

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2008

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
TAXES				
Current Levy	\$ 5,554,621	\$ 5,554,621	\$ 5,570,069	\$ 15,448
Mobile home taxes	25,000	25,000	25,791	791
Prior year tax collection/rescinded taxes	55,000	55,000	(64,930)	(119,930)
Payment in lieu of taxes - housing authority	-	-	13,185	13,185
Motel tax	50,000	50,000	80,510	30,510
Total Taxes	5,684,621	5,684,621	5,624,625	(59,996)
INTERGOVERNMENTAL				
Shared aidable revenue	16,602,242	16,602,242	16,590,503	(11,739)
Emergency management aid	-	-	102,820	102,820
Fire distribution fee	55,500	55,500	51,686	(3,814)
Expenditure restraint payment	433,742	433,742	505,587	71,845
State highway aids	1,461,240	1,461,240	1,560,210	98,970
State aid - connecting streets	271,450	271,450	272,831	1,381
Municipal service payment	21,597	21,597	20,604	(993)
Computer exemption aid	45,000	45,000	46,030	1,030
Total Intergovernmental Revenues	18,890,771	18,890,771	19,150,271	259,500
LICENSES AND PERMITS				
Licenses				
Liquor - malt permits	69,950	69,950	50,762	(19,188)
Cable TV	334,000	334,000	331,678	(2,322)
Other licenses	16,461	16,460	13,656	(2,804)
Total Licenses	420,411	420,410	396,096	(24,314)
Permits				
Construction permits	176,375	176,375	144,026	(32,349)
Other permits	58,940	58,940	46,357	(12,583)
Underground storage tank inspection	5,500	5,500	6,014	514
Total Permits	240,815	240,815	196,397	(44,418)
Total Licenses and Permits	661,226	661,225	592,493	(68,732)

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2008

	<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	\$ 128,730	\$ 8,730
Nontraffic fines	420,000	420,000	374,548	(45,452)
Traffic fines	180,000	180,000	186,371	6,371
Parking fines	300,000	300,000	271,855	(28,145)
Penalties on taxes	100,000	100,000	148,489	48,489
Other	<u>40,200</u>	<u>40,200</u>	<u>68,848</u>	<u>28,648</u>
Total Fines, Forfeitures and Penalties	<u>1,160,200</u>	<u>1,160,200</u>	<u>1,178,841</u>	<u>18,641</u>
FEES AND SERVICE CHARGES				
Animal shelter	6,800	6,800	6,401	(399)
Recreation				
Other recreation	63,851	63,851	78,178	14,327
Telfer Park and Rivercenter	87,578	87,578	62,066	(25,512)
Golf lessons	2,000	2,000	1,057	(943)
Swimming pool	<u>52,461</u>	<u>52,461</u>	<u>65,044</u>	<u>12,583</u>
Total Recreation	<u>205,890</u>	<u>205,890</u>	<u>206,345</u>	<u>455</u>
Other General Revenue				
Fire inspection fees	34,000	34,000	44,749	10,749
Property transfer certificates	31,300	31,300	28,060	(3,240)
In-house fees	30,300	30,300	18,100	(12,200)
Hazardous material response	20,000	20,000	26,499	6,499
Donations and miscellaneous	259,056	259,056	216,224	(42,832)
Riverfest activity	31,885	31,885	26,880	(5,005)
Nutrition coordinator	5,485	5,485	7,115	1,630
Recoveries from city	10,000	10,000	335	(9,665)
Cable access fees	21,600	21,600	20,691	(909)
Miscellaneous police revenues	<u>566,306</u>	<u>36,400</u>	<u>32,034</u>	<u>(4,366)</u>
Total Other General Revenue	<u>1,009,932</u>	<u>480,026</u>	<u>420,687</u>	<u>(59,339)</u>
Total Fees and Service Charges	<u>1,222,622</u>	<u>692,716</u>	<u>633,433</u>	<u>(59,283)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2008

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
RENT	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 30,715</u>	<u>\$ (19,285)</u>
INVESTMENT INCOME	<u>800,000</u>	<u>800,000</u>	<u>942,956</u>	<u>142,956</u>
Total Revenues	<u>28,469,440</u>	<u>27,939,533</u>	<u>28,153,334</u>	<u>213,801</u>
OTHER FINANCING SOURCES				
Sale of city property	103,000	103,000	158,908	55,908
Transfers in - tax equivalent	<u>486,200</u>	<u>486,200</u>	<u>384,393</u>	<u>(101,807)</u>
Total Other Financing Sources	<u>589,200</u>	<u>589,200</u>	<u>543,301</u>	<u>(45,899)</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 29,058,640</u>	<u>\$ 28,528,733</u>	<u>\$ 28,696,635</u>	<u>\$ 167,902</u>

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CITY OF BELOIT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2008

CURRENT EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
GENERAL GOVERNMENT				
City Council, Manager, Attorney				
Council	\$ 60,802	\$ 60,802	\$ 66,028	\$ (5,226)
City manager	358,998	365,045	361,512	3,533
City attorney	369,759	371,099	348,894	22,205
Total City Council, Manager and Attorney	<u>789,559</u>	<u>796,946</u>	<u>776,434</u>	<u>20,512</u>
Finance and Administrative Services				
Personnel and labor relations	343,722	343,722	322,444	21,278
Municipal court	335,101	335,101	337,876	(2,775)
Computer information systems	401,060	401,398	404,909	(3,511)
Records and elections	376,000	376,330	377,627	(1,297)
Property appraisal	258,986	258,986	250,708	8,278
Collections	82,046	82,046	83,895	(1,849)
Accounting	357,821	358,931	360,171	(1,240)
Financial management	304,219	283,745	280,716	3,029
Licenses and permits	60,950	60,950	47,073	13,877
Bad debts	-	-	11,246	(11,246)
Insurance	234,246	234,246	239,680	(5,434)
City hall operation	475,367	475,367	453,289	22,078
Contingency	150,000	-	-	-
Total Finance and Administrative Services	<u>3,379,518</u>	<u>3,210,822</u>	<u>3,169,634</u>	<u>41,188</u>
Total General Government	<u>4,169,077</u>	<u>4,007,768</u>	<u>3,946,068</u>	<u>61,700</u>
COMMUNITY DEVELOPMENT				
City planning	296,822	297,043	286,434	10,609
Economic development	168,096	169,234	177,454	(8,220)
Code enforcement	630,357	630,357	635,696	(5,339)
Total Community Development	<u>1,095,275</u>	<u>1,096,634</u>	<u>1,099,584</u>	<u>(2,950)</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, 2008

CURRENT EXPENDITURES	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
PUBLIC SAFETY				
Police Department				
Staff services	\$ 10,509,279	\$ 10,513,394	\$ 10,437,278	\$ 76,116
Total Police Department	10,509,279	10,513,394	10,437,278	76,116
Fire Department				
Staff services	513,779	516,063	531,465	(15,402)
Inspection and prevention	368,175	368,952	403,367	(34,415)
Fire fighting and rescue	6,217,901	6,217,901	6,165,701	52,200
Total Fire Department	7,099,855	7,102,916	7,100,533	2,383
Total Public Safety	17,609,134	17,616,310	17,537,811	78,499
PUBLIC WORKS				
DPW engineering				
DPW administration and engineering	834,524	836,082	745,773	90,309
Total DPW engineering	834,524	836,082	745,773	90,309
DPW operations				
Streets and sanitation	2,968,323	3,118,881	3,214,303	(95,422)
Central stores	41,109	41,109	38,965	2,144
Total DPW operations	3,009,432	3,159,990	3,253,268	(93,278)
DPW parks and recreation				
Parks	1,429,387	1,430,045	1,477,293	(47,248)
Recreation	340,339	340,339	310,117	30,222
Edwards pavilion	210,322	210,322	207,015	3,307
Senior center	143,016	143,191	131,549	11,642
Rotary river center	32,615	32,615	25,638	6,977
Swimming pools	174,519	174,519	198,541	(24,022)
Total DPW parks and recreation	2,330,198	2,331,031	2,350,153	(19,122)
Total Public Works	6,174,154	6,327,103	6,349,194	(22,091)

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, 2008**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
DEBT SERVICE				
Principal retirement	\$ 11,000	\$ 11,000	\$ 10,000	\$ 1,000
Total Expenditures	<u>29,058,640</u>	<u>29,058,815</u>	<u>28,942,657</u>	<u>116,158</u>
OTHER FINANCING USES				
Transfers out	-	-	-	-
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES AND OTHER FINANCING USES	<u>\$ 29,058,640</u>	<u>\$ 29,058,815</u>	<u>\$ 28,942,657</u>	<u>\$ 116,158</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 110,500	\$ 32,628	\$ (77,872)
Intergovernmental	500	227	(273)
Interest income	-	3,450	3,450
Other	-	81,119	81,119
Total Revenues	111,000	117,424	6,424
EXPENDITURES			
Current			
General government	500	500	-
Capital Outlay	110,000	21,000	89,000
Debt Service			
Interest and fees*	-	(1,579,144)	1,579,144
Total Expenditures	110,500	(1,557,644)	1,668,144
Deficiency of revenues over expenditures	500	1,675,068	1,674,568
OTHER FINANCING SOURCES (USES)			
Transfers out	(6,000)	(6,000)	-
Total Other Financing Sources (Uses)	(6,000)	(6,000)	-
Net Change in Fund Balance	(5,500)	1,669,068	1,674,568
FUND BALANCE (DEFICIT) - Beginning	(5,125,700)	(5,125,700)	-
FUND BALANCE (DEFICIT) - ENDING	\$ (5,131,200)	\$ (3,456,632)	\$ 1,674,568

* Accrued interest payable to other funds forgiven by council action.

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 10 (MAJOR FUND)
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 1,628,825	\$ 1,870,520	\$ 241,695
Intergovernmental	2,000	20,997	18,997
Investment income	29,000	88,739	59,739
Public charges for services	45,797	-	(45,797)
Other	50,000	-	(50,000)
Total Revenues	<u>1,755,622</u>	<u>1,980,256</u>	<u>224,634</u>
EXPENDITURES			
Capital Outlay	806,140	312,508	493,632
Debt Service			
Principal retirement	715,000	6,409,562	(5,694,562)
Interest and fiscal charges	675,082	1,169,515	(494,433)
Total Expenditures	<u>2,196,222</u>	<u>7,891,585</u>	<u>(5,695,363)</u>
Deficiency of Revenues Over Expenditures	<u>(440,600)</u>	<u>(5,911,329)</u>	<u>(5,470,729)</u>
OTHER FINANCING SOURCES (USES)			
Debt issued	477,680	1,642,520	1,164,840
Capital lease issued	-	5,085,000	5,085,000
Sale of city property	-	151,909	151,909
Transfers out	(90,220)	(98,303)	(8,083)
Total Other Financing Sources (Uses)	<u>387,460</u>	<u>6,781,126</u>	<u>6,393,666</u>
Net Change in Fund Balance	(53,140)	869,797	922,937
FUND BALANCE - Beginning	<u>888,122</u>	<u>888,122</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 834,982</u>	<u>\$ 1,757,919</u>	<u>\$ 922,937</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, 2008**

<u>Actuarial Valuation Date</u>	<u>Actuarial Value of Assets</u>	<u>Actuarial Liability (AAL) Entry Age Normal Cost</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>UAAL as a Percentage of Covered Payroll</u>
12/31/2008	\$ -	\$ 66,942,287	\$ 66,942,287	0%	\$ 21,911,189	305.52%

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

CITY OF BELOIT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION December 31, 2008

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.

Excess expenditures over appropriations are as follows:

	<u>Amended Budget</u>	<u>Actual Expenditures</u>	<u>Excess</u>
<u>General Fund</u>			
DPW operations	\$ 3,159,990	\$ 3,253,268	\$ 93,278
DPW parks and recreation	2,331,031	2,350,153	19,122
Community development	1,096,634	1,099,584	2,950

S U P P L E M E N T A R Y I N F O R M A T I O N

CITY OF BELOIT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
December 31, 2008

	Special Revenue Funds		
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 3
ASSETS			
Cash and investments	\$ 176,263	\$ 385,576	\$ 274,534
Taxes receivable	-	-	377,282
Accounts receivable	-	-	-
Loans receivable	828,518	2,406,090	-
Due from other governmental units	58,167	108,152	-
Due from component unit	-	-	-
Prepaid items	-	-	-
Restricted cash	-	-	-
	-	-	-
TOTAL ASSETS	\$ 1,062,948	\$ 2,899,818	\$ 651,816
LIABILITIES AND FUND BALANCES			
Accounts payable	\$ 2,995	\$ 14,838	\$ -
Due to other funds	-	-	-
Deferred revenue	828,518	2,406,090	377,282
Advances from other funds	-	-	-
Total Liabilities	831,513	2,420,928	377,282
Fund Balances			
Reserved for			
Debt service	-	-	274,534
Encumbrances	29,025	206,253	-
Fundraising	-	-	-
Unreserved			
Designated for subsequent year's expenditures	202,410	272,637	-
Undesignated (deficit)	-	-	-
Total Fund Balances	231,435	478,890	274,534
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,062,948	\$ 2,899,818	\$ 651,816

Special Revenue Funds									
TIF District No. 5	TIF District No. 6	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
\$ 1,198,492	\$ 1,328,957	\$ -	\$ 90,320	\$ -	\$ 1,214,996	\$ -	\$ 29,290	\$ 141,286	\$ 35,899
1,153,098	806,610	117,511	54,941	74,558	667,887	16,878	-	24,500	-
-	-	-	85,302	112,560	-	-	-	65,447	118,450
-	-	-	-	-	-	-	-	-	170,997
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	122,291
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	3,087	-
<u>\$ 2,351,590</u>	<u>\$ 2,135,567</u>	<u>\$ 117,511</u>	<u>\$ 230,563</u>	<u>\$ 187,118</u>	<u>\$ 1,882,883</u>	<u>\$ 16,878</u>	<u>\$ 29,290</u>	<u>\$ 234,320</u>	<u>\$ 447,637</u>
\$ 21,469	\$ 492,514	\$ -	\$ 36,760	\$ -	\$ 12,475	\$ -	\$ 1,095	\$ 5,894	\$ 7,363
-	-	28,880	-	14,351	-	14,052	-	-	206,677
1,153,098	806,610	117,511	140,243	187,117	667,887	16,878	-	24,500	170,998
-	1,375,172	550,000	-	325,000	-	-	-	-	-
<u>1,174,567</u>	<u>2,674,296</u>	<u>696,391</u>	<u>177,003</u>	<u>526,468</u>	<u>680,362</u>	<u>30,930</u>	<u>1,095</u>	<u>30,394</u>	<u>385,038</u>
1,119,651	-	-	-	-	-	-	-	-	-
57,372	282,011	-	-	-	12,474	-	-	-	6,840
-	-	-	-	-	-	-	-	-	-
-	-	-	53,560	-	1,190,047	-	28,195	203,926	55,759
-	(820,740)	(578,880)	-	(339,350)	-	(14,052)	-	-	-
<u>1,177,023</u>	<u>(538,729)</u>	<u>(578,880)</u>	<u>53,560</u>	<u>(339,350)</u>	<u>1,202,521</u>	<u>(14,052)</u>	<u>28,195</u>	<u>203,926</u>	<u>62,599</u>
<u>\$ 2,351,590</u>	<u>\$ 2,135,567</u>	<u>\$ 117,511</u>	<u>\$ 230,563</u>	<u>\$ 187,118</u>	<u>\$ 1,882,883</u>	<u>\$ 16,878</u>	<u>\$ 29,290</u>	<u>\$ 234,320</u>	<u>\$ 447,637</u>

CITY OF BELOIT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)
December 31, 2008

	Special Revenue Funds					
	Library	Police	Solid Waste	Perpetual Care	Neighborhood Development Initiative	Fire
ASSETS						
Cash and investments	\$ 290,257	\$ 49,329	\$ -	\$ 1,690,051	\$ -	\$ -
Taxes receivable	1,654,302	112,679	30,688	-	-	-
Accounts receivable	-	9,133	395,577	568	-	6,623
Loans receivable	-	-	-	-	-	-
Due from other governmental units	-	-	2,492	-	-	-
Due from component unit	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Restricted cash	-	-	-	-	-	-
TOTAL ASSETS	\$ 1,944,559	\$ 171,141	\$ 428,757	\$ 1,690,619	\$ -	\$ 6,623
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 22,724	\$ 2,000	\$ 33,791	\$ -	\$ 1,528	\$ -
Due to other funds	-	-	213,000	-	60,761	6,623
Deferred revenue	1,654,302	112,679	2,492	568	-	-
Advances from other funds	-	-	-	-	-	-
Total Liabilities	1,677,026	114,679	249,283	568	62,289	6,623
Fund Balances						
Reserved for						
Debt service	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-
Fundraising	150,000	-	-	-	-	-
Unreserved						
Designated for subsequent year's expenditures	117,533	56,462	179,474	1,690,051	-	-
Undesignated (deficit)	-	-	-	-	(62,289)	-
Total Fund Balances	267,533	56,462	179,474	1,690,051	(62,289)	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,944,559	\$ 171,141	\$ 428,757	\$ 1,690,619	\$ -	\$ 6,623

Capital Projects Funds			Total
Fleet Replacement	Equipment Replacement	Computer Replacement	Nonmajor Governmental Funds
\$ 6,722,356	\$ -	\$ 545,705	\$ 14,173,311
-	-	-	5,090,934
101,924	-	-	895,584
-	-	-	3,405,605
-	-	-	168,811
-	-	-	122,291
-	356,865	-	356,865
-	-	-	3,087
<u>\$ 6,824,280</u>	<u>\$ 356,865</u>	<u>\$ 545,705</u>	<u>\$ 24,216,488</u>
\$ -	\$ -	\$ 2,465	\$ 657,911
-	356,865	-	901,209
-	-	-	8,666,773
-	-	-	2,250,172
-	356,865	2,465	12,476,065
-	-	-	1,394,185
99,800	-	-	693,775
-	-	-	150,000
6,724,480	-	543,240	11,317,774
-	-	-	(1,815,311)
<u>6,824,280</u>	<u>-</u>	<u>543,240</u>	<u>11,740,423</u>
<u>\$ 6,824,280</u>	<u>\$ 356,865</u>	<u>\$ 545,705</u>	<u>\$ 24,216,488</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2008

	Special Revenue Funds			
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 3	TIF District No. 5
REVENUES				
Taxes	\$ -	\$ -	\$ 376,894	\$ 1,149,440
Intergovernmental	163,198	678,953	4,362	117,465
Licenses and permits	-	136,400	-	-
Fees and service charges	-	-	-	-
Investment income	11,084	32,561	7,573	42,554
Public charges for services	-	-	-	-
Other	45,936	221,462	-	-
Total Revenues	<u>220,218</u>	<u>1,069,376</u>	<u>388,829</u>	<u>1,309,459</u>
EXPENDITURES				
Current				
General government	-	-	723	7,108
Community development	163,162	1,149,255	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Parks, recreation, and education	-	-	-	-
Capital Outlay	-	-	150,000	696,715
Debt Service				
Principal retirement	-	-	771	607,804
Interest and fiscal charges	-	-	157	151,622
Total Expenditures	<u>163,162</u>	<u>1,149,255</u>	<u>151,651</u>	<u>1,463,249</u>
Excess (deficiency) of revenues over expenditures	<u>57,056</u>	<u>(79,879)</u>	<u>237,178</u>	<u>(153,790)</u>
OTHER FINANCING SOURCES (USES)				
Debt issued	-	-	-	-
Sale of city property	-	-	-	-
Transfer out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	57,056	(79,879)	237,178	(153,790)
FUND BALANCES (DEFICIT) - Beginning of Year	<u>174,379</u>	<u>558,769</u>	<u>37,356</u>	<u>1,330,813</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 231,435</u>	<u>\$ 478,890</u>	<u>\$ 274,534</u>	<u>\$ 1,177,023</u>

Special Revenue Funds

TIF District No. 6	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
\$ 808,661	\$ 118,839	\$ 51,533	\$ 81,048	\$ 657,777	\$ -	\$ -	\$ 22,965	\$ -
241,005	-	-	6,240	4,024	-	30,392	240,116	129,618
-	-	-	-	-	-	-	3,088	-
-	-	-	-	-	-	-	-	-
47,842	-	5,739	1,190	30,262	-	-	4,359	7,962
-	-	-	-	-	-	2,282	-	-
-	-	-	-	-	-	-	-	36,944
<u>1,097,508</u>	<u>118,839</u>	<u>57,272</u>	<u>88,478</u>	<u>692,063</u>	<u>-</u>	<u>32,674</u>	<u>270,528</u>	<u>174,524</u>
1,955	9,489	-	-	-	-	-	-	-
-	-	-	-	-	1,106	-	-	162,568
-	-	-	-	-	-	-	255,559	-
-	-	-	-	-	-	-	-	-
1,770,726	500	30,155	500	4,800	-	30,864	-	-
416,944	-	-	-	-	-	-	-	-
201,740	-	-	-	-	-	-	-	-
<u>2,391,365</u>	<u>9,989</u>	<u>30,155</u>	<u>500</u>	<u>4,800</u>	<u>1,106</u>	<u>30,864</u>	<u>255,559</u>	<u>162,568</u>
<u>(1,293,857)</u>	<u>108,850</u>	<u>27,117</u>	<u>87,978</u>	<u>687,263</u>	<u>(1,106)</u>	<u>1,810</u>	<u>14,969</u>	<u>11,956</u>
605,000	-	-	-	-	-	-	-	-
-	24,000	-	-	-	-	-	-	-
-	(253,796)	(58,547)	(56,528)	(45,938)	-	-	(50,000)	-
<u>605,000</u>	<u>(229,796)</u>	<u>(58,547)</u>	<u>(56,528)</u>	<u>(45,938)</u>	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
(688,857)	(120,946)	(31,430)	31,450	641,325	(1,106)	1,810	(35,031)	11,956
<u>150,128</u>	<u>(457,934)</u>	<u>84,990</u>	<u>(370,800)</u>	<u>561,196</u>	<u>(12,946)</u>	<u>26,385</u>	<u>238,957</u>	<u>50,643</u>
<u>\$ (538,729)</u>	<u>\$ (578,880)</u>	<u>\$ 53,560</u>	<u>\$ (339,350)</u>	<u>\$ 1,202,521</u>	<u>\$ (14,052)</u>	<u>\$ 28,195</u>	<u>\$ 203,926</u>	<u>\$ 62,599</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS (cont.)
For the Year Ended December 31, 2008

	Special Revenue Funds					
	Library	Police	Solid Waste	Perpetual Care	Neighborhood Development Initiative	Fire
REVENUES						
Taxes	\$ 1,558,911	\$ 86,899	\$ 2,751	\$ -	\$ -	\$ -
Intergovernmental	249,502	238,632	233,481	-	-	6,623
Licenses and permits	-	-	1,972	-	-	-
Fees and service charges	43,664	-	-	-	-	-
Investment income	19,394	290	-	107,590	-	-
Public charges for services	20,783	130,471	1,974,705	51,891	-	-
Other	15,662	28,531	-	-	-	-
Total Revenues	<u>1,907,916</u>	<u>484,823</u>	<u>2,212,909</u>	<u>159,481</u>	<u>-</u>	<u>6,623</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Community development	-	-	-	-	24,622	-
Public safety	-	477,773	-	-	-	6,623
Public works	-	-	2,175,959	-	-	-
Parks, recreation, and education	1,970,069	-	-	-	-	-
Capital Outlay	22,818	8,195	-	-	-	-
Debt Service						
Principal retirement	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Total Expenditures	<u>1,992,887</u>	<u>485,968</u>	<u>2,175,959</u>	<u>-</u>	<u>24,622</u>	<u>6,623</u>
Excess (deficiency) of revenues over expenditures	<u>(84,971)</u>	<u>(1,145)</u>	<u>36,950</u>	<u>159,481</u>	<u>(24,622)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)						
Debt issued	-	-	-	-	-	-
Sale of city property	-	-	-	-	-	-
Transfer out	(250,000)	-	-	(107,590)	-	-
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>-</u>	<u>-</u>	<u>(107,590)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	(334,971)	(1,145)	36,950	51,891	(24,622)	-
FUND BALANCES (DEFICIT) - Beginning of Year	<u>602,504</u>	<u>57,607</u>	<u>142,524</u>	<u>1,638,160</u>	<u>(37,667)</u>	<u>-</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 267,533</u>	<u>\$ 56,462</u>	<u>\$ 179,474</u>	<u>\$ 1,690,051</u>	<u>\$ (62,289)</u>	<u>\$ -</u>

Capital Projects Funds			Total
Fleet Replacement	Equipment Replacement	Computer Replacement	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ 4,915,718
-	-	-	2,343,611
-	-	-	141,460
-	-	-	43,664
640,397	-	14,292	973,089
-	-	-	2,180,132
<u>1,288,863</u>	-	<u>172,533</u>	<u>1,809,931</u>
<u>1,929,260</u>	-	<u>186,825</u>	<u>12,407,605</u>
-	-	-	19,275
-	-	-	1,500,713
-	-	-	484,396
-	-	-	2,431,518
-	-	-	1,970,069
1,243,977	-	109,357	4,068,607
-	-	-	1,025,519
-	-	-	353,519
<u>1,243,977</u>	-	<u>109,357</u>	<u>11,853,616</u>
<u>685,283</u>	-	<u>77,468</u>	<u>553,989</u>
-	-	-	605,000
143,028	-	-	167,028
-	-	-	(822,399)
<u>143,028</u>	-	-	<u>(50,371)</u>
828,311	-	77,468	503,618
<u>5,995,969</u>	-	<u>465,772</u>	<u>11,236,805</u>
<u>\$ 6,824,280</u>	<u>\$ -</u>	<u>\$ 543,240</u>	<u>\$ 11,740,423</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL DEBT SERVICE FUND (MAJOR FUND)
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 3,603,871	\$ 3,603,871	\$ -
Investment income	40,000	3,790	(36,210)
Other	-	26,835	26,835
Total Revenues	<u>3,643,871</u>	<u>3,634,496</u>	<u>(9,375)</u>
EXPENDITURES			
Debt Service			
Principal retirement	2,893,010	2,849,377	43,633
Interest and fiscal charges	<u>2,175,879</u>	<u>1,964,157</u>	<u>211,722</u>
Total Expenditures	<u>5,068,889</u>	<u>4,813,534</u>	<u>255,355</u>
Deficiency of revenues over expenditures	<u>(1,425,018)</u>	<u>(1,179,038)</u>	<u>245,980</u>
OTHER FINANCING SOURCES			
Debt issued	-	52,519	52,519
Transfers in	<u>500,120</u>	<u>666,112</u>	<u>165,992</u>
Total Other Financing Sources	<u>500,120</u>	<u>718,631</u>	<u>218,511</u>
Net Change in Fund Balance	(924,898)	(460,407)	464,491
FUND BALANCE - Beginning	<u>3,418,765</u>	<u>3,418,765</u>	-
FUND BALANCE - ENDING	<u>\$ 2,493,867</u>	<u>\$ 2,958,358</u>	<u>\$ 464,491</u>

CITY OF БЕЛОIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND (MAJOR FUND)
For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 418,392	\$ 316,285	\$ (102,107)
Fines, forfeitures and penalties	-	8,540	8,540
Special assessments	595,000	246,045	(348,955)
Investment income	422,000	235,608	(186,392)
Public charges for services	50,000	-	(50,000)
Other	806,709	513,983	(292,726)
Total Revenues	<u>2,292,101</u>	<u>1,320,461</u>	<u>(971,640)</u>
EXPENDITURES			
Capital Outlay	16,772,366	13,811,358	2,961,008
Debt Service			
Interest and fiscal charges	<u>125,026</u>	<u>48,604</u>	<u>76,422</u>
Total Expenditures	<u>16,897,392</u>	<u>13,859,962</u>	<u>3,037,430</u>
Deficiency of revenues over expenditures	<u>(14,605,291)</u>	<u>(12,539,501)</u>	<u>2,065,790</u>
OTHER FINANCING SOURCES (USES)			
Debt issued	3,166,501	1,138,151	(2,028,350)
Capital leases issued	640,614	-	(640,614)
Sale of city property	-	-	-
Transfers in	300,000	300,000	-
Transfers out	<u>-</u>	<u>(1,447,000)</u>	<u>(1,447,000)</u>
Total Other Financing Sources (Uses)	<u>4,107,115</u>	<u>(8,849)</u>	<u>(4,115,964)</u>
Net Change in Fund Balance	(10,498,176)	(12,548,350)	(2,050,174)
FUND BALANCE - Beginning	<u>20,983,723</u>	<u>20,983,723</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 10,485,547</u>	<u>\$ 8,435,373</u>	<u>\$ (2,050,174)</u>

CITY OF BELOIT

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

For the Year Ended December 31, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 663,281	\$ 678,953	\$ 15,672
Licenses and permits	144,925	136,400	(8,525)
Investment income	-	32,561	32,561
Other	<u>270,000</u>	<u>221,462</u>	<u>(48,538)</u>
Total Revenues	<u>1,078,206</u>	<u>1,069,376</u>	<u>(8,830)</u>
EXPENDITURES			
Current			
Community development	<u>2,158,339</u>	<u>1,149,255</u>	<u>1,009,084</u>
Total Expenditures	<u>2,158,339</u>	<u>1,149,255</u>	<u>1,009,084</u>
Deficiency of Revenues Over Expenditures	<u>(1,080,133)</u>	<u>(79,879)</u>	<u>1,000,254</u>
OTHER FINANCING SOURCES (USES)			
Transfer in	<u>204,000</u>	<u>-</u>	<u>(204,000)</u>
Total Other Financing Sources (Uses)	<u>204,000</u>	<u>-</u>	<u>(204,000)</u>
Net Change in Fund Balance	(876,133)	(79,879)	796,254
FUND BALANCE - Beginning	<u>558,769</u>	<u>558,769</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (317,364)</u>	<u>\$ 478,890</u>	<u>\$ 796,254</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 3 For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 314,448	\$ 376,894	\$ 62,446
Intergovernmental	6,006	4,362	(1,644)
Investment income	500	7,573	7,073
Total Revenues	<u>320,954</u>	<u>388,829</u>	<u>67,875</u>
EXPENDITURES			
Current			
General government	-	723	(723)
Capital Outlay	151,500	150,000	1,500
Debt Service			
Principal retirement	771	771	-
Interest and fiscal charges	157	157	-
Total Expenditures	<u>152,428</u>	<u>151,651</u>	<u>777</u>
 Excess of Revenues Over Expenditures	 168,526	 237,178	 68,652
FUND BALANCE - Beginning	<u>37,356</u>	<u>37,356</u>	<u>-</u>
 FUND BALANCE - ENDING	 <u>\$ 205,882</u>	 <u>\$ 274,534</u>	 <u>\$ 68,652</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, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 958,992	\$ 1,149,440	\$ 190,448
Intergovernmental	92,572	117,465	24,893
Investment income	51,000	42,554	(8,446)
Total Revenues	<u>1,102,564</u>	<u>1,309,459</u>	<u>206,895</u>
EXPENDITURES			
Current			
General government	7,500	7,108	392
Capital Outlay	4,363,452	696,715	3,666,737
Debt Service			
Principal retirement	607,804	607,804	-
Interest and fiscal charges	<u>151,622</u>	<u>151,622</u>	<u>-</u>
Total Expenditures	<u>5,130,378</u>	<u>1,463,249</u>	<u>3,667,129</u>
Net Change in Fund Balance	(4,027,814)	(153,790)	3,874,024
FUND BALANCE - Beginning	<u>1,330,813</u>	<u>1,330,813</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$(2,697,001)</u>	<u>\$ 1,177,023</u>	<u>\$ 3,874,024</u>

CITY OF БЕЛОIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 6 For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 674,676	\$ 808,661	\$ 133,985
Intergovernmental	81,456	241,005	159,549
Investment income	5,000	47,842	42,842
Other	-	-	-
Total Revenues	<u>761,132</u>	<u>1,097,508</u>	<u>336,376</u>
EXPENDITURES			
Current			
General government	1,000	1,955	(955)
Capital Outlay	2,504,000	1,770,726	733,274
Debt Service			
Principal retirement	413,813	416,944	(3,131)
Interest and fiscal charges	<u>196,219</u>	<u>201,740</u>	<u>(5,521)</u>
Total Expenditures	<u>3,115,032</u>	<u>2,391,365</u>	<u>723,667</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,353,900)</u>	<u>(1,293,857)</u>	<u>1,060,043</u>
OTHER FINANCING SOURCES			
Debt issued	<u>2,280,920</u>	<u>605,000</u>	<u>(1,675,920)</u>
Total Other Financing Sources	<u>2,280,920</u>	<u>605,000</u>	<u>(1,675,920)</u>
Net Change in Fund Balance	(72,980)	(688,857)	(615,877)
FUND BALANCE - Beginning	<u>150,128</u>	<u>150,128</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ 77,148</u>	<u>\$ (538,729)</u>	<u>\$ (615,877)</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 99,150	118,839	\$ 19,689
Public charges for services	<u>120,237</u>	<u>-</u>	<u>(120,237)</u>
Total Revenues	<u>219,387</u>	<u>118,839</u>	<u>(100,548)</u>
EXPENDITURES			
Current			
General government	-	9,489	(9,489)
Capital Outlay	<u>500</u>	<u>500</u>	<u>-</u>
Total Expenditures	<u>500</u>	<u>9,989</u>	<u>(9,489)</u>
Deficiency of Revenues Over Expenditures	<u>218,887</u>	<u>108,850</u>	<u>(110,037)</u>
OTHER FINANCING SOURCES (USES)			
Sale of city property	24,000	24,000	-
Transfer out	<u>(242,887)</u>	<u>(253,796)</u>	<u>(10,909)</u>
Total Other Financing Sources (Uses)	<u>(218,887)</u>	<u>(229,796)</u>	<u>(10,909)</u>
Net Change in Fund Balance	-	(120,946)	(120,946)
FUND BALANCE (DEFICIT) - Beginning	<u>(457,934)</u>	<u>(457,934)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (457,934)</u>	<u>\$ (578,880)</u>	<u>\$ (120,946)</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 42,994	\$ 51,533	8,539
Intergovernmental	400,217	-	(400,217)
Investment income	1,700	5,739	4,039
Public charges for services	<u>377,067</u>	<u>-</u>	<u>(377,067)</u>
Total Revenues	<u>821,978</u>	<u>57,272</u>	<u>(764,706)</u>
EXPENDITURES			
Capital Outlay	1,329,867	30,155	1,299,712
Debt Service			
Interest and fiscal charges	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,329,867</u>	<u>30,155</u>	<u>1,299,712</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(507,889)</u>	<u>27,117</u>	<u>535,006</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(58,547)</u>	<u>(58,547)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(58,547)</u>	<u>(58,547)</u>	<u>-</u>
Net Change in Fund Balance	(566,436)	(31,430)	535,006
FUND BALANCE - Beginning	<u>84,990</u>	<u>84,990</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (481,446)</u>	<u>\$ 53,560</u>	<u>\$ 535,006</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 133,646	\$ 81,048	\$ (52,598)
Intergovernmental	4,532	6,240	1,708
Investment income	1,700	1,190	(510)
Total Revenues	<u>139,878</u>	<u>88,478</u>	<u>(51,400)</u>
EXPENDITURES			
Capital Outlay	<u>1,000</u>	<u>500</u>	<u>500</u>
Total Expenditures	<u>1,000</u>	<u>500</u>	<u>500</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>138,878</u>	<u>87,978</u>	<u>(50,900)</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(56,528)</u>	<u>(56,528)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(56,528)</u>	<u>(56,528)</u>	<u>-</u>
Net Change in Fund Balance	82,350	31,450	(50,900)
FUND BALANCE (DEFICIT) - Beginning	<u>(370,800)</u>	<u>(370,800)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (288,450)</u>	<u>\$ (339,350)</u>	<u>\$ (50,900)</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 548,792	\$ 657,777	\$ 108,985
Intergovernmental	3,908	4,024	116
Investment income	15,400	30,262	14,862
Total Revenues	<u>568,100</u>	<u>692,063</u>	<u>123,963</u>
EXPENDITURES			
Capital Outlay	<u>1,000</u>	<u>4,800</u>	<u>(3,800)</u>
Total Expenditures	<u>1,000</u>	<u>4,800</u>	<u>(3,800)</u>
Deficiency of Revenues Over Expenditures	<u>567,100</u>	<u>687,263</u>	<u>127,763</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(45,938)</u>	<u>(45,938)</u>	-
Total Other Financing Sources (Uses)	<u>(45,938)</u>	<u>(45,938)</u>	-
Net Change in Fund Balance	521,162	641,325	127,763
FUND BALANCE - Beginning	<u>561,196</u>	<u>561,196</u>	-
FUND BALANCE - ENDING	<u>\$ 1,082,358</u>	<u>\$ 1,202,521</u>	<u>\$ 127,763</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 25,128	\$ 30,392	\$ 5,264
Donations	9,000	2,282	(6,718)
Total Revenues	<u>34,128</u>	<u>32,674</u>	<u>(1,454)</u>
EXPENDITURES			
Current			
Public safety	40,000	-	40,000
Capital Outlay	476,128	30,864	445,264
Total Expenditures	<u>516,128</u>	<u>30,864</u>	<u>485,264</u>
Net Change in Fund Balance	(482,000)	1,810	483,810
FUND BALANCE - Beginning	<u>26,385</u>	<u>26,385</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (455,615)</u>	<u>\$ 28,195</u>	<u>\$ 483,810</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, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 22,965	\$ 22,965	\$ -
Intergovernmental	255,592	240,116	(15,476)
Licenses and permits	-	3,088	3,088
Investment income	-	4,359	4,359
Total Revenues	<u>278,557</u>	<u>270,528</u>	<u>(8,029)</u>
EXPENDITURES			
Current			
Public works	283,606	255,559	28,047
Capital Outlay	<u>32,000</u>	<u>-</u>	<u>32,000</u>
Total Expenditures	<u>315,606</u>	<u>255,559</u>	<u>60,047</u>
OTHER FINANCING SOURCES (USES)			
Transfers out	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(50,000)</u>	<u>(50,000)</u>
Net Change in Fund Balance	(37,049)	(35,031)	2,018
FUND BALANCE - Beginning	<u>238,957</u>	<u>238,957</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 201,908</u>	<u>\$ 203,926</u>	<u>\$ 2,018</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, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 450,964	\$ 129,618	\$ (321,346)
Investment income	-	7,962	7,962
Other	-	36,944	36,944
Total Revenues	<u>450,964</u>	<u>174,524</u>	<u>(276,440)</u>
EXPENDITURES			
Current			
Community development	<u>1,019,114</u>	<u>162,568</u>	<u>856,546</u>
Total Expenditures	<u>1,019,114</u>	<u>162,568</u>	<u>856,546</u>
Net Change in Fund Balance	(568,150)	11,956	(1,132,986)
FUND BALANCE - Beginning	<u>50,643</u>	<u>50,643</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (517,507)</u>	<u>\$ 62,599</u>	<u>\$ (1,132,986)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 1,558,911	\$ 1,558,911	\$ -
Intergovernmental	281,383	249,502	(31,881)
Fees and service charges	58,400	43,664	(14,736)
Investment income	31,330	19,394	(11,936)
Public charges for services	33,500	20,783	(12,717)
Other	4,685	15,662	10,977
Total Revenues	<u>1,968,209</u>	<u>1,907,916</u>	<u>(60,293)</u>
EXPENDITURES			
Current			
Parks, recreation and education	2,063,709	1,970,069	93,640
Capital Outlay	23,000	22,818	182
Total Expenditures	<u>2,086,709</u>	<u>1,992,887</u>	<u>93,822</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(118,500)</u>	<u>(84,971)</u>	<u>33,529</u>
OTHER FINANCING SOURCES (USES)			
Transfer out	-	(250,000)	(250,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(250,000)</u>	<u>(250,000)</u>
Net Change in Fund Balance	(118,500)	(334,971)	(216,471)
FUND BALANCE - Beginning	<u>602,504</u>	<u>602,504</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 484,004</u>	<u>\$ 267,533</u>	<u>\$ (216,471)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - POLICE For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 112,094	\$ 86,899	\$ (25,195)
Intergovernmental	241,135	238,632	(2,503)
Investment income	-	290	290
Public charges for services	135,248	130,471	(4,777)
Other	7,140	28,531	21,391
Total Revenues	<u>495,617</u>	<u>484,823</u>	<u>(10,794)</u>
EXPENDITURES			
Current			
Public safety	482,645	477,773	4,872
Capital Outlay	44,134	8,195	35,939
Total Expenditures	<u>526,779</u>	<u>485,968</u>	<u>40,811</u>
Net Change in Fund Balance	(31,162)	(1,145)	30,017
FUND BALANCE - Beginning	<u>57,607</u>	<u>57,607</u>	-
FUND BALANCE - ENDING	<u>\$ 26,445</u>	<u>\$ 56,462</u>	<u>\$ 30,017</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SOLID WASTE For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Taxes	\$ -	\$ 2,751	\$ 2,751
Intergovernmental	191,145	233,481	42,336
Licenses & permits	600	1,972	1,372
Public charges for services	1,994,338	1,974,705	(19,633)
Total Revenues	<u>2,186,083</u>	<u>2,212,909</u>	<u>26,826</u>
EXPENDITURES			
Current			
Public works	<u>2,186,083</u>	<u>2,175,959</u>	<u>10,124</u>
Net Change in Fund Balance	-	36,950	36,950
FUND BALANCE - Beginning	<u>142,524</u>	<u>142,524</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 142,524</u>	<u>\$ 179,474</u>	<u>\$ 36,950</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(DEFICIT) - BUDGET AND ACTUAL - NEIGHBORHOOD DEVELOPMENT INITIATIVE
For the Year Ended December 31, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Other	\$ -	\$ -	\$ -
EXPENDITURES			
Current			
Community development	39,677	24,622	15,055
Debt Service	-	-	-
Total Expenditures	<u>39,677</u>	<u>24,622</u>	<u>15,055</u>
Net Change in Fund Balance	(39,677)	(24,622)	(15,055)
FUND BALANCE - (DEFICIT) Beginning	<u>(37,667)</u>	<u>(37,667)</u>	-
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (77,344)</u>	<u>\$ (62,289)</u>	<u>\$ (15,055)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FIRE For the Year Ended December 31, 2008

	Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ -	\$ 6,623	\$ 6,623
Total Revenues	<u>-</u>	<u>6,623</u>	<u>6,623</u>
EXPENDITURES			
Current			
Public safety	<u>-</u>	<u>6,623</u>	<u>(6,623)</u>
Net Change in Fund Balance	-	-	-
FUND BALANCE - Beginning	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - FLEET REPLACEMENT For the Year Ended December 31, 2008

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment income	\$ 208,000	\$ 640,397	\$ 432,397
Other	<u>1,289,183</u>	<u>1,288,863</u>	<u>(320)</u>
Total Revenues	<u>1,497,183</u>	<u>1,929,260</u>	<u>432,077</u>
EXPENDITURES			
Capital Outlay	<u>1,297,800</u>	<u>1,243,977</u>	<u>53,823</u>
Excess of Revenues Over Expenditures	<u>199,383</u>	<u>685,283</u>	<u>485,900</u>
OTHER FINANCING SOURCES			
Sale of city property	<u>-</u>	<u>143,028</u>	<u>143,028</u>
Total Other Financing Sources	<u>-</u>	<u>143,028</u>	<u>143,028</u>
Net Change in Fund Balance	199,383	828,311	628,928
FUND BALANCE - Beginning	<u>5,995,969</u>	<u>5,995,969</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 6,195,352</u>	<u>\$ 6,824,280</u>	<u>\$ 628,928</u>

CITY OF BELOIT

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COMPUTER REPLACEMENT
For the Year Ended December 31, 2008**

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment income	\$ 10,000	\$ 14,292	\$ 4,292
Other	<u>175,641</u>	<u>172,533</u>	<u>(3,108)</u>
Total Revenues	<u>185,641</u>	<u>186,825</u>	<u>1,184</u>
EXPENDITURES			
Capital Outlay	<u>65,900</u>	<u>109,357</u>	<u>(43,457)</u>
Net Change in Fund Balance	119,741	77,468	(42,273)
FUND BALANCE - Beginning	<u>465,772</u>	<u>465,772</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 585,513</u>	<u>\$ 543,240</u>	<u>\$ (42,273)</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NONMAJOR PROPRIETARY FUNDS
December 31, 2008

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
ASSETS						
Current Assets						
Cash and investments	\$ 750	\$ 103,631	\$ 319,963	\$ 119,604	\$ 139,011	\$ 682,959
Receivables						
Taxes	-	-	-	-	530,980	530,980
Customer accounts	-	1,672	252,664	152,932	39,453	446,721
Due from other governmental units	339	1,265	-	565	106,273	108,442
Inventories	-	-	-	-	110,264	110,264
Total Current Assets	<u>1,089</u>	<u>106,568</u>	<u>572,627</u>	<u>273,101</u>	<u>925,981</u>	<u>1,879,366</u>
Non-Current Assets						
Restricted Assets						
Bond reserve account	-	-	-	-	427,536	427,536
Capital Assets						
Land	816,000	322,000	-	-	132,000	1,270,000
Construction in progress	-	-	-	-	260,011	260,011
Land improvements	666,970	35,448	-	-	-	702,418
Buildings	280,988	122,409	-	-	2,297,208	2,700,605
Machinery, equipment, and vehicles	56,741	40,772	-	-	4,118,690	4,216,203
Infrastructure	-	-	-	9,453,643	-	9,453,643
Less: accumulated depreciation	<u>(775,070)</u>	<u>(123,528)</u>	<u>-</u>	<u>(1,992,589)</u>	<u>(2,619,028)</u>	<u>(5,510,215)</u>
Net Capital Assets	<u>1,045,629</u>	<u>397,101</u>	<u>-</u>	<u>7,461,054</u>	<u>4,188,881</u>	<u>13,092,665</u>
Total Assets	<u>1,046,718</u>	<u>503,669</u>	<u>572,627</u>	<u>7,734,155</u>	<u>5,542,398</u>	<u>15,399,567</u>
LIABILITIES						
Current Liabilities						
Accounts payable	7,877	1,998	7,908	1,190	49,719	68,692
Accrued liabilities	-	-	12,830	6,284	6,213	25,327
Due to other funds	658	-	-	-	-	658
Compensated absences	-	-	-	19,994	60,735	80,729
Current maturities of general obligation debt	11,193	7,251	-	30,635	102,760	151,839
Unearned revenue	-	-	-	-	530,980	530,980
Other current liabilities	<u>19,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,222</u>
Total Current Liabilities	<u>38,950</u>	<u>9,249</u>	<u>20,738</u>	<u>58,103</u>	<u>750,407</u>	<u>877,447</u>
Noncurrent Liabilities						
General obligation debt	43,562	20,383	-	1,140,700	861,578	2,066,223
Compensated absences	30,733	2,805	29,093	-	45,016	107,647
Other post-employment benefits	2,888	2,888	-	9,627	30,806	46,209
Advances from other funds	<u>484,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,000</u>
Total Noncurrent Liabilities	<u>561,183</u>	<u>26,076</u>	<u>29,093</u>	<u>1,150,327</u>	<u>937,400</u>	<u>2,704,079</u>
Total Liabilities	<u>600,133</u>	<u>35,325</u>	<u>49,831</u>	<u>1,208,430</u>	<u>1,687,807</u>	<u>3,581,526</u>
NET ASSETS						
Invested in capital assets, net of related debt	990,874	369,467	-	6,280,093	3,652,078	11,292,512
Unrestricted (deficit)	<u>(544,289)</u>	<u>98,877</u>	<u>522,796</u>	<u>245,632</u>	<u>202,513</u>	<u>525,529</u>
TOTAL NET ASSETS	<u>\$ 446,585</u>	<u>\$ 468,344</u>	<u>\$ 522,796</u>	<u>\$ 6,525,725</u>	<u>\$ 3,854,591</u>	<u>\$ 11,818,041</u>

CITY OF БЕЛОIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - NONMAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2008

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
OPERATING REVENUES						
Charges for services	\$ 454,134	\$ 165,583	\$ 878,131	\$ 780,526	\$ 212,088	\$ 2,490,462
Other	2,024	7,074	-	565	31,348	41,011
Total Operating Revenues	<u>456,158</u>	<u>172,657</u>	<u>878,131</u>	<u>781,091</u>	<u>243,436</u>	<u>2,531,473</u>
OPERATING EXPENSES						
Operation and maintenance	496,824	300,410	791,025	548,833	1,693,190	3,830,282
Contractual services	-	-	-	77,081	143,260	220,341
Depreciation	28,366	3,022	-	108,048	273,694	413,130
Total Operating Expenses	<u>525,190</u>	<u>303,432</u>	<u>791,025</u>	<u>733,962</u>	<u>2,110,144</u>	<u>4,463,753</u>
Operating Income (Loss)	<u>(69,032)</u>	<u>(130,775)</u>	<u>87,106</u>	<u>47,129</u>	<u>(1,866,708)</u>	<u>(1,932,280)</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental revenues	-	-	-	-	1,110,216	1,110,216
Investment income	(635)	-	9,072	3,127	16,885	28,449
Interest expense	(2,310)	(1,127)	-	(30,766)	(39,804)	(74,007)
General property taxes	-	64,018	9,946	-	520,566	594,530
Gain on sale of property	-	-	-	-	9,107	9,107
Total Nonoperating Revenues (Expenses)	<u>(2,945)</u>	<u>62,891</u>	<u>19,018</u>	<u>(27,639)</u>	<u>1,616,970</u>	<u>1,668,295</u>
Income (loss) before contributions and transfers	<u>(71,977)</u>	<u>(67,884)</u>	<u>106,124</u>	<u>19,490</u>	<u>(249,738)</u>	<u>(263,985)</u>
Capital contributions	-	-	-	450,811	95,510	546,321
Transfer in	-	107,590	-	-	-	107,590
Change in Net Assets	<u>(71,977)</u>	<u>39,706</u>	<u>106,124</u>	<u>470,301</u>	<u>(154,228)</u>	<u>389,926</u>
TOTAL NET ASSETS - Beginning	<u>518,562</u>	<u>428,638</u>	<u>416,672</u>	<u>6,055,424</u>	<u>4,008,819</u>	<u>11,428,115</u>
TOTAL NET ASSETS - Ending	<u>\$ 446,585</u>	<u>\$ 468,344</u>	<u>\$ 522,796</u>	<u>\$ 6,525,725</u>	<u>\$ 3,854,591</u>	<u>\$ 11,818,041</u>

CITY OF БЕЛОIT

STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2008

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
CASH FLOWS FROM OPERATING ACTIVITIES						
Received from customers	\$ 455,819	\$ 173,719	\$ 842,225	\$ 742,897	\$ 247,161	\$ 2,461,821
Paid to suppliers for goods and services	(272,494)	(180,131)	(191,921)	(316,363)	(1,021,773)	(1,982,682)
Payments to employees for services	(219,250)	(115,497)	(601,606)	(309,383)	(769,467)	(2,015,203)
Net Cash Provided by Operating Activities	(35,925)	(121,909)	48,698	117,151	(1,544,079)	(1,536,064)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating grants received	-	-	-	-	1,341,704	1,341,704
Property taxes received	-	64,018	9,946	-	520,566	594,530
Non-capital advance (and repayment)	50,000	-	-	-	-	50,000
Net Cash Used by Noncapital Financing Activities	50,000	64,018	9,946	-	1,862,270	1,986,234
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt retired	(10,966)	(6,732)	-	(11,486)	(98,812)	(127,996)
Interest paid	(2,310)	(1,127)	-	(27,759)	(40,367)	(71,563)
Proceeds from issuance of new debt	-	-	-	712,876	-	712,876
Acquisition and construction of capital assets	-	-	-	(747,070)	(121,884)	(868,954)
Construction grants received	-	-	-	-	55,531	55,531
Salvage on retirement of plant	-	-	-	-	9,107	9,107
Net Cash Provided (Used) by Capital and Related Financing Activities	(13,276)	(7,859)	-	(73,439)	(196,425)	(290,999)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income (loss)	(635)	107,590	9,072	3,127	16,885	136,039
Net Cash Provided (Used) by Investing Activities	(635)	107,590	9,072	3,127	16,885	136,039
Net Increase (Decrease) in Cash and Cash Equivalents	164	41,840	67,716	46,839	138,651	295,210
CASH AND CASH EQUIVALENTS - Beginning	586	61,791	252,247	72,765	427,896	815,285
CASH AND CASH EQUIVALENTS - Ending	\$ 750	\$ 103,631	\$ 319,963	\$ 119,604	\$ 566,547	\$ 1,110,495
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES						
Operating income (Loss)	\$ (69,032)	\$ (130,775)	\$ 87,106	\$ 47,129	\$ (1,866,708)	\$ (1,932,280)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Depreciation expense	28,366	3,022	-	108,048	273,694	413,130
Change in non-cash Components of Working Capital						
Accounts receivable	-	2,327	(35,906)	(38,195)	3,725	(68,049)
Inventories	-	-	-	-	10,740	10,740
Accounts payable	(14,269)	707	(4,883)	(11,438)	(12,156)	(42,039)
Other post-employment benefits	2,888	2,888	-	9,627	30,806	46,209
Payable to other funds	658	-	-	-	-	658
Due from other governments	(339)	(1,265)	-	-	-	(1,604)
Other current liabilities	15,803	1,187	2,381	1,980	15,820	37,171
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (35,925)	\$ (121,909)	\$ 48,698	\$ 117,151	\$ (1,544,079)	\$ (1,536,064)

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITY

During 2008, \$450,811 of storm capital assets were contributed by the City.

CITY OF BELOIT

ENTERPRISE FUND - BELOIT MASS TRANSIT DETAILED SCHEDULE OF REVENUES AND EXPENSES - REGULATORY BASIS For the Year Ended December 31, 2008

	<u>2008</u>
REVENUE	
401 - Passenger fares for transit service	\$ 212,087
407 - Non-transportation revenue	
Advertising	15,132
Investment Income	16,885
Rental Income	11,102
Charter and miscellaneous	5,114 *
409 - Local operating assistance - city levy	520,566
409 - Local operating assistance - inter-government	75,426
411 - State operating assistance	495,753
413 - Federal operating assistance	541,587
Capital contributions	<u>95,510</u>
 Total Revenue	 <u>1,998,269</u>
EXPENSES - BY OBJECT CLASS TOTAL	
501 - Labor	770,022
502 - Fringe benefits	601,356
503 - Services	38,584
504 - Materials and supplies	300,052
505 - Utilities	40,130
506 - Casualty and liability costs	52,217
508 - Purchased transportation services	12,329
509 - Miscellaneous	21,760
509 - Interest expense	39,804
513 - Depreciation	<u>273,694</u>
 Total Expenses	 <u>2,149,948</u>
 EXCESS EXPENSES OVER REVENUES FOR THE YEAR	 <u>\$ (151,679)</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, 2008

	Per WisDOT Guidelines	Per Federal Guidelines
Beloit Revenues	\$ 1,998,269	\$ 1,998,269
Less Unrecognized Revenues		
Advertising Revenue	-	15,132
Charter Revenue	5,114	5,114
Investment income	16,885	16,885
Local Operating Assistance	595,992	595,992
State Operating Assistance	495,753	495,753
Federal Operating Assistance	541,587	541,587
Capital Contributions	1 95,510	95,510
ADJUSTED REVENUES	\$ 238,321	\$ 223,189
Total Expenses	\$ 2,149,948	\$ 2,149,948
Less Non-Recognized Expenses		
Interest	39,804	39,804
Depreciation	273,694	273,694
Less Contra Expenses		
Charter Revenue	5,114	5,114
Capital Contributions for Operating Expenses	2 4,999	4,999
RECOGNIZED EXPENSES	\$ 1,826,337	\$ 1,826,337
RECOGNIZED EARNINGS (DEFICITS)	\$ (1,588,016)	\$ (1,603,148)
1 - Capital contributions - assets capitalized	91,511	
Capital contributions - expensed	3,999	
Total capital contributions	<u>95,510</u>	
2 - Capital contributions - expensed	3,999	
Federal share	80%	
Federal and local share of expenses	<u>4,999</u>	

CITY OF BELOIT

**ENTERPRISE FUND - BELOIT MASS TRANSIT
COMPUTATION OF THE DEFICIT DISTRIBUTION AMONG THE SUBSIDY GRANTORS
For the Year Ended December 31, 2008**

STATE FUNDS

WisDOT Contract Amount		<u>\$ 495,753</u>	
Local Operating Subsidy	<u>\$ 595,992</u>		
5 Times Operating Subsidy		<u>\$ 2,979,960</u>	
WisDOT Recognized Deficit	<u>\$ 1,599,118</u>		
Federal Share of Operating Assistance	<u>\$ 541,587</u>		
Remaining State Share of Deficit		<u>\$ 1,057,531</u>	
WisDOT Recognized Expenses	<u>\$ 1,826,337</u>		
Maximum State and Federal Operating Assistance	60.00%		
	<u>\$ 1,095,802</u>		
Federal Share of Operating Assistance	<u>\$ 541,587</u>		
Remaining State Share of Operating Assistance		<u>\$ 554,215</u>	
State Share – Least of the Five			<u>\$ 495,753</u>

FEDERAL SECTION 9 FUNDS

Federally Recognized Deficit	<u>\$ 1,614,250</u>		
50% of Federal Deficit		<u>\$ 807,125</u>	
Federal Recognized Deficit	<u>\$ 1,614,250</u>		
Less: State share	<u>495,753</u>		
Local Share		<u>\$ 1,118,497</u>	
Federal Share of Prior Year Grant Award		61,535	
Maximum Federal Share Per Grant Award		<u>\$ 541,587</u>	
Federal Section 9 Share – Least of the Three			<u>\$ 541,587</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - INTERNAL SERVICE FUNDS
December 31, 2008

	<u>Equipment Operations</u>	<u>General Liability Insurance</u>	<u>Health Insurance</u>	<u>Retiree Health Insurance</u>	<u>Totals</u>
ASSETS					
Current Assets					
Cash and investments	\$ 196,218	\$ 510,864	\$ 3,191,892	\$ -	\$ 3,898,974
Accounts receivable	27,107	3,161	36,928	4,747	71,943
Due from other governmental units	<u>1,780</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,780</u>
Total Current Assets	<u>225,105</u>	<u>514,025</u>	<u>3,228,820</u>	<u>4,747</u>	<u>3,972,697</u>
Non-Current Assets					
Restricted Assets					
Deposit with risk pool	<u>-</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,575,475</u>
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	<u>(40,463)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(40,463)</u>
Net Capital Assets	<u>26,702</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,702</u>
Total Non-Current Assets	<u>26,702</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,602,177</u>
Total Assets	<u>251,807</u>	<u>2,089,500</u>	<u>3,228,820</u>	<u>4,747</u>	<u>5,574,874</u>
LIABILITIES					
Current Liabilities					
Accounts payable	19,191	2,473	1,344	515	23,523
Claims payable	<u>-</u>	<u>167,042</u>	<u>1,908,436</u>	<u>-</u>	<u>2,075,478</u>
Total Liabilities	<u>19,191</u>	<u>169,515</u>	<u>1,909,780</u>	<u>515</u>	<u>2,099,001</u>
NET ASSETS					
Invested in capital assets	26,702	-	-	-	26,702
Unrestricted	<u>205,914</u>	<u>1,919,985</u>	<u>1,319,040</u>	<u>4,232</u>	<u>3,449,171</u>
TOTAL NET ASSETS	<u>\$ 232,616</u>	<u>\$ 1,919,985</u>	<u>\$ 1,319,040</u>	<u>\$ 4,232</u>	<u>\$ 3,475,873</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS -
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2008

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
OPERATING REVENUES					
Charges for services	\$ 1,379,803	\$ 1,098,649	\$ 5,391,855	\$ 1,563,725	\$ 9,434,032
Other	1,780	-	-	-	1,780
Total Operating Revenue	<u>1,381,583</u>	<u>1,098,649</u>	<u>5,391,855</u>	<u>1,563,725</u>	<u>9,435,812</u>
OPERATING EXPENSES					
Operation and maintenance	1,343,217	671,914	-	2,003,578	4,018,709
Contractual services	32,779	359,150	6,530,735	-	6,922,664
Depreciation	3,026	-	-	-	3,026
Total Operating Expenses	<u>1,379,022</u>	<u>1,031,064</u>	<u>6,530,735</u>	<u>2,003,578</u>	<u>10,944,399</u>
Operating Income (loss)	<u>2,561</u>	<u>67,585</u>	<u>(1,138,880)</u>	<u>(439,853)</u>	<u>(1,508,587)</u>
NONOPERATING REVENUES (EXPENSES)					
Investment income	3,306	-	-	-	3,306
Total Nonoperating Revenues (Expenses)	<u>3,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,306</u>
Transfer In	-	-	-	444,085	444,085
Transfer Out	-	-	(444,085)	-	(444,085)
Change in Net Assets	5,867	67,585	(1,582,965)	4,232	(1,505,281)
TOTAL NET ASSETS - Beginning	<u>226,749</u>	<u>1,852,400</u>	<u>2,902,005</u>	<u>-</u>	<u>4,981,154</u>
TOTAL NET ASSETS - ENDING	<u>\$ 232,616</u>	<u>\$ 1,919,985</u>	<u>\$ 1,319,040</u>	<u>\$ 4,232</u>	<u>\$ 3,475,873</u>

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS For the Year Ended December 31, 2008

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	\$ 1,383,177	\$ 1,095,938	\$ 5,402,217	\$ 1,558,978	\$ 9,440,310
Paid to suppliers for goods and services	(941,950)	(1,018,520)	(6,371,537)	(2,003,063)	(10,335,070)
Payments to employees for services	(434,447)	(79,904)	-	-	(514,351)
Net Cash Provided (Used) by Operating Activities	<u>6,780</u>	<u>(2,486)</u>	<u>(969,320)</u>	<u>(444,085)</u>	<u>(1,409,111)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Operating transfers out	-	-	(444,085)	-	(444,085)
Operating transfers in	-	-	-	444,085	444,085
Net Cash Used by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>(444,085)</u>	<u>444,085</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income (loss)	3,306	-	-	-	3,306
Net Cash Provided (Used) by Investing Activities	<u>3,306</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,306</u>
Net Increase (Decrease) in Cash and Cash Equivalents	10,086	(2,486)	(1,413,405)	-	(1,405,805)
CASH AND CASH EQUIVALENTS - Beginning	<u>186,132</u>	<u>513,350</u>	<u>4,605,297</u>	<u>-</u>	<u>5,304,779</u>
CASH AND CASH EQUIVALENTS - Ending	<u>\$ 196,218</u>	<u>\$ 510,864</u>	<u>\$ 3,191,892</u>	<u>\$ -</u>	<u>\$ 3,898,974</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 2,561	\$ 67,585	\$ (1,138,880)	\$ (439,853)	\$ (1,508,587)
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities					
Depreciation expense	3,026	-	-	-	3,026
Change in non-cash Components of Working Capital					
Accounts receivable	3,374	(2,711)	10,362	(4,747)	6,278
Accounts payable	(401)	(18,059)	(16,822)	515	(34,767)
Due from other governments	(1,780)	-	-	-	(1,780)
Claims payable	-	(49,301)	176,020	-	126,719
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 6,780</u>	<u>\$ (2,486)</u>	<u>\$ (969,320)</u>	<u>\$ (444,085)</u>	<u>\$ (1,409,111)</u>

CITY OF BELOIT

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - TAX COLLECTIONS For the Year Ended December 31, 2008

	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
TAX COLLECTIONS				
Assets				
Cash and investments	\$ 6,977,474	\$ 8,342,574	\$ 6,977,474	\$ 8,342,574
Property taxes receivable	<u>16,482,762</u>	<u>13,563,560</u>	<u>16,482,762</u>	<u>13,563,560</u>
TOTAL ASSETS	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>
Liabilities				
Due to other taxing units	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>
TOTAL LIABILITIES	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>	<u>\$ 23,460,236</u>	<u>\$ 21,906,134</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
December 31, 2008

	<u>Major</u>	<u>Major</u>	<u>Major</u>	
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable	Totals
ASSETS				
Current Assets				
Cash and investments	\$ 837,207	\$ 550,597	\$ -	\$ 1,387,804
Receivables				
Accounts	61,320	15,181	-	76,501
Due from other governmental units	-	13,531	-	13,531
Prepaid items	972	665	-	1,637
Total Current Assets	<u>899,499</u>	<u>579,974</u>	<u>-</u>	<u>1,479,473</u>
Non-Current Assets				
Restricted Assets				
Cash and investments	-	-	2,147,904	2,147,904
Capital Assets				
Land	-	414,539	-	414,539
Construction in progress	-	70,094	-	70,094
Buildings	-	3,640,214	-	3,640,214
Machinery, equipment, and vehicles	11,952	4,570,896	-	4,582,848
Less: Accumulated depreciation	<u>(8,858)</u>	<u>(5,774,637)</u>	<u>-</u>	<u>(5,783,495)</u>
Net Capital Assets	<u>3,094</u>	<u>2,921,106</u>	<u>-</u>	<u>2,924,200</u>
Other Assets				
Lease receivable from primary government	-	-	14,882,096	14,882,096
Total Non-Current Assets	<u>3,094</u>	<u>2,921,106</u>	<u>17,030,000</u>	<u>19,954,200</u>
Total Assets	<u>902,593</u>	<u>3,501,080</u>	<u>17,030,000</u>	<u>21,433,673</u>
LIABILITIES				
Current Liabilities				
Accounts payable	4,343	8,426	-	12,769
Accrued liabilities	15,410	38,176	-	53,586
Due to primary government	26,563	37,017	-	63,580
Unearned revenues	-	1,191	-	1,191
Deposits	31,288	46,244	-	77,532
Total Current Liabilities	<u>77,604</u>	<u>131,054</u>	<u>-</u>	<u>208,658</u>
Non-Current Liabilities				
Compensated absences	3,401	19,082	-	22,483
Lease revenue bonds payable	-	-	17,030,000	17,030,000
Total Noncurrent Liabilities	<u>3,401</u>	<u>19,082</u>	<u>17,030,000</u>	<u>17,052,483</u>
Total Liabilities	<u>81,005</u>	<u>150,136</u>	<u>17,030,000</u>	<u>17,261,141</u>
NET ASSETS				
Invested in capital assets	3,094	2,921,106	-	2,924,200
Restricted for grant programs	817,864	429,838	-	1,247,702
Unrestricted	630	-	-	630
TOTAL NET ASSETS	<u>\$ 821,588</u>	<u>\$ 3,350,944</u>	<u>\$ -</u>	<u>\$ 4,172,532</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
 Year Ended December 31, 2008

	<u>Major</u>	<u>Major</u>	<u>Major</u>	
	Section 8 Rental Voucher Program	Low Rent Public Housing	Lease Receivable	<u>Totals</u>
EXPENSES				
Community development	\$ 3,313,186	\$ 940,576	\$ 972,427	\$ 5,226,189
PROGRAM REVENUES				
Charges for services	-	249,422	-	249,422
Operating grants and contributions	<u>3,147,215</u>	<u>584,310</u>	-	<u>3,731,525</u>
Total Program Revenues	<u>3,147,215</u>	<u>833,732</u>	-	<u>3,980,947</u>
Sub-totals	<u>(165,971)</u>	<u>(106,844)</u>	<u>(972,427)</u>	<u>(1,245,242)</u>
GENERAL REVENUES (EXPENSES)				
Investment income	16,478	13,941	1,108,780	1,139,199
Miscellaneous	<u>56,260</u>	-	<u>(136,353)</u>	<u>(80,093)</u>
Total General Revenues (Expenses)	<u>72,738</u>	<u>13,941</u>	<u>972,427</u>	<u>1,059,106</u>
Change in Net Assets	(93,233)	(92,903)	-	(186,136)
NET ASSETS - BEGINNING	<u>914,821</u>	<u>3,443,847</u>	-	<u>4,358,668</u>
NET ASSETS - ENDING	<u>\$ 821,588</u>	<u>\$ 3,350,944</u>	<u>\$ -</u>	<u>\$ 4,172,532</u>

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS - COMMUNITY DEVELOPMENT AUTHORITY For the Year Ended December 31, 2008

	Major Section 8 Rental Voucher Program	Major Low Rent Public Housing	Major Leases Receivable	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 31,554	\$ 271,177	\$ -	\$ 302,731
Paid to suppliers for goods and services	(3,137,784)	(382,284)	-	(3,520,068)
Payments to employees for services	(205,058)	(249,090)	-	(454,148)
Payments to city for tax equivalent	-	(23,497)	-	(23,497)
Net Cash Flows From Operating Activities	(3,311,288)	(383,694)	-	(3,694,982)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating grants received	3,147,215	501,308	-	3,648,523
Collections on leases receivable	-	-	311,047	311,047
Non-capital (advance) and repayment	-	-	(5,059,838)	(5,059,838)
Net Cash Flows From Non-Capital Financing Activities	3,147,215	501,308	(4,748,791)	(1,100,268)
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES				
Proceeds from issuance of new debt	-	-	5,650,000	5,650,000
Debt retired	-	-	(764,104)	(764,104)
Interest paid	-	-	(1,160,908)	(1,160,908)
Capital grants received	-	83,002	-	83,002
Acquisition and construction of capital assets	(496)	(120,693)	-	(121,189)
Cost of removal of property retired	-	9,380	-	9,380
Net Cash Flows From Capital and Related Financing Activities	(496)	(28,311)	3,724,988	3,696,181
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	16,478	13,941	1,177,142	1,207,561
Net Cash Flows From Investing Activities	16,478	13,941	1,177,142	1,207,561
Net Change in Cash and Cash Equivalents	(148,091)	103,244	153,339	108,492
CASH AND CASH EQUIVALENTS - Beginning of Year	985,298	447,353	1,994,565	3,427,216
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 837,207	\$ 550,597	\$ 2,147,904	\$ 3,535,708
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (3,314,081)	\$ (691,154)	\$ -	\$ (4,005,235)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities				
Non-operating income	57,155	-	-	57,155
Depreciation	769	273,949	-	274,718
Change in Assets and Liabilities				
Accounts receivable	(25,601)	(12,129)	-	(37,730)
Prepaid items	(972)	8	-	(964)
Due from other funds	-	28,813	-	28,813
Accounts payable and accrued liabilities	7,568	7,735	-	15,303
Due to other funds	(38,848)	8,531	-	(30,317)
Other current liabilities	2,722	(638)	-	2,084
Unearned revenues	-	1,191	-	1,191
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ (3,311,288)	\$ (383,694)	\$ -	\$ (3,694,982)

NONCASH CAPITAL AND FINANCING ACTIVITIES

During 2008, the 2000A and 2002B Lease Revenue Bonds in the amount of \$3,166,150 and \$2,945,000, respectively were refunded

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NON-MAJOR COMPONENT UNITS December 31, 2008

	<u>Non-Major Business Improvement District</u>	<u>Non-Major Beloit Public Library Foundation, Inc.</u>	<u>Totals</u>
ASSETS			
Current Assets			
Cash and investments	\$ 126,713	\$ 444,243	\$ 570,956
Receivables			
Special assessments	130,084	-	130,084
Accrued interest	-	340	340
Total Current Assets	<u>256,797</u>	<u>444,583</u>	<u>701,380</u>
 Total Assets	 <u>256,797</u>	 <u>444,583</u>	 <u>701,380</u>
LIABILITIES			
Current Liabilities			
Accounts payable	7,375	14,200	21,575
Due to primary government	84,976	-	84,976
Unearned revenues	130,084	-	130,084
Total Current Liabilities	<u>222,435</u>	<u>14,200</u>	<u>236,635</u>
Non-Current Liabilities			
Library campaign pledge	-	250,000	250,000
NET ASSETS			
Restricted for grant programs	-	5,433	5,433
Unrestricted	<u>34,362</u>	<u>174,950</u>	<u>209,312</u>
 TOTAL NET ASSETS	 <u>\$ 34,362</u>	 <u>\$ 180,383</u>	 <u>\$ 214,745</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - NON-MAJOR COMPONENT UNITS Year Ended December 31, 2008

	<u>Non-major Business Improvement District</u>	<u>Non-major Beloit Public Library Foundation, Inc.</u>	<u>Totals</u>
EXPENSES			
Economic development	\$ 183,789	\$ -	\$ 183,789
Library services	-	278,163	278,163
Total Expenses	<u>183,789</u>	<u>278,163</u>	<u>461,952</u>
PROGRAM REVENUES			
Charges for services	204,615	6,504	211,119
Operating grants and contributions	-	28,156	28,156
Total Program Revenues	<u>204,615</u>	<u>34,660</u>	<u>239,275</u>
Operating Income (Loss)	<u>20,826</u>	<u>(243,503)</u>	<u>(222,677)</u>
GENERAL REVENUES			
Investment income	<u>2,755</u>	<u>(138,731)</u>	<u>(135,976)</u>
Total General Revenues	<u>2,755</u>	<u>(138,731)</u>	<u>(135,976)</u>
Change in Net Assets	23,581	(382,234)	(358,653)
TOTAL NET ASSETS - Beginning	<u>10,781</u>	<u>562,617</u>	<u>573,398</u>
TOTAL NET ASSETS - ENDING	<u>\$ 34,362</u>	<u>\$ 180,383</u>	<u>\$ 214,745</u>

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, 2008, which collectively comprise the City of Beloit's basic financial statements and have issued our report thereon dated July 21, 2009. Our report was modified to include a reference to other auditors and because the City implemented GASB Statement No. 45. 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, as described in our report on the City of Beloit's financial statements. The financial statements of the Beloit Public Library Foundation, Inc. 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 would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies and material weaknesses.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City of Beloit's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City of Beloit's financial statements that is more than inconsequential will not be prevented or detected by the City of Beloit's internal control over financial reporting.

To the City Council
City of Beloit

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City of Beloit's internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies and, accordingly, would not necessarily disclose all significant deficiencies that are also considered to be material weaknesses. We consider items 08-1 and 08-2 to be material weaknesses, which are described in the accompanying schedule of findings and questioned costs.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Beloit's basic 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 July 21, 2009.

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

This report is intended solely for the information and use of the City of Beloit's management, 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.

Madison, Wisconsin
July 21, 2009

Baker Tilly Vuchow Krause LLP

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133
AND THE STATE SINGLE AUDIT GUIDELINES AND THE
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

To the City Council
City of Beloit
Beloit, Wisconsin

Compliance

We have audited the compliance of the City of Beloit, Wisconsin, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that are applicable to each of its major federal and major state programs for the year ended December 31, 2008. 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 requirements referred to above that are applicable to each of its major federal and major state programs for the year ended December 31, 2008.

To the City Council
City of Beloit

Internal Control Over Compliance

The 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 requirements that could have a direct and material effect on a major federal or major state program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal or state program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal or state program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

Schedule of Expenditures of Federal and State Awards

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, 2008, which collectively comprise the City of Beloit's basic financial statements and have issued our report thereon dated July 21, 2009. Our report was modified to include a reference to other auditors and because the City implemented GASB Statement No. 45. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the City of Beloit's basic financial statements. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and the *State Single Audit Guidelines* and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

To the City Council
City of Beloit

This report is intended solely for the information and use of the City of Beloit's management, 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.

Madison, Wisconsin
July 21, 2009

Baker Tilly Victor Krause LLP

CITY OF BELOIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2008

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Revenues				Expenditures	
		Grantor Share			Total Revenues		Grantor Share
		(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance			
U.S. Department of Housing and Urban Development							
Community Development Block Grants/Entitlement Grants	14.218	\$ (366,893)	\$ 937,694	\$ 108,152	\$ 678,953	\$ 678,953	
Passed Through City of Janesville	14.239	(26,951)	131,982	58,167	163,198	163,198	
Home Investment Partnerships Program	14.246	(72,421)	113,260	-	40,839	40,839	
Community Development Block Grants/Brownfields Economic Development Incentive	14.231	(1,881)	7,386	-	5,505	5,505	
EDJ - Neighborhood Initiative - Westside	14.850	-	407,371	-	407,371	407,371	
Emergency Shelter Grant	14.871	-	3,164,322	-	3,164,322	3,164,322	
Public and Indian Housing	14.871	-	-	-	-	-	
Section 8 Housing Choice Vouchers	14.872	(703)	9,208	-	8,505	8,505	
Public Housing Capital Fund		(645)	84,608	4,441	88,404	88,404	
WI39-PO64-501-05		(455)	58,007	6,500	64,052	64,052	
WI39-PO64-501-06		-	18,179	2,590	20,769	20,769	
WI39-PO64-501-07		(1,803)	170,002	13,531	181,730	181,730	
WI39-PO64-501-08		(469,949)	4,932,017	179,850	4,641,918	4,641,918	
Total Public Housing Capital Fund							
Total U.S. Department of Housing and Urban Development							
U.S. Department of Justice							
Passed through Rock County	16.607	-	-	6,848	6,848	6,848	
Bulletproof Vest Partnership Program	16.610	-	16,815	-	16,815	16,815	
Project Safe Neighborhood	16.738	-	24,000	-	24,000	24,000	
Edward Byrne Memorial Justice Assistance Grant		-	40,815	6,848	47,663	47,663	
Total U.S. Department of Justice							
U.S. Department of Transportation							
Federal Transit Cluster							
Passed Through Wisconsin Department of Transportation	20.500	(16,718)	55,530	56,698	95,510	95,510	
Federal Transit Capital Investment Grants 5307/5309	20.507	(576,587)	1,118,174	-	541,587	541,587	
Federal Transit Formula Grants		(593,305)	1,173,704	56,698	637,097	637,097	
Total Federal Transit Cluster							
Passed Through Illinois Department of Transportation	20.505	(18,005)	75,493	11,556	69,044	69,044	
Highway Planning and Construction							
Passed Through Wisconsin Department of Transportation	20.600	-	19,784	-	19,784	19,784	
State and Community Highway Safety							
Speed Enforcement		-	871	-	871	871	
Bicycle Rodeo Safety		-	18,000	-	18,000	18,000	
Alcohol Enforcement		-	38,655	-	38,655	38,655	
Total State and Community Highway Safety		(611,310)	1,287,852	68,254	744,796	744,796	
Total U.S. Department of Transportation							

See notes to schedules of federal and state awards.

CITY OF BELOIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2008

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Revenues				Expenditures Grantor Share
		(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance	Total Revenues	
U.S. Department of Homeland Security						
Passed Through Wisconsin Department of Military Affairs	97.036	\$ -	\$ 88,379	\$ -	\$ 88,379	\$ 88,379
Public Assistance Grants		-	173,423	73,671	247,094	247,094
Presidential Disaster Declaration FEMA-3285-EM		-	261,802	73,671	335,473	335,473
Presidential Disaster Declaration FEMA-1768-DR-WI		-				
Total Public Assistance Grants		-				
Passed Through Wisconsin Department of Administration	97.067	-	25,108	-	25,108	25,108
Homeland Security Grant Program - Beloit Fire Department		-	286,910	73,671	360,581	360,581
Total U. S. Department of Homeland Security		\$ (1,081,259)	\$ 6,547,594	\$ 328,623	\$ 5,794,958	\$ 5,794,958
TOTAL FEDERAL AWARDS						

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, 2008

State Agency/Pass-Through Agency/Program Title	State Number	Revenues				Total Revenues	Expenditures Grantor Share
		(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance			
Wisconsin Department of Natural Resources							
Local Park Aids Stewardship	370.421	\$ -	\$ 192,500	\$ -	\$ 192,500	\$ 192,500	
Total Wisconsin Department of Natural Resources		-	192,500	-	192,500	192,500	
Wisconsin Department of Transportation							
Transit Operating Aids	395.104						
2006 Operating Aids		-	19,679	-	19,679	19,679	
2007 Operating Aids		(46,296)	46,296	-	-	-	
2008 Operating Aids		-	443,627	49,576	493,203	493,203	
Total Transit Operating Aids		(46,296)	509,602	49,576	512,882	512,882	
Highway Research, Planning and Construction Planning Commission Program	395.202	(78,267)	195,317	50,254	167,304	167,304	
Transportation Facilities Economic Assistance and Development Program	395.510	(6,464)	6,464	-	-	-	
Apex Drive		(131,027)	711,383	99,830	680,186	680,186	
Total Wisconsin Department of Transportation		-	9,577	-	9,577	9,577	
Wisconsin Department of Health Services							
Ambulance Funding Assistance Grant	435.162	-	9,577	-	9,577	9,577	
Total Wisconsin Department of Health Services		-	9,577	-	9,577	9,577	
Wisconsin Department of Military Affairs							
State Match - Federal Disaster Assistance	465.305	-	14,441	-	14,441	14,441	
Presidential Disaster Declaration FEMA-3285-EM		-	9,477	28,879	38,356	38,356	
Presidential Disaster Declaration FEMA-1768-DR-WI		-	23,918	28,879	52,797	52,797	
Total Wisconsin Department of Military Affairs		-	47,836	57,758	105,594	105,594	
Wisconsin Department of Administration							
Office of Justice Assistance							
Uniform Beat Patrol Officers	505.603	-	143,750	-	143,750	143,750	
Total Wisconsin Department of Administration - Office of Justice Assistance		-	143,750	-	143,750	143,750	
TOTAL STATE AWARDS		\$ (131,027)	\$ 1,081,128	\$ 128,709	\$ 1,078,810	\$ 1,078,810	

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, 2008

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.

State programs reported include only those programs required to be included by the *State Single Audit Guidelines*.

NOTE 2 – BASIS OF PRESENTATION

The accounting records for the 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 is 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 БЕЛОIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2008

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 deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Noncompliance material to the basic financial statements noted?

 Yes X No

FEDERAL OR STATE AWARDS

Internal control over major programs:

- Material weakness(es) identified? Yes X No
- Significant deficiencies identified that are not considered to be material weakness(es)? 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?

 Yes X No

 Federal Programs State Programs

Auditee qualified as low-risk auditee?

 Yes X No Yes X No

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

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

Identification of major federal programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers
	<u>Federal Transit Cluster</u>
20.500	Federal Transit - Capital Investment Grants
20.507	Federal Transit - Formula Grants
97.036	Public Assistance Grants

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

Identification of major state programs:

<u>State ID Number</u>	<u>Name of State Program</u>
370.421	Local Park Aids Stewardship
395.104	Transit Operating Aids
505.603	Uniform Beat Patrol Officers

SECTION II – FINANCIAL STATEMENT FINDINGS

08-1 Material Weakness – Internal Control Over Financial Reporting

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.

Criteria: Statement on Auditing Standards (SAS) No. 112 requires us to report 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.

CITY OF БЕЛОIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION II – FINANCIAL STATEMENT FINDINGS (cont.)

08-1 Material Weakness – Internal Control Over Financial Reporting (cont.)

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 Response: To meet the recommendation given our current staffing complement, it would be extremely difficult for the City to comply with these requirements 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 prepare its annual financial statements.

08-2 Material Weakness – Internal Control Improvements

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 of Beloit will implement procedures beyond requiring vendors to complete and submit IRS Form W-9, to address the review and approval of vendors.

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

Management's Response: Additional controls regarding check printing and processing will be developed for those instances when normal controls cannot be followed.

3. There should be a process to review, record, and approve retainages and encumbrances at year end.

Management's Response: The City will develop a process to review construction contracts at year-end with the City Engineer and journal entries will be approved by a staff member other than the initiator.

CONTROLS OVER INFORMATION TECHNOLOGY

1. System and application passwords should be required to be changed, generally every 60 to 90 days. Currently, the City policy is every six months.

Management's Response: The Information Technology Division will review the current policy and recommend changes as needed.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION II – FINANCIAL STATEMENT FINDINGS (cont.)

08-2 Material Weakness – Internal Control Improvements (cont.)

CONTROLS OVER INFORMATION TECHNOLOGY (cont.)

2. 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 Information Technology Division will work with the City's Human Resources Division to create a formal process for setting up new employees as well as eliminating system access for employees that have been terminated.

3. Access rights for the network and significant applications should be reviewed at least annually by an appropriate person.

Management's Response: The Information Technology Division will create an annual process for reviewing end-users access rights and application logs.

4. Security monitoring should be performed for access violations at the application and database levels and related threat events. Currently, logs are maintained. However, they are not reviewed frequently. The City received and is implementing new equipment and processes for 2009.

Management's Response: The Information Technology Division will develop procedures to review application and database logs on a regular basis.

5. Physical access to the server should be restricted to only employees with a need to access the server.

Management's Response: The Information Technology Division will review the list of employees that have access to the City's Network Operations Center. We will establish a list of employees that need physical access to the servers and restrict access to only those employees.

6. Formal documentation of process for requesting, approving, and making application and network changes. Documentation should be retained for each approved project.

Management's Response: The Information Technology Division will document and retain a record of all approved application and network changes.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2008

SECTION II – FINANCIAL STATEMENT FINDINGS (cont.)

08-2 Material Weakness – Internal Control Improvements (cont.)

CONTROLS OVER FINANCIAL REPORTING

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

Management's Response: The City will develop procedures for approving the schedule of expenditures of federal and state awards by someone other than the preparer of the schedule.

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

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.

SECTION III – FEDERAL AND STATE – FINDINGS AND QUESTIONED COSTS

No findings were reported.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2008

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 No

2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiencies, 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	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Department of Transportation	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Department of Health Services	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Department of Military Affairs	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Department of Administration	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes No

4. Name and signature of partner


Thomas A. Scheidegger, CPA, Partner

5. Date of report

July 21, 2009

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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.	146 - 152
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.	153 - 157
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.	158 - 161
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.	162 - 163
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.	164 - 166

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.*

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
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
Restricted	13,796,880	10,863,873	11,768,879	13,459,223	11,760,200	10,428,457
Unrestricted	13,392,661	17,504,451	14,956,037	8,766,021	4,566,212	10,045,542
Total governmental activities net assets	\$ 25,429,260	\$ 60,823,903	\$ 61,026,296	\$ 61,853,438	\$ 58,057,259	\$ 54,853,309
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
Restricted	3,296,536	9,258,839	7,524,675	8,032,063	8,110,918	6,694,042
Unrestricted	12,571,082	8,475,678	8,052,070	9,232,479	9,583,948	7,893,186
Total business-type activities net assets	\$ 56,663,318	\$ 57,610,551	\$ 58,442,917	\$ 60,943,934	\$ 68,835,918	\$ 70,989,043
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	\$ 86,261,662
Restricted	17,093,416	20,122,712	20,885,644	21,491,286	19,871,118	17,122,499
Unrestricted	25,963,743	25,980,129	21,416,017	17,998,500	14,150,160	22,458,191
Total primary government net assets	\$ 82,092,578	\$ 118,434,454	\$ 119,469,213	\$ 122,797,372	\$ 126,893,177	\$ 125,842,352

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 Six Fiscal Years
 (accrual basis of accounting)

	Fiscal Year			
	2003	2004	2005	2006
Expenses				
Governmental activities:				
General government	\$ 644,342	\$ 612,189	\$ 723,994	\$ 715,922
Finance and administrative services	4,031,333	4,202,312	4,354,243	4,782,420
Community development	3,091,287	2,819,663	2,673,273	3,774,720
Economic development	212,794	232,040	225,825	241,839
Public safety:				
Police services	9,534,429	9,689,839	9,657,237	10,780,470
Fire services	6,087,103	6,279,879	6,553,907	6,794,772
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
Library	1,717,707	1,766,186	1,862,844	1,988,168
Interest and fiscal charges	2,747,848	2,322,088	2,508,848	2,813,184
Total governmental activities	42,122,278	41,137,276	41,344,177	45,552,223
Business-type activities:				
Water	552,420	3,863,256	4,287,366	3,972,012
Sewer	7,413,585	7,775,483	8,419,122	7,013,940
Other non-major enterprise funds	3,066,042	3,081,295	3,407,599	3,552,212
Total business-type activities	11,032,047	14,720,034	16,114,087	14,538,164
Total primary government expenses	\$ 53,154,325	\$ 55,857,310	\$ 57,458,264	\$ 60,090,387
Program Revenues (see Schedule 3)				
Governmental activities:				
Charges for services:				
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074
Finance and administrative services	2,733,344	1,915,701	1,029,731	2,180,127
Community development	320,366	172,899	-	139,883
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
Fire services	39,428	63,229	60,024	22,061
Health	122,702	91,599	85,037	759
Public works	1,748,783	1,966,409	2,004,048	2,364,965
Library	54,255	63,308	103,841	150,241
Operating grants and contributions	3,585,554	4,308,531	2,755,787	2,398,066
Capital grants and contributions	3,705,837	1,779,114	767,858	846,026
Total governmental activities program revenues	12,491,630	11,675,615	7,979,538	9,285,322
Business-type activities:				
Charges for services:				
Water	357,578	4,469,255	4,507,623	4,660,075
Sewer	7,585,688	7,503,078	7,500,532	7,523,826
Other non-major enterprise funds	1,347,050	1,263,756	1,555,212	1,636,118
Operating grants and contributions	785,093	944,628	1,087,975	1,074,996
Capital grants and contributions	3,388,652	1,097,293	1,362,933	1,500,373
Total business-type activities program revenues	13,474,061	15,278,010	16,014,275	16,395,388
Total primary government program revenues	\$ 25,965,691	\$ 26,953,625	\$ 23,993,813	\$ 25,680,710
Net (expense)/revenue				
Governmental activities	\$ (29,630,648)	\$ (29,461,661)	\$ (33,364,639)	\$ (36,266,901)
Business-type activities	2,442,014	557,976	(99,812)	1,857,224
Total primary government net expense	\$ (27,188,634)	\$ (28,903,685)	\$ (33,464,451)	\$ (34,409,677)

(continued)

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

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
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	\$ 10,717,407
Property taxes, levied for debt service	2,626,280	3,079,460	2,752,289	2,502,289	2,882,495	3,603,871
Property taxes, levied for other	3,171,118	3,193,143	3,304,771	3,808,617	4,360,329	1,668,775
Other taxes	65,209	114,248	291,301	619,176	508,753	551,547
Intergovernmental revenues not restricted to specific programs	19,560,171	18,667,021	20,368,636	21,794,494	20,671,176	20,071,655
Public gifts and/or grants	18,453	-	6,311	760	-	-
Investment income	705,929	640,920	562,780	1,793,770	2,397,498	691,086
Gain (loss) on sale of property	-	-	-	300,835	623,359	318,690
Miscellaneous	293,652	347,364	1,137,866	341,679	1,646,145	992,256
Transfers	1,742,555	300,000	300,000	775,846	(1,567,885)	(1,023,197)
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>
Business-type activities:						
Taxes	586,230	503,520	618,208	754,260	700,697	594,530
Investment income	512,691	561,506	586,234	574,614	669,637	492,793
Miscellaneous	36,619	15,483	27,736	-	-	-
Gain (loss) on sale of property	-	(300,000)	(300,000)	(775,846)	-	-
Transfers	1,135,540	780,509	932,178	553,028	2,938,219	2,110,520
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>
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>
Change in net assets						
Governmental activities	\$ 3,290,605	\$ 1,569,872	\$ 202,393	\$ 827,142	\$ (3,796,179)	\$ (3,203,950)
Business-type activities	3,577,554	1,338,485	832,366	2,410,252	4,131,026	2,153,125
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>

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 Six Fiscal Years
(accrual basis of accounting)

Function/Program	Program Revenues					
	2003	2004	2005	2006	2007	2008
Governmental activities:						
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074	\$ 21,402	\$ 17,856
Finance and administrative services	3,106,579	1,922,133	1,036,048	2,183,782	1,455,401	2,817,806
Community development	1,247,347	1,791,483	781,256	970,331	588,969	199,078
Economic development	231,744	68,227	40,357	396,608	166,421	11,076
Public safety:						
Police services	545,017	1,490,977	1,170,936	1,146,735	1,476,936	1,217,410
Fire services	86,559	114,971	115,011	79,169	68,752	248,684
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
Library	334,054	353,606	385,149	420,163	403,530	410,334
Total governmental activities	12,491,630	11,675,615	7,979,538	9,285,322	7,082,481	8,620,020
Business-type activities:						
Water	2,462,326	5,469,747	5,665,145	5,287,437	4,886,450	4,980,009
Sewer	8,822,605	7,521,152	7,616,106	7,792,114	7,573,835	7,291,004
Other non-major enterprise funds	2,189,130	2,287,111	2,733,024	3,315,837	4,207,328	4,197,117
Total business-type activities	13,474,061	15,278,010	16,014,275	16,395,388	16,667,613	16,468,130
Total primary government	\$ 25,965,691	\$ 26,953,625	\$ 23,993,813	\$ 25,680,710	\$ 23,750,094	\$ 25,088,150

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)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General fund										
Reserved	\$ 2,304,258	\$ 1,816,632	\$ 2,671,669	\$ 3,045,541	\$ 2,291,884	\$ 2,301,074	\$ 2,441,506	\$ 2,272,741	\$ 2,031,796	\$ 2,149,150
Unreserved	6,069,222	7,558,520	8,105,121	8,903,048	9,156,158	8,025,173	7,312,676	8,165,444	8,547,741	8,184,365
Total general fund	\$ 8,373,480	\$ 9,375,152	\$ 10,776,790	\$ 11,948,589	\$ 11,448,042	\$ 10,326,247	\$ 9,754,182	\$ 10,438,185	\$ 10,579,537	\$ 10,333,515
All other governmental funds										
Reserved	\$ 10,602,139	\$ 9,894,093	\$ 10,622,595	\$ 13,928,934	\$ 8,985,078	\$ 11,494,064	\$ 12,554,918	\$ 11,856,614	\$ 10,935,007	\$ 11,565,636
Unreserved, reported in:										
Special revenue funds	(2,606,757)	(3,393,409)	(1,589,402)	2,243,709	6,645,230	5,733,357	5,483,717	3,082,789	3,423,288	533,830
Capital projects funds	6,621,232	10,701,522	11,591,808	12,443,822	15,211,988	7,880,186	5,863,503	11,299,595	22,179,563	9,335,975
Debt service funds	(2,725,464)	(2,494,700)	(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	\$ 11,891,150	\$ 14,707,506	\$ 13,974,916	\$ 20,049,902	\$ 22,492,624	\$ 22,386,515	\$ 21,674,456	\$ 19,749,976	\$ 31,401,715	\$ 21,435,441
Total governmental funds	\$ 20,264,630	\$ 24,082,658	\$ 24,751,706	\$ 31,998,491	\$ 33,940,666	\$ 32,712,762	\$ 31,428,638	\$ 30,188,161	\$ 41,981,252	\$ 31,768,956

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 2008 was \$7,264,704 which represents three months of budgeted operating expenditures. The city exceeded this limit by \$186,308.

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes (see Schedule 6)	\$ 9,105,460	\$ 8,735,894	\$ 9,208,327	\$ 9,764,202	\$ 10,600,491	\$ 10,843,237	\$ 11,265,060	\$ 11,572,159	\$ 12,615,533	\$ 16,047,362
Intergovernmental	21,605,541	23,331,432	24,245,788	25,053,509	26,625,582	23,246,309	22,225,934	23,493,675	21,902,213	21,831,391
Licenses and permits	507,868	522,705	527,722	593,274	599,810	639,774	776,138	862,170	758,459	733,953
Fines, forfeitures and penalties	772,097	784,800	817,194	907,809	886,032	952,782	993,225	1,128,260	1,212,231	1,187,381
Fees and service charges	1,318,078	1,456,702	1,466,635	1,599,255	722,437	951,737	511,779	662,075	630,560	677,097
Rent	25,660	33,036	73,652	82,679	112,476	58,103	38,988	44,459	43,182	30,715
Special assessments	432,377	272,025	451,184	385,596	216,283	183,671	294,488	388,906	314,066	246,045
Investment income	830,690	1,938,804	1,924,602	1,923,913	736,590	726,856	904,864	1,977,154	2,908,368	2,247,632
Public charges for services	-	-	-	-	1,586,080	1,757,120	1,682,946	2,031,103	2,256,901	2,261,251
Donations	64,131	33,370	17,379	38,008	13,876	13,531	17,502	-	-	-
Other	2,664,474	2,294,674	2,134,144	2,403,551	2,358,834	2,016,416	2,636,405	2,085,813	2,775,930	2,350,749
Total revenues	37,326,376	39,403,442	40,866,627	42,753,796	44,458,491	41,389,536	41,347,329	44,245,774	45,417,443	47,613,576
Expenditures										
Current										
General government	3,580,128	4,283,361	3,504,344	5,008,061	3,712,424	3,678,019	3,807,291	3,771,853	3,895,310	3,965,843
Community development	3,299,022	3,422,790	3,026,257	2,443,943	2,919,207	3,171,269	2,802,778	4,143,333	2,775,921	2,600,297
Public safety	12,546,672	13,197,525	13,655,810	14,270,529	15,400,453	15,982,181	16,369,892	16,961,863	17,960,197	18,022,207
Public health	1,694,032	1,796,622	1,937,255	2,025,143	2,097,905	1,834,366	1,655,042	334,012	-	-
Public works	6,000,512	6,159,815	6,646,582	6,648,828	7,228,369	7,441,486	7,633,559	8,095,485	8,797,432	8,780,712
Parks, recreation, and education	1,624,377	1,669,179	1,615,103	1,604,472	1,767,192	1,779,022	1,811,607	1,907,205	1,938,463	1,970,069
Capital outlay	7,324,044	8,339,487	9,467,586	10,816,717	9,278,605	8,663,952	12,142,447	14,193,984	10,443,691	18,213,473
Debt service:										
Principal retirement	2,352,258	3,459,751	4,237,255	3,296,793	8,198,136	4,129,286	3,612,222	3,570,886	11,760,034	10,294,458
Interest and fiscal charges	1,394,830	1,524,463	2,073,925	2,321,430	2,867,062	2,612,794	2,756,201	2,862,355	3,876,435	1,956,651
Total expenditures	39,815,875	43,852,993	46,164,117	48,435,916	53,469,353	49,292,365	52,591,039	55,840,976	61,447,483	65,803,710
Excess of revenues over (under) expenditures	(2,489,499)	(4,449,551)	(5,297,490)	(5,682,120)	(9,010,862)	(7,902,829)	(11,243,710)	(11,595,202)	(16,030,040)	(18,190,134)

(continued)

(concluded)

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

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Other financing sources (uses)										
Bonds issued	4,499,715	5,190,800	6,619,780	3,905,077	12,088,452	8,172,166	8,174,118	8,227,299	15,196,994	3,438,190
Capital lease issued	171,886	2,856,050	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)	-	-	-	-
Sale of city property	304,379	227,982	81,579	218,165	254,536	163,416	822,742	734,988	780,745	477,845
Transfers in	2,196,347	1,648,637	1,913,852	2,188,654	1,350,951	2,313,628	1,204,367	1,984,009	1,017,571	1,350,505
Transfers out	(2,204,565)	(1,655,890)	(1,913,852)	(2,626,561)	(1,350,951)	(2,056,864)	(904,367)	(1,208,163)	(365,288)	(2,373,702)
Total other financing sources (uses)	4,967,762	8,267,579	5,966,538	11,714,905	13,284,192	6,674,925	9,959,586	10,354,725	27,823,131	7,977,838
Special item										
Retirement prior service	-	-	-	-	(2,323,452)	-	-	-	-	-
Total special items	-	-	-	-	(2,323,452)	-	-	-	-	-
Net change in fund balances	\$ 2,478,263	\$ 3,818,028	\$ 669,048	\$ 6,032,785	\$ 1,949,878	\$ (1,227,904)	\$ (1,284,124)	\$ (1,240,477)	\$ 11,793,091	\$ (10,212,296)
Debt service as a percentage of non-capital expenditures	13.04%	16.33%	20.77%	17.56%	29.46%	17.62%	17.22%	15.32%	28.41%	23.93%

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

<u>Fiscal Year</u>	<u>Property</u>	<u>Mobile Home</u>	<u>Payments In Lieu of</u>	<u>Prior Year Collections/ (Rescinded)</u>	<u>Motel</u>	<u>Total</u>
1999	\$ 9,023,412	\$ 22,030	\$ 16,010	\$ 15,697	\$ 28,311	\$ 9,105,460
2000	8,578,031	27,292	15,129	80,135	35,307	8,735,894
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

Note: In 2005, 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 2% or the percentage that the previous year's net new construction represents of total equalized value, whichever value is higher.

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
1999	\$ 660,952,800	\$ 233,804,600	\$ 71,082,700	\$ 2,303,900	\$ 54,842,370	\$ 1,022,986,370	\$ 8.27	\$ 1,014,290,700	100.86%										
2000	694,931,800	239,573,100	74,131,000	1,337,200	60,413,330	1,070,386,430	8.32	1,052,181,500	101.73%										
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%										

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. 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)

Levy Year	Collection Year	City Direct Tax Rate	Overlapping Rates (a)							School Tax Credit
			Rock County	State of Wisconsin	Technical College	Beloit School District	Beloit Turner School District	Clinton School District		
1999	2000	\$ 8.27	\$ 6.04	\$ 0.20	\$ 1.56	\$ 12.01	\$ 13.25	\$ 13.95	\$ (2.00)	
2000	2001	8.32	6.31	0.20	1.62	11.23	13.28	13.67	(1.90)	
2001	2002	8.41	5.81	0.20	1.69	11.29	13.21	12.71	(1.76)	
2002	2003	8.56	5.89	0.20	1.72	10.68	11.70	12.50	(1.63)	
2003	2004	8.41	5.98	0.20	1.82	10.67	11.27	12.31	(1.47)	
2004	2005	7.89	5.82	0.20	1.72	10.27	11.51	9.09	(1.34)	
2005	2006	7.68	5.88	0.19	1.73	10.44	9.93	10.47	(1.23)	
2006	2007	7.58	5.40	0.17	1.65	10.22	9.20	10.17	(1.45)	
2007	2008	7.87	5.25	0.17	1.66	9.08	8.94	9.87	(1.47)	
2008	2009	8.08	5.33	0.17	1.72	7.73	9.98	10.32	(1.56)	

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. Not all overlapping rates apply to all Beloit property owners. For example, 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	2008			1999		
			Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank	Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank
	ABC Supply/Hendricks Dev.	Wholesale Distribution/Property Developer	\$ 62,821,420	3.70%	1	\$ 9,429,150	0.92%	7
	Staples Contract & Commercial, LLC	Order Fulfillment Center	35,523,740	2.09%	2			
	Frito Lay, Inc.	Food Processor	24,002,000	1.41%	3	15,204,200	1.49%	1
	Woodmans	Retail Grocer	15,282,270	0.90%	4	14,844,290		2
	Walmart	Retailer	15,486,580	0.91%	5	10,840,380	1.06%	3
	Menards	Home Improvements Center	15,075,230	0.89%	6			
	Beloit Clinic	Health Services	14,180,410	0.83%	7			
	Kerry Ingredients	Food Processor	11,381,500	0.67%	8	7,638,500	0.75%	8
	Jacobson Beloit, LLC	Manufacturer	14,455,600	0.85%	9			
	Reynolds Aluminum	Manufacturer	12,276,400	0.72%	10			
	Beloit Corporation	Manufacturer				10,516,700	1.03%	4
	Kerry Ingredients	Food Processor				9,702,500	0.95%	6
	Outboard Marine Corp.	Manufacturer				7,638,500	0.75%	8
	George Hormel & Co.	Food Processor				7,390,200	0.72%	9
	Enzyme Bio-Systems Ltd.	Food & Beverage Additives Processor				9,769,000	0.95%	5
	Totals		\$ 220,485,150	12.98%		\$ 110,191,720	10.77%	10

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
1999	2000	\$ 8,457,234	\$ 754,918	8.93%	7,695,213	\$ 8,450,131	99.92%
2000	2001	8,909,377	518,499	5.82%	8,389,546	8,908,045	99.99%
2001	2002	9,391,862	1,185,525	12.62%	8,204,519	9,390,044	99.98%
2002	2003	9,944,939	1,779,328	17.89%	8,163,729	9,943,057	99.98%
2003	2004	10,278,170	2,342,404	22.79%	7,932,213	10,274,617	99.97%
2004	2005	10,339,882	2,158,553	20.88%	8,180,264	10,338,817	99.99%
2005	2006	10,589,015	2,710,639	25.60%	7,877,778	10,588,417	99.99%
2006	2007	11,296,602	1,719,444	15.22%	9,576,012	11,295,456	99.99%
2007	2008	13,108,729	2,198,715	16.77%	10,906,854	13,105,569	99.98%
2008	2009	13,727,262	2,804,254	20.43%	-	2,804,254	20.43%

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 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				Total
1999	\$23,892,931	\$ -	\$ 367,834	\$24,260,765	\$1,816,544	\$ -	\$ 29,516,360	\$ -	\$ 31,332,904	\$ 55,593,669	6.07%	\$ 1,535
2000	25,588,180	33,017	2,961,697	28,582,894	1,387,795	233,126	27,384,326	-	29,005,247	57,588,141	6.15%	1,610
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	6.06%	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	6.40%	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	8.76%	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	8.72%	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	8.69%	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	8.30%	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	9.20%	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	N/A	2,746

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 \$5.4 million in new general obligation debt in 2008.

**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
1999	\$ 25,709,475	2.53%	\$ 710	\$ 25,709,475	\$ 50,714,535	\$ 25,005,060	49.31%
2000	26,975,975	2.56%	754.05	26,975,975	52,609,075	25,633,100	48.72%
2001	27,473,573	2.47%	764.62	27,473,573	55,674,865	28,201,292	50.65%
2002	27,830,915	2.39%	774.85	27,830,915	58,277,640	30,446,725	52.24%
2003	31,425,051	2.57%	877.16	31,425,051	61,200,540	29,775,489	48.65%
2004	32,489,150	2.52%	901.02	32,489,150	64,467,305	31,978,155	49.60%
2005	38,276,150	2.76%	1,060.10	38,276,150	69,380,820	31,104,670	44.83%
2006	44,065,226	3.00%	1,205.29	44,065,226	73,502,795	29,437,569	40.05%
2007	57,424,706	3.52%	1,547.42	57,424,706	81,544,370	24,119,664	29.58%
2008	58,895,499	3.43%	1,587.05	58,895,499	85,937,560	27,042,061	31.47%

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. Under city's Debt Policy this ratio is targeted at 3%-3.5%

(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.

(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.

In 2008 the city issued \$5.4 million in new general obligation debt.

City of Beloit, Wisconsin
Direct and Overlapping Governmental Activities Debt
as of December 31, 2008

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Rock County	\$ 16,915,000	16.0613%	\$ 2,716,769
Beloit School District	8,924,284	94.4653%	8,430,352
Blackhawk Technical College	23,110,000	13.6091%	3,145,063
Beloit Turner School District	11,402,723	11.0411%	1,258,986
Clinton School District	13,000,000	10.7265%	1,394,445
Subtotal, overlapping debt			<u>16,945,615</u>
City direct debt			<u>58,895,499</u>
Total direct and overlapping debt			<u>\$ 75,841,114</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					Water Utility Revenue Bonds (a)						
	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)
1999	\$ 8,934,831	\$ 4,132,916	\$ 4,801,915	\$ 1,375,000	\$ 1,797,212	1.51	\$ -	\$ -	\$ -	\$ -	\$ -	-
2000	10,459,356	4,226,982	6,232,374	1,510,000	1,705,088	1.94	-	-	-	-	-	-
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	7,189,691	4,613,801	2,575,890	2,800,000	248,500	0.84	4,693,431	1,914,142	2,779,289	675,000	980,887	1.68

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.

(b) The city's required coverage ratios are .80 times for the sewer utility and 1.60 times for the water utility.

**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>
1999	36,226	\$ 916,300,444	\$ 25,294	6,748	17,613	16,646	967	5.5%
2000	35,775	936,661,050	26,182	6,765	17,514	16,493	1,021	5.8%
2001	35,931	939,811,236	26,156	6,880	17,747	16,314	1,433	8.1%
2002	35,918	976,754,092	27,194	6,967	17,403	15,830	1,573	9.0%
2003	35,826	1,017,888,312	28,412	6,799	17,403	15,830	1,573	9.0%
2004	36,058	1,004,395,590	27,855	6,941	17,148	15,781	1,367	8.0%
2005	36,106	1,027,829,502	28,467	7,113	17,050	15,677	1,373	8.1%
2006	36,560	1,109,815,360	30,356	7,169	17,215	15,947	1,268	7.4%
2007	37,110	1,146,365,010	30,891	7,125	17,374	16,034	1,340	7.7%
2008	37,110	N/A	N/A	7,130	17,359	15,923	1,436	8.3%

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: In 2001 a major employer in the city, The Beloit Corp. closed which resulted in the significant increase in the unemployment rate that year.

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

<u>Employer</u>	<u>2008</u>			<u>1999</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Beloit Memorial Hospital	1,150	1	7.22%	938	1	5.63%
School District of Beloit	941	2	5.91%	890	2	5.35%
Frito-Lay	724	3	4.55%	640	5	3.84%
City of Beloit	522	4	3.28%	764	3	4.59%
Beloit College	470	5	2.95%	454	7	2.73%
Beloit Clinic	454	6	2.85%	-	-	-
ABC Supply	370	7	2.32%	-	-	-
Kerry Ingredients	354	8	2.22%	400	8	2.40%
Fairbanks-Morse	340	9	2.14%	375	9	2.25%
Wal-Mart	339	10	2.13%	318	10	1.91%
Alcoa International	-	-	-	550	6	3.30%
Regal-Beloit Corporation	-	-	-	650	4	3.90%
Total	<u>5,664</u>		<u>35.57%</u>	<u>5,979</u>		<u>35.92%</u>

Source: Wisconsin Department of Workforce Development and City Department of Economic Development.

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

Function	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government	6.00	6.00	6.00	6.00	6.00	7.00	7.00	7.00	7.00	7.00
Finance and Administrative Services	35.44	36.16	35.55	34.29	31.88	35.50	36.70	36.18	36.55	34.60
Community Development	24.57	34.85	34.77	32.92	34.00	22.40	17.40	17.00	19.00	18.00
Economic Development	1.75	1.25	1.65	1.90	1.58	3.40	3.40	3.40	3.40	3.40
Public Safety:										
Police Services	105.63	103.33	103.60	100.10	97.10	94.59	95.45	95.05	95.75	95.95
Fire Services	63.50	63.50	63.50	64.50	63.50	63.50	63.50	65.10	65.62	65.65
Health	62.69	57.80	57.79	60.60	66.24	37.62	32.74	-	-	-
Engineering and public works	58.50	58.50	59.70	58.62	57.30	53.18	57.70	60.92	60.83	61.83
Parks and Recreation	41.53	26.57	28.21	25.99	18.75	26.48	26.56	38.97	40.64	40.26
Library	27.36	26.55	26.97	26.60	27.08	27.00	27.00	27.00	27.00	26.48
Water and Sewer Utility	33.11	33.90	34.74	32.41	30.60	33.20	33.60	34.20	34.96	36.80
Transit	20.63	17.50	18.35	18.90	18.77	19.50	19.50	20.50	20.50	20.10
Total	480.71	465.91	470.83	462.83	452.80	423.37	420.55	405.32	411.25	410.07

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>1999</u>	<u>2000</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>
General government										
New Building permits	83	91	52	78	76	92	65	83	27	17
Building permits issued	605	668	632	611	671	641	763	656	967	936
Building inspections conducted	N/A	4,463	4,549	4,416	4,997	5,185	3,871	5,310	5,585	4,215
Site plans reviewed	23	19	18	18	20	26	27	30	27	26
Rental permits issued	5,407	5,325	5,473	5,455	5,503	5,473	5,793	4,837	5,748	5,456
Police										
Physical Arrests	N/A	7,995	8,734	9,639	9,472	10,218	10,039	9,154	10,467	9,777
Traffic Violations	N/A	2,574	2,736	3,868	3,595	4,510	4,733	5,607	6,639	5,578
Parking Violations	6,740	6,616	10,236	8,067	7,541	10,350	10,579	12,401	12,663	11,209
Fire										
Emergency responses	5,827	6,216	6,645	6,762	6,724	6,972	7,256	7,327	7,565	7,979
Fires extinguished	82	73	83	72	70	71	76	73	115	122
Inspections conducted	1,679	N/A	1,600	1,858	1,921	1,970	1,979	2,420	2,430	2,449
Ambulance runs	3,375	3,570	3,727	3,391	3,152	3,214	3,330	3,388	3,392	3,625
Engineering and public works										
Development plans reviewed	23	19	18	18	20	26	27	30	27	26
Infrastructure projects designed	12	13	15	15	18	22	23	25	27	28
Infrastructure projects completed	10	11	12	13	15	18	21	20	14	18
Highways and Streets										
Street resurfacing (miles)	4.00	2.00	2.00	1.00	1.00	1.00	2.00	2.00	1.00	1.50
Potholes repaired	11,968	14,190	26,367	25,279	22,859	30,432	32,999	31,162	42,972	38,897
Sanitation										
Refuse collected (tons/day)	39	41	47	38	37	39	38	40	38	38
Recyclables collected (tons/day)	22	12	11	11	11	11	11	21	21	20
Culture and Recreation										
Facility use permits issued	222	337	292	309	350	357	439	469	453	465
Number of programs offered	60	65	67	65	67	65	65	64	66	67
Rounds of golf played	24,746	20,069	22,735	21,852	19,980	17,891	22,353	20,117	22,345	28,845
Senior center participants	22,666	23,200	23,868	23,870	23,880	24,000	24,225	20,571	20,411	22,564
Number of cemetery internments	171	165	159	160	173	151	165	193	169	178
Water										
Work orders processed					N/A	N/A	1,422	2,142	1782	1855
Main breaks					N/A	45	29	30	49	39
Average daily production (MGD)					4.50	6.10	6.80	6.46	6.60	6.71
Peak daily production (MGD)					N/A	8.50	11.10	9.93	9.74	9.81
Wastewater										
Average daily treatment (MGD)	N/A	6.90	7.00	5.00	4.30	5.20	4.40	4.88	5.34	7.35
Peak daily treatment (MGD)	N/A	19.30	12.50	6.70	5.40	10.00	8.00	11.65	12.79	18.81
Transit										
Total route miles	246,022	290,593	312,595	317,916	319,324	317,160	392,041	392,041	392,041	392,041
Passengers	246,005	243,860	262,723	264,930	283,987	287,434	271,261	302,307	311,353	313,845

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>1999</u>	<u>2000</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>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	43	43	43	43	43	42	40	40	40	39
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Trucks	8	8	8	8	8	9	9	10	10	10
Ambulances	3	3	3	3	3	3	3	3	3	3
Refuse Collection										
Garbage trucks	13	13	14	14	14	14	15	14	14	14
Other public works										
Streets/highways (miles)	171.51	173.87	174.2	175.19	179.63	179.5	181.07	181.7	181.92	182.2
Streetlights	699	705	709	720	750	770	791	855	889	902
Traffic signals	41	42	42	42	42	40	39	40	40	40
Parks and recreation										
Acreage	830	830	833	833	837	837	851	851	851	851
Parks	30	30	31	31	32	32	34	34	34	34
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
Water mains (miles)					172	173	170	177	178	196
Hydrants					1380	1590	1559	1703	1729	1436
Storage capacity (MGD)					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	162	162	163	164	164	168	170.5
Storm sewer (miles)	170	170	170	170	170	170	171	171	172	110.5
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.