that vendors were not suspended or debarred from federal contracts before awarding contracts.

Finding 10-5 – CFP Cluster: 14.872/14.885

Criteria: All non-federal entities shall follow federal laws and implementation regulations applicable to procurements, as noted in federal agency implementation of the A-102 common rule and OMB Circular A-110.

Condition: The City did not follow formal bidding requirements, per their procurement policy for vendors receiving payments under the grant.

Effect: Vendors selected may not meet selection guidelines according to City policies.

Recommendation: The City should review procurement/purchasing policies and incorporate any additional steps necessary to ensure policies are being followed.

Management's Response: The City will follow the formal bidding requirements as specified in our procurement policy.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2010

SECTION IV – OTHER ISSUES

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? _____ yes X no
2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
- | | | | | |
|---------------------------------|-------|-----|--------------|----|
| Department of Natural Resources | _____ | yes | <u> X </u> | no |
| Department of Transportation | _____ | yes | <u> X </u> | no |
| Department of Health Services | _____ | yes | <u> X </u> | no |
| Department of Administration | _____ | yes | <u> X </u> | no |
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? X yes _____ no
4. Name and signature of partner Thomas A. Scheidegger
Thomas A. Scheidegger, CPA, Partner
5. Date of report June 27, 2011