

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance with Final Budget
TAXES			
Current Levy	\$ 6,158,253	\$ 6,170,168	\$ 11,915
Mobile home taxes	12,000	12,628	628
Prior year tax collection/rescinded taxes	3,000	2,006	(994)
Payment in lieu of taxes - housing authority	-	9,038	9,038
Motel tax	50,000	49,969	(31)
Total Taxes	<u>6,223,253</u>	<u>6,243,809</u>	<u>20,556</u>
INTERGOVERNMENTAL			
Shared aidable revenue	16,534,230	16,566,521	32,291
Fire distribution fee	56,440	55,028	(1,412)
Expenditure restraint payment	616,412	616,413	1
State highway aids	2,078,324	2,078,130	(194)
State aid - connecting streets	258,995	257,911	(1,084)
Motor vehicle registration	290,000	266,832	(23,168)
Municipal service payment	21,000	18,140	(2,860)
Computer exemption aid	50,000	84,644	34,644
Total Intergovernmental Revenues	<u>19,905,401</u>	<u>19,943,619</u>	<u>38,218</u>
LICENSES AND PERMITS			
Licenses			
Liquor - malt permits	54,275	51,715	(2,560)
Cable TV	333,000	352,091	19,091
Other licenses	30,202	30,435	233
Total Licenses	<u>417,477</u>	<u>434,241</u>	<u>16,764</u>
Permits			
Construction permits	112,000	117,479	5,479
Other permits	49,810	33,225	(16,585)
Underground storage tank inspection	3,500	2,681	(819)
Total Permits	<u>165,310</u>	<u>153,385</u>	<u>(11,925)</u>
Total Licenses and Permits	<u>582,787</u>	<u>587,626</u>	<u>4,839</u>

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

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
FINES, FORFEITURES AND PENALTIES			
Municipal court costs	\$ 150,000	\$ 142,063	\$ (7,937)
Nontraffic fines	425,000	371,291	(53,709)
Traffic fines	200,000	207,008	7,008
Parking fines	250,000	224,195	(25,805)
Penalties on taxes	160,000	141,741	(18,259)
Other	<u>74,090</u>	<u>109,556</u>	<u>35,466</u>
Total Fines, Forfeitures and Penalties	<u>1,259,090</u>	<u>1,195,854</u>	<u>(63,236)</u>
FEES AND SERVICE CHARGES			
Animal shelter	7,100	7,638	538
Recreation			
Other recreation	97,409	103,958	6,549
Telfer Park and Rivercenter	120,831	113,483	(7,348)
Swimming pool	<u>70,573</u>	<u>71,161</u>	<u>588</u>
Total Recreation	<u>288,813</u>	<u>288,602</u>	<u>(211)</u>
Other General Revenue			
Fire inspection fees	136,163	131,915	(4,248)
Property transfer certificates	17,100	19,540	2,440
In-house fees	30,200	32,165	1,965
Hazardous material response	20,000	(11,472)	(31,472)
Donations and miscellaneous	71,225	59,910	(11,315)
Nutrition coordinator	7,500	8,563	1,063
Recoveries from city	2,200	2,457	257
Cable access fees	22,000	1,504	(20,496)
Miscellaneous police revenues	<u>60,000</u>	<u>64,252</u>	<u>4,252</u>
Total Other General Revenue	<u>366,388</u>	<u>308,834</u>	<u>(57,554)</u>
Total Fees and Service Charges	<u>662,301</u>	<u>605,074</u>	<u>(57,227)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
RENT	\$ 31,000	\$ 56	\$ (30,944)
INVESTMENT INCOME	<u>247,000</u>	<u>321,171</u>	<u>74,171</u>
OTHER	<u>40,715</u>	<u>40,715</u>	<u>-</u>
Total Revenues	<u>28,951,547</u>	<u>28,937,924</u>	<u>(13,623)</u>
OTHER FINANCING SOURCES			
Sale of city property	15,000	19,982	4,982
Transfers in - tax equivalent	<u>566,000</u>	<u>657,633</u>	<u>91,633</u>
Total Other Financing Sources	<u>581,000</u>	<u>677,615</u>	<u>96,615</u>
TOTAL REVENUES AND OTHER FINANCING SOURCES	<u>\$ 29,532,547</u>	<u>\$ 29,615,539</u>	<u>\$ 82,992</u>

CITY OF BELOIT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2011

CURRENT EXPENDITURES	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
GENERAL GOVERNMENT			
City Council, Manager, Attorney			
Council	\$ 54,230	\$ 52,170	\$ 2,060
City manager	383,287	378,749	4,538
City attorney	<u>395,396</u>	<u>380,234</u>	<u>15,162</u>
Total City Council, Manager and Attorney	<u>832,913</u>	<u>811,153</u>	<u>21,760</u>
Finance and Administrative Services			
Personnel and labor relations	278,471	279,660	(1,189)
Municipal court	344,865	345,818	(953)
Computer information systems	668,151	636,311	31,840
Records and elections	309,971	291,233	18,738
Property appraisal	269,710	184,254	85,456
Collections	84,050	79,430	4,620
Accounting	291,418	290,894	524
Financial management	294,536	291,903	2,633
Licenses and permits	78,777	42,513	36,264
Bad debts	5,000	2,395	2,605
Insurance	264,924	266,857	(1,933)
City hall operation	<u>382,248</u>	<u>400,280</u>	<u>(18,032)</u>
Total Finance and Administrative Services	<u>3,272,121</u>	<u>3,111,548</u>	<u>160,573</u>
Total General Government	<u>4,105,034</u>	<u>3,922,701</u>	<u>182,333</u>
COMMUNITY DEVELOPMENT			
City planning	361,257	315,846	45,411
Economic development	249,029	229,783	19,246
Code enforcement	<u>651,285</u>	<u>722,143</u>	<u>(70,858)</u>
Total Community Development	<u>1,261,571</u>	<u>1,267,772</u>	<u>(6,201)</u>

CITY OF BELOIT

SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES
BUDGET AND ACTUAL - GENERAL FUND
For the Year Ended December 31, 2011

CURRENT EXPENDITURES	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
PUBLIC SAFETY			
Police Department			
Staff services	\$ 11,252,373	\$ 11,170,527	\$ 81,846
Total Police Department	<u>11,252,373</u>	<u>11,170,527</u>	<u>81,846</u>
Fire Department			
Staff services	558,507	555,216	3,291
Inspection and prevention	388,015	361,444	26,571
Fire fighting and rescue	6,493,294	6,453,331	39,963
Total Fire Department	<u>7,439,816</u>	<u>7,369,991</u>	<u>69,825</u>
Total Public Safety	<u>18,692,189</u>	<u>18,540,518</u>	<u>151,671</u>
PUBLIC WORKS			
DPW engineering			
DPW administration and engineering	815,140	754,067	61,073
Total DPW engineering	<u>815,140</u>	<u>754,067</u>	<u>61,073</u>
DPW operations			
Streets and sanitation	2,780,572	2,573,950	206,622
Central stores	34,473	29,401	5,072
Total DPW operations	<u>2,815,045</u>	<u>2,603,351</u>	<u>211,694</u>
DPW parks and recreation			
Parks	1,523,492	1,418,620	104,872
Recreation	329,259	304,892	24,367
Edwards pavilion	234,371	226,155	8,216
Senior center	137,502	130,887	6,615
Rotary river center	25,885	30,832	(4,947)
Swimming pools	183,636	160,661	22,975
Total DPW parks and recreation	<u>2,434,145</u>	<u>2,272,047</u>	<u>162,098</u>
Total Public Works	<u>6,064,330</u>	<u>5,629,465</u>	<u>434,865</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, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
DEBT SERVICE			
Principal retirement	\$ -	\$ 10,000	\$ (10,000)
Total Expenditures	<u>30,123,124</u>	<u>29,370,456</u>	<u>752,668</u>
OTHER FINANCING USES			
Transfers out	-	270,000	(270,000)
Total Other Financing Uses	<u>-</u>	<u>270,000</u>	<u>(270,000)</u>
 TOTAL EXPENDITURES AND OTHER FINANCING USES	 <u>\$ 30,123,124</u>	 <u>\$ 29,640,456</u>	 <u>\$ 482,668</u>

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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 3,933,026	\$ 3,883,810	\$ (49,216)
Intergovernmental	48,000	122,971	74,971
Investment income	15,700	38,948	23,248
Total Revenues	<u>3,996,726</u>	<u>4,045,729</u>	<u>49,003</u>
EXPENDITURES			
Capital Outlay	572,495	1,056,883	(484,388)
Debt Service			
Principal retirement	1,075,000	1,100,778	(25,778)
Interest and fiscal charges	918,340	813,339	105,001
Total Expenditures	<u>2,565,835</u>	<u>2,971,000</u>	<u>(405,165)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,430,891</u>	<u>1,074,729</u>	<u>(356,162)</u>
OTHER FINANCING SOURCES (USES)			
Sale of city property	-	7,662	7,662
Transfers out	(260,016)	(260,015)	1
Total Other Financing Sources (Uses)	<u>(260,016)</u>	<u>(252,353)</u>	<u>7,663</u>
Net Change in Fund Balance	1,170,875	822,376	(348,499)
FUND BALANCE - Beginning	<u>1,764,783</u>	<u>1,764,783</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 2,935,658</u>	<u>\$ 2,587,159</u>	<u>\$ (348,499)</u>

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

CITY OF БЕЛОIT

OTHER POSTEMPLOYMENT BENEFITS PLAN
SCHEDULE OF FUNDING PROGRESS
For the Year Ended December 31, 2011

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

Note: The fiscal year ended December 31, 2008 was the first year of implementation of GASB 45, as such preceding year's information is not available. A new actuarial valuation is required every two years in accordance with governmental accounting standards.

CITY OF BELOIT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION For the Year Ended December 31, 2011

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

The following individual funds had an excess of expenditures over appropriations at the legal level of budgeting control for the year ended December 31, 2011:

	<u>Excess</u>
General Fund	
Community Development Department	\$ 6,201
Principal Retirement	10,000
TIF District No. 10	405,165

FUNDING PROGRESS DATA

Data in the schedule of funding progress was taken from the reports issued by the actuary.

SUPPLEMENTARY INFORMATION

CITY OF BELOIT

COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS
As of December 31, 2011

	Special Revenue Funds					
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 5	TIF District No. 6	TIF District No. 8	TIF District No. 9
ASSETS						
Cash and investments	\$ 115,146	\$ 148,990	\$ 760,409	\$ 174,983	\$ -	\$ 792
Receivables						
Taxes	-	-	1,051,256	902,502	151,591	87,064
Delinquent personal property taxes	-	-	-	-	-	-
Accounts (net)	-	-	7,716	-	2,000	67,636
Loans	991,340	2,356,340	-	-	-	-
Accrued interest	-	-	-	-	-	-
Due from other governmental units	100,622	86,700	-	-	-	-
Due from component unit	-	-	-	-	-	-
TOTAL ASSETS	\$ 1,207,108	\$ 2,592,030	\$ 1,819,381	\$ 1,077,485	\$ 153,591	\$ 155,492
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 7,556	\$ 52,225	\$ 88,179	\$ 7,939	\$ -	\$ -
Due to other funds	-	-	-	-	452,000	-
Deferred revenue	991,340	2,356,064	1,051,256	902,502	151,591	154,700
Advances from other funds	-	-	-	557,194	550,000	3,125,540
Total Liabilities	<u>998,896</u>	<u>2,408,289</u>	<u>1,139,435</u>	<u>1,467,635</u>	<u>1,153,591</u>	<u>3,280,240</u>
Fund Balances (Deficits)						
Restricted	208,212	183,741	679,946	-	-	-
Assigned	-	-	-	-	-	-
Unassigned (deficit)	-	-	-	(390,150)	(1,000,000)	(3,124,748)
Total Fund Balances (Deficits)	<u>208,212</u>	<u>183,741</u>	<u>679,946</u>	<u>(390,150)</u>	<u>(1,000,000)</u>	<u>(3,124,748)</u>
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,207,108	\$ 2,592,030	\$ 1,819,381	\$ 1,077,485	\$ 153,591	\$ 155,492

Special Revenue Funds						
TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	Fire Multi-Year Grants	DPW Multi-Year Grants	Community Development
\$ 207,824	\$ 1,046	\$ 811,659	\$ 65,428	\$ 34,083	\$ 133,275	\$ 22,281
112,640	73,932	664,266	85,403	-	25,000	-
-	-	-	-	-	-	-
-	66,639	-	-	3,977	96,550	74,676
-	-	-	-	-	-	136,928
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	188,980
<u>\$ 320,464</u>	<u>\$ 141,617</u>	<u>\$ 1,475,925</u>	<u>\$ 150,831</u>	<u>\$ 38,060</u>	<u>\$ 254,825</u>	<u>\$ 422,865</u>
\$ -	\$ -	\$ 54,879	\$ -	\$ -	\$ 32,206	\$ 32,602
-	-	-	-	3,977	-	187,147
112,640	140,571	664,266	85,403	-	25,000	190,615
-	40,000	-	-	-	-	-
<u>112,640</u>	<u>180,571</u>	<u>719,145</u>	<u>85,403</u>	<u>3,977</u>	<u>57,206</u>	<u>410,364</u>
207,824	-	756,780	65,428	34,083	197,619	12,501
-	-	-	-	-	-	-
-	(38,954)	-	-	-	-	-
<u>207,824</u>	<u>(38,954)</u>	<u>756,780</u>	<u>65,428</u>	<u>34,083</u>	<u>197,619</u>	<u>12,501</u>
<u>\$ 320,464</u>	<u>\$ 141,617</u>	<u>\$ 1,475,925</u>	<u>\$ 150,831</u>	<u>\$ 38,060</u>	<u>\$ 254,825</u>	<u>\$ 422,865</u>

CITY OF BELOIT

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COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS (cont.)
As of December 31, 2011

	Special Revenue Funds				Capital Projects Fund	Total Nonmajor Governmental Funds
	Library	Police	Solid Waste	Perpetual Care	Computer Replacement	
ASSETS						
Cash and investments	\$ 555,469	\$ 71,383	\$ -	\$ 2,025,353	\$ 486,161	\$ 5,614,282
Receivables						
Taxes	1,760,877	119,500	28,822	-	-	5,062,853
Delinquent personal property taxes	-	-	5,018	-	-	5,018
Accounts (net)	-	4,153	411,748	-	-	735,095
Loans	-	-	-	-	-	3,484,608
Accrued interest	-	-	-	17,628	-	17,628
Due from other governmental units	-	10,635	-	-	-	197,957
Due from component unit	-	-	-	-	-	188,980
TOTAL ASSETS	<u>\$ 2,316,346</u>	<u>\$ 205,671</u>	<u>\$ 445,588</u>	<u>\$ 2,042,981</u>	<u>\$ 486,161</u>	<u>\$ 15,306,421</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 39,903	\$ 2,062	\$ 30,055	\$ -	\$ 1,849	\$ 349,455
Due to other funds	-	-	276,361	-	-	919,485
Deferred revenue	1,760,877	132,615	-	17,628	-	8,737,068
Advances from other funds	-	-	-	-	-	4,272,734
Total Liabilities	<u>1,800,780</u>	<u>134,677</u>	<u>306,416</u>	<u>17,628</u>	<u>1,849</u>	<u>14,278,742</u>
Fund Balances						
Restricted	515,566	70,994	139,172	2,025,353	-	5,097,219
Assigned	-	-	-	-	484,312	484,312
Unassigned	-	-	-	-	-	(4,553,852)
Total Fund Balances	<u>515,566</u>	<u>70,994</u>	<u>139,172</u>	<u>2,025,353</u>	<u>484,312</u>	<u>1,027,679</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,316,346</u>	<u>\$ 205,671</u>	<u>\$ 445,588</u>	<u>\$ 2,042,981</u>	<u>\$ 486,161</u>	<u>\$ 15,306,421</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS) - NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2011

	Special Revenue Funds					
	Rental Rehab (WRRP/HOME)	Community Development Block Grant	TIF District No. 5	TIF District No. 6	TIF District No. 8	TIF District No. 9
REVENUES						
Taxes	\$ -	\$ -	\$ 933,520	\$ 838,451	\$ 138,249	\$ 37,479
Intergovernmental	216,676	1,190,620	1,679	38,092	-	228
Licenses and permits	-	-	-	-	-	-
Fees and service charges	-	-	-	-	-	-
Investment income (loss)	15,218	18,644	8,781	7,805	(5,267)	1,829
Public charges for services	-	-	-	-	-	71,341
Other	30,635	290,330	82,161	-	40,877	-
Total Revenues	<u>262,529</u>	<u>1,499,594</u>	<u>1,026,141</u>	<u>884,348</u>	<u>173,859</u>	<u>110,877</u>
EXPENDITURES						
Current						
General government	-	-	2,590	9,939	-	250
Community development	325,765	1,415,585	-	-	-	-
Public safety	-	-	-	-	-	-
Public works	-	-	-	-	-	-
Parks, recreation, and education	-	-	-	-	-	-
Capital Outlay	-	-	3,038,983	163,116	185	150
Debt Service						
Principal retirement	-	-	68	94,790	-	-
Interest and fiscal charges	-	-	134,142	72,233	-	-
Total Expenditures	<u>325,765</u>	<u>1,415,585</u>	<u>3,175,783</u>	<u>340,078</u>	<u>185</u>	<u>400</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(63,236)</u>	<u>84,009</u>	<u>(2,149,642)</u>	<u>544,270</u>	<u>173,674</u>	<u>110,477</u>
OTHER FINANCING SOURCES (USES)						
Capital lease	-	-	2,857,500	-	-	-
Sale of city property	-	-	-	-	12,000	-
Transfer in	-	-	-	-	-	-
Transfer out	-	-	(515,939)	(523,690)	(262,389)	(15,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>2,341,561</u>	<u>(523,690)</u>	<u>(250,389)</u>	<u>(15,000)</u>
Net Change in Fund Balances	<u>(63,236)</u>	<u>84,009</u>	<u>191,919</u>	<u>20,580</u>	<u>(76,715)</u>	<u>95,477</u>
FUND BALANCES (DEFICIT) - Beginning of Year	<u>271,448</u>	<u>99,732</u>	<u>488,027</u>	<u>(410,730)</u>	<u>(923,285)</u>	<u>(3,220,225)</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 208,212</u>	<u>\$ 183,741</u>	<u>\$ 679,946</u>	<u>\$ (390,150)</u>	<u>\$ (1,000,000)</u>	<u>\$ (3,124,748)</u>

Special Revenue Funds							
TIF District No. 11	TIF District No. 12	TIF District No. 13	TIF District No. 14	Fire Multi-Year Grants	DPW Multi-Year Grants	Community Development	Library
\$ 95,230	\$ 69,298	\$ 604,058	\$ 30,755	\$ -	\$ 26,000	\$ -	\$ 1,760,877
107	1,308	3,748	2,708	12,072	197,351	947,783	282,884
-	-	-	-	-	617	-	-
-	-	-	-	-	-	-	50,890
3,035	1,475	12,757	862	(305)	(726)	3,965	14,234
-	71,372	-	-	-	-	-	31,354
-	-	-	-	4,095	5,143	18,554	1,859
<u>98,372</u>	<u>143,453</u>	<u>620,563</u>	<u>34,325</u>	<u>15,862</u>	<u>228,385</u>	<u>970,302</u>	<u>2,142,098</u>
-	-	-	-	-	-	-	-
-	-	-	200	-	-	907,285	-
-	-	-	-	-	-	-	-
-	-	-	-	-	210,233	-	-
-	-	-	-	-	-	-	2,045,247
14,046	150	1,575,220	33,743	10,447	-	-	11,122
-	-	23	-	-	-	-	-
-	-	75,055	-	-	-	-	-
<u>14,046</u>	<u>150</u>	<u>1,650,298</u>	<u>33,943</u>	<u>10,447</u>	<u>210,233</u>	<u>907,285</u>	<u>2,056,369</u>
<u>84,326</u>	<u>143,303</u>	<u>(1,029,735)</u>	<u>382</u>	<u>5,415</u>	<u>18,152</u>	<u>63,017</u>	<u>85,729</u>
-	-	1,057,945	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(63,755)	(62,078)	(92,338)	-	-	(30,000)	-	-
(63,755)	(62,078)	965,607	-	-	(30,000)	-	-
20,571	81,225	(64,128)	382	5,415	(11,848)	63,017	85,729
<u>187,253</u>	<u>(120,179)</u>	<u>820,908</u>	<u>65,046</u>	<u>28,668</u>	<u>209,467</u>	<u>(50,516)</u>	<u>429,837</u>
<u>\$ 207,824</u>	<u>\$ (38,954)</u>	<u>\$ 756,780</u>	<u>\$ 65,428</u>	<u>\$ 34,083</u>	<u>\$ 197,619</u>	<u>\$ 12,501</u>	<u>\$ 515,566</u>

CITY OF BELOIT

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COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES (DEFICITS) - NONMAJOR GOVERNMENTAL FUNDS (cont.)
For the Year Ended December 31, 2011

	Special Revenue Funds			Capital Projects Funds	Total Nonmajor Governmental Funds
	Police	Solid Waste	Perpetual Care	Computer Replacement	
REVENUES					
Taxes	\$ 137,500	\$ 85	\$ -	\$ -	\$ 4,671,502
Intergovernmental	266,868	128,274	-	-	3,290,398
Licenses and permits	-	1,892	-	-	2,509
Fees and service charges	-	-	-	-	50,890
Investment income (loss)	-	-	203,175	6,309	291,791
Public charges for services	146,732	2,143,238	56,841	-	2,520,878
Other	7,207	-	-	43,788	524,649
Total Revenues	<u>558,307</u>	<u>2,273,489</u>	<u>260,016</u>	<u>50,097</u>	<u>11,352,617</u>
EXPENDITURES					
Current					
General government	-	-	-	-	12,779
Community development	-	-	-	-	2,648,835
Public safety	572,840	-	-	-	572,840
Public works	-	2,354,621	-	-	2,564,854
Parks, recreation, and education	-	-	-	-	2,045,247
Capital Outlay	-	-	-	27,323	4,874,485
Debt Service					
Principal retirement	-	-	-	-	94,881
Interest and fiscal charges	-	-	-	-	281,430
Total Expenditures	<u>572,840</u>	<u>2,354,621</u>	<u>-</u>	<u>27,323</u>	<u>13,095,351</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(14,533)</u>	<u>(81,132)</u>	<u>260,016</u>	<u>22,774</u>	<u>(1,742,734)</u>
OTHER FINANCING SOURCES (USES)					
Capital lease	-	-	-	-	3,915,445
Sale of city property	-	-	-	-	12,000
Transfer in	-	27,000	-	-	27,000
Transfer out	-	-	-	-	(1,565,189)
Total Other Financing Sources (Uses)	<u>-</u>	<u>27,000</u>	<u>-</u>	<u>-</u>	<u>2,389,256</u>
Net Change in Fund Balances	(14,533)	(54,132)	260,016	22,774	646,522
FUND BALANCES (DEFICIT) - Beginning of Year	<u>85,527</u>	<u>193,304</u>	<u>1,765,337</u>	<u>461,538</u>	<u>381,157</u>
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 70,994</u>	<u>\$ 139,172</u>	<u>\$ 2,025,353</u>	<u>\$ 484,312</u>	<u>\$ 1,027,679</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 4,573,523	\$ 4,573,523	\$ -
Intergovernmental	123,821	128,639	4,818
Investment income (loss)	-	(1,500)	(1,500)
Other	205,100	263,350	58,250
Total Revenues	<u>4,902,444</u>	<u>4,964,012</u>	<u>61,568</u>
EXPENDITURES			
Debt Service			
Principal retirement	4,781,093	4,717,982	63,111
Interest and fiscal charges	1,773,914	2,086,701	(312,787)
Total Expenditures	<u>6,555,007</u>	<u>6,804,683</u>	<u>(249,676)</u>
Deficiency of revenues under expenditures	<u>(1,652,563)</u>	<u>(1,840,671)</u>	<u>(188,108)</u>
OTHER FINANCING SOURCES (USES)			
Debt issued - refunding	-	14,006,168	14,006,168
Payment into escrow	-	(9,759,095)	(9,759,095)
Transfers in	1,652,563	1,795,204	142,641
Total Other Financing Sources (Uses)	<u>1,652,563</u>	<u>6,042,277</u>	<u>4,389,714</u>
Net Change in Fund Balance	-	4,201,606	4,201,606
FUND BALANCE - Beginning	<u>2,061,368</u>	<u>2,061,368</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 2,061,368</u>	<u>\$ 6,262,974</u>	<u>\$ 4,201,606</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - CAPITAL IMPROVEMENTS FUND (MAJOR FUND)
For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 186,000	\$ 478,365	\$ 292,365
Fines, forfeitures and penalties	-	22,030	22,030
Special assessments	95,000	225,047	130,047
Investment income	455,600	14,487	(441,113)
Other	3,597,069	949,584	(2,647,485)
Total Revenues	<u>4,333,669</u>	<u>1,689,513</u>	<u>(2,644,156)</u>
EXPENDITURES			
Capital Outlay	<u>11,760,984</u>	<u>3,379,335</u>	<u>8,381,649</u>
Total Expenditures	<u>11,760,984</u>	<u>3,379,335</u>	<u>8,381,649</u>
Deficiency of revenues under expenditures	<u>(7,427,315)</u>	<u>(1,689,822)</u>	<u>5,737,493</u>
OTHER FINANCING SOURCES (USES)			
Debt issued	7,397,315	1,500,000	(5,897,315)
Transfers in	30,000	30,000	-
Transfers out	-	(27,000)	(27,000)
Total Other Financing Sources (Uses)	<u>7,427,315</u>	<u>1,503,000</u>	<u>(5,924,315)</u>
Net Change in Fund Balance	-	(186,822)	(186,822)
FUND BALANCE - Beginning	<u>5,505,004</u>	<u>5,505,004</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 5,505,004</u>	<u>\$ 5,318,182</u>	<u>\$ (186,822)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - EQUIPMENT REPLACEMENT FUND (MAJOR FUND)
 For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Investment income	\$ 250,000	\$ 362,899	\$ 112,899
Other	<u>879,000</u>	<u>879,012</u>	<u>12</u>
Total Revenues	<u>1,129,000</u>	<u>1,241,911</u>	<u>112,911</u>
EXPENDITURES			
Capital Outlay	<u>1,129,000</u>	<u>1,764,941</u>	<u>(635,941)</u>
Total Expenditures	<u>1,129,000</u>	<u>1,764,941</u>	<u>(635,941)</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(523,030)</u>	<u>(523,030)</u>
OTHER FINANCING SOURCES			
Sales of city property	<u>-</u>	<u>262,789</u>	<u>262,789</u>
Total Other Financing Sources	<u>-</u>	<u>262,789</u>	<u>262,789</u>
Net Change in Fund Balance	-	(260,241)	(260,241)
FUND BALANCE - Beginning	<u>7,157,236</u>	<u>7,157,236</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 7,157,236</u>	<u>\$ 6,896,995</u>	<u>\$ (260,241)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT
BLOCK GRANT
For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 614,916	\$ 1,190,620	\$ 575,704
Investment income	-	18,644	18,644
Other	<u>333,190</u>	<u>290,330</u>	<u>(42,860)</u>
Total Revenues	<u>948,106</u>	<u>1,499,594</u>	<u>551,488</u>
EXPENDITURES			
Current			
Community development	<u>941,922</u>	<u>1,415,585</u>	<u>(473,663)</u>
Total Expenditures	<u>941,922</u>	<u>1,415,585</u>	<u>(473,663)</u>
Excess of Revenues Over Expenditures	<u>6,184</u>	<u>84,009</u>	<u>77,825</u>
Net Change in Fund Balance	6,184	84,009	77,825
FUND BALANCE - Beginning	<u>99,732</u>	<u>99,732</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 105,916</u>	<u>\$ 183,741</u>	<u>\$ 77,825</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 931,926	\$ 933,520	\$ 1,594
Intergovernmental	170,000	1,679	(168,321)
Investment income	20,200	8,781	(11,419)
Other	-	82,161	82,161
Total Revenues	<u>1,122,126</u>	<u>1,026,141</u>	<u>(95,985)</u>
EXPENDITURES			
Current			
General government	81,500	2,590	78,910
Capital Outlay	113,333	3,038,983	(2,925,650)
Debt Service			
Principal retirement	-	68	(68)
Interest and fiscal charges	25,143	134,142	(108,999)
Total Expenditures	<u>219,976</u>	<u>3,175,783</u>	<u>(2,955,807)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	902,150	(2,149,642)	(3,051,792)
OTHER FINANCING SOURCES (USES)			
Capital lease	1,612,100	2,857,500	1,245,400
Transfers out	(511,961)	(515,939)	(3,978)
Total Other Financing Sources (Uses)	<u>1,100,139</u>	<u>2,341,561</u>	<u>1,241,422</u>
Net Change in Fund Balance	2,002,289	191,919	(1,810,370)
FUND BALANCE - Beginning	<u>488,027</u>	<u>488,027</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 2,490,316</u>	<u>\$ 679,946</u>	<u>\$ (1,810,370)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 6
 For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 837,020	\$ 838,451	\$ 1,431
Intergovernmental	32,000	38,092	6,092
Investment income	13,300	7,805	(5,495)
Total Revenues	<u>882,320</u>	<u>884,348</u>	<u>2,028</u>
EXPENDITURES			
Current			
General government	-	9,939	(9,939)
Capital Outlay	123,054	163,116	(40,062)
Debt Service			
Principal retirement	94,790	94,790	-
Interest and fiscal charges	102,443	72,233	30,210
Total Expenditures	<u>320,287</u>	<u>340,078</u>	<u>(19,791)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>562,033</u>	<u>544,270</u>	<u>(17,763)</u>
OTHER FINANCING USES			
Transfers out	(523,690)	(523,690)	-
Total Other Financing Uses	<u>(523,690)</u>	<u>(523,690)</u>	<u>-</u>
Net Change in Fund Balance	38,343	20,580	(17,763)
FUND BALANCE (DEFICIT) - Beginning	<u>(410,730)</u>	<u>(410,730)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (372,387)</u>	<u>\$ (390,150)</u>	<u>\$ (17,763)</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 138,013	\$ 138,249	\$ 236
Investment income (loss)	12,000	(5,267)	(17,267)
Other	-	40,877	40,877
Total Revenues	<u>150,013</u>	<u>173,859</u>	<u>23,846</u>
EXPENDITURES			
Capital Outlay	<u>26,288</u>	<u>185</u>	<u>26,103</u>
Total Expenditures	<u>26,288</u>	<u>185</u>	<u>26,103</u>
Excess of Revenues Over Expenditures	<u>123,725</u>	<u>173,674</u>	<u>49,949</u>
OTHER FINANCING SOURCES (USES)			
Sale of city property	-	12,000	12,000
Transfers out	<u>(123,725)</u>	<u>(262,389)</u>	<u>(138,664)</u>
Total Other Financing Sources (Uses)	<u>(123,725)</u>	<u>(250,389)</u>	<u>(126,664)</u>
Net Change in Fund Balance	-	(76,715)	(76,715)
FUND BALANCE (DEFICIT) - Beginning	<u>(923,285)</u>	<u>(923,285)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (923,285)</u>	<u>\$ (1,000,000)</u>	<u>\$ (76,715)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE (DEFICIT) - BUDGET AND ACTUAL - TIF DISTRICT NO. 9

For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 37,415	\$ 37,479	\$ 64
Intergovernmental	250	228	(22)
Public charges for services	1,500	71,341	69,841
Investment income	95,185	1,829	(93,356)
Total Revenues	<u>134,350</u>	<u>110,877</u>	<u>(23,473)</u>
EXPENDITURES			
Current			
General government	500	250	250
Capital Outlay	-	150	(150)
Total Expenditures	<u>500</u>	<u>400</u>	<u>100</u>
Excess (Deficiency) of revenues Over (Under) expenditures	<u>133,850</u>	<u>110,477</u>	<u>(23,373)</u>
OTHER FINANCING USES			
Transfer out	<u>(15,000)</u>	<u>(15,000)</u>	-
Total Other Financing Uses	<u>(15,000)</u>	<u>(15,000)</u>	-
Net Change in Fund Balance	118,850	95,477	(23,373)
FUND BALANCE (DEFICIT) - Beginning	<u>(3,220,225)</u>	<u>(3,220,225)</u>	-
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (3,101,375)</u>	<u>\$ (3,124,748)</u>	<u>\$ (23,373)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 11
For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 95,067	\$ 95,230	163
Intergovernmental	100	107	7
Investment income	1,300	3,035	1,735
Total Revenues	<u>96,467</u>	<u>98,372</u>	<u>1,905</u>
EXPENDITURES			
Capital Outlay	<u>500</u>	<u>14,046</u>	<u>(13,546)</u>
Total Expenditures	<u>500</u>	<u>14,046</u>	<u>(13,546)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>95,967</u>	<u>84,326</u>	<u>(11,641)</u>
OTHER FINANCING USES			
Transfers out	<u>(63,755)</u>	<u>(63,755)</u>	<u>-</u>
Total Other Financing Uses	<u>(63,755)</u>	<u>(63,755)</u>	<u>-</u>
Net Change in Fund Balance	32,212	20,571	(11,641)
FUND BALANCE - Beginning	<u>187,253</u>	<u>187,253</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 219,465</u>	<u>\$ 207,824</u>	<u>\$ (11,641)</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 69,180	\$ 69,298	\$ 118
Intergovernmental	3,500	1,308	(2,192)
Investment income	2,700	1,475	(1,225)
Public charges for services	71,490	71,372	(118)
Total Revenues	<u>146,870</u>	<u>143,453</u>	<u>(3,417)</u>
EXPENDITURES			
Capital Outlay	<u>500</u>	<u>150</u>	<u>350</u>
Total Expenditures	<u>500</u>	<u>150</u>	<u>350</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>146,370</u>	<u>143,303</u>	<u>(3,067)</u>
OTHER FINANCING USES			
Transfers out	<u>(62,078)</u>	<u>(62,078)</u>	<u>-</u>
Total Other Financing Uses	<u>(62,078)</u>	<u>(62,078)</u>	<u>-</u>
Net Change in Fund Balance	84,292	81,225	(3,067)
FUND BALANCE (DEFICIT) - Beginning	<u>(120,179)</u>	<u>(120,179)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - ENDING	<u>\$ (35,887)</u>	<u>\$ (38,954)</u>	<u>\$ (3,067)</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 603,027	\$ 604,058	\$ 1,031
Intergovernmental	3,500	3,748	248
Investment income	21,700	12,757	(8,943)
Total Revenues	<u>628,227</u>	<u>620,563</u>	<u>(7,664)</u>
EXPENDITURES			
Capital Outlay	21,500	1,575,220	(1,553,720)
Debt Service			
Principal retirement	-	23	(23)
Interest and fiscal charges	-	75,055	(75,055)
Total Expenditures	<u>21,500</u>	<u>1,650,298</u>	<u>(1,628,798)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>606,727</u>	<u>(1,029,735)</u>	<u>(1,636,462)</u>
OTHER FINANCING SOURCES (USES)			
Capital lease	-	1,057,945	1,057,945
Transfers out	(92,338)	(92,338)	-
Total Other Financing Sources (Uses)	<u>(92,338)</u>	<u>965,607</u>	<u>1,057,945</u>
Net Change in Fund Balance	514,389	(64,128)	(578,517)
FUND BALANCE - Beginning	<u>820,908</u>	<u>820,908</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 1,335,297</u>	<u>\$ 756,780</u>	<u>\$ (578,517)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - TIF DISTRICT NO. 14

For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 30,702	\$ 30,755	\$ 53
Intergovernmental	1,500	2,708	1,208
Investment income	400	862	462
Total Revenues	<u>32,602</u>	<u>34,325</u>	<u>1,723</u>
EXPENDITURES			
Current			
Community development	500	200	300
Capital Outlay	-	33,743	(33,743)
Total Expenditures	<u>500</u>	<u>33,943</u>	<u>(33,443)</u>
Net Change in Fund Balance	32,102	382	(31,720)
FUND BALANCE - Beginning	<u>65,046</u>	<u>65,046</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 97,148</u>	<u>\$ 65,428</u>	<u>\$ (31,720)</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ -	\$ 12,072	\$ 12,072
Investment income (loss)	-	(305)	(305)
Other	9,000	4,095	(4,905)
Total Revenues	<u>9,000</u>	<u>15,862</u>	<u>6,862</u>
EXPENDITURES			
Capital Outlay	15,253	10,447	4,806
Total Expenditures	<u>15,253</u>	<u>10,447</u>	<u>4,806</u>
Net Change in Fund Balance	(6,253)	5,415	11,668
FUND BALANCE - Beginning	<u>28,668</u>	<u>28,668</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 22,415</u>	<u>\$ 34,083</u>	<u>\$ 11,668</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, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 26,000	\$ 26,000	\$ -
Intergovernmental	188,967	197,351	8,384
Licenses and permits	-	617	617
Investment income (loss)	-	(726)	(726)
Other	5,000	5,143	143
Total Revenues	<u>219,967</u>	<u>228,385</u>	<u>8,418</u>
EXPENDITURES			
Current			
Public works	<u>293,967</u>	<u>210,233</u>	<u>83,734</u>
Total Expenditures	<u>293,967</u>	<u>210,233</u>	<u>83,734</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(74,000)</u>	<u>18,152</u>	<u>92,152</u>
OTHER FINANCING USES			
Transfers out	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>
Total Other Financing Uses	<u>-</u>	<u>(30,000)</u>	<u>(30,000)</u>
Net Change in Fund Balance	(74,000)	(11,848)	62,152
FUND BALANCE - Beginning	<u>209,467</u>	<u>209,467</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 135,467</u>	<u>\$ 197,619</u>	<u>\$ 62,152</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - COMMUNITY DEVELOPMENT For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Intergovernmental	\$ 4,343,617	\$ 947,783	\$ (3,395,834)
Investment income	-	3,965	3,965
Other	-	18,554	18,554
Total Revenues	<u>4,343,617</u>	<u>970,302</u>	<u>(3,373,315)</u>
EXPENDITURES			
Current			
Community development	<u>3,473,521</u>	<u>907,285</u>	<u>2,566,236</u>
Total Expenditures	<u>3,473,521</u>	<u>907,285</u>	<u>2,566,236</u>
Net Change in Fund Balance	870,096	63,017	(807,079)
FUND BALANCE (DEFICIT) - Beginning	<u>(50,516)</u>	<u>(50,516)</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 819,580</u>	<u>\$ 12,501</u>	<u>\$ (807,079)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - LIBRARY

For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 1,760,877	\$ 1,760,877	\$ -
Intergovernmental	274,970	282,884	7,914
Fees and service charges	55,000	50,890	(4,110)
Investment income	10,300	14,234	3,934
Public charges for services	24,680	31,354	6,674
Other	14,890	1,859	(13,031)
Total Revenues	<u>2,140,717</u>	<u>2,142,098</u>	<u>1,381</u>
EXPENDITURES			
Current			
Parks, recreation and education	2,118,590	2,045,247	73,343
Capital Outlay	13,320	11,122	2,198
Total Expenditures	<u>2,131,910</u>	<u>2,056,369</u>	<u>75,541</u>
Net Change in Fund Balance	8,807	85,729	76,922
FUND BALANCE - Beginning	<u>429,837</u>	<u>429,837</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 438,644</u>	<u>\$ 515,566</u>	<u>\$ 76,922</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - POLICE For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ 122,476	\$ 137,500	\$ 15,024
Intergovernmental	469,382	266,868	(202,514)
Public charges for services	140,000	146,732	6,732
Other	-	7,207	7,207
Total Revenues	<u>731,858</u>	<u>558,307</u>	<u>(173,551)</u>
EXPENDITURES			
Current			
Public safety	<u>721,612</u>	<u>572,840</u>	<u>148,772</u>
Total Expenditures	<u>721,612</u>	<u>572,840</u>	<u>148,772</u>
Net Change in Fund Balance	10,246	(14,533)	(24,779)
FUND BALANCE - Beginning	<u>85,527</u>	<u>85,527</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 95,773</u>	<u>\$ 70,994</u>	<u>\$ (24,779)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - SOLID WASTE For the Year Ended December 31, 2011

	Original and Final Budget	Actual	Variance
REVENUES			
Taxes	\$ -	\$ 85	\$ 85
Intergovernmental	198,405	128,274	(70,131)
Licenses and permits	700	1,892	1,192
Public charges for services	<u>2,243,514</u>	<u>2,143,238</u>	<u>(100,276)</u>
Total Revenues	<u>2,442,619</u>	<u>2,273,489</u>	<u>(169,130)</u>
EXPENDITURES			
Current			
Public works	<u>2,434,794</u>	<u>2,354,621</u>	<u>80,173</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>7,825</u>	<u>(81,132)</u>	<u>(88,957)</u>
OTHER FINANCING SOURCES			
Transfers in	<u>-</u>	<u>27,000</u>	<u>27,000</u>
Total Other Financing Sources	<u>-</u>	<u>27,000</u>	<u>27,000</u>
Net Change in Fund Balance	7,825	(54,132)	(61,957)
FUND BALANCE - Beginning	<u>193,304</u>	<u>193,304</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 201,129</u>	<u>\$ 139,172</u>	<u>\$ (61,957)</u>

CITY OF BELOIT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - COMPUTER REPLACEMENT
For the Year Ended December 31, 2011

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES			
Investment income	\$ 10,600	\$ 6,309	\$ (4,291)
Other	<u>43,780</u>	<u>43,788</u>	<u>8</u>
Total Revenues	<u>54,380</u>	<u>50,097</u>	<u>(4,283)</u>
EXPENDITURES			
Capital Outlay	<u>-</u>	<u>27,323</u>	<u>(27,323)</u>
Net Change in Fund Balance	54,380	22,774	(31,606)
FUND BALANCE - Beginning	<u>461,538</u>	<u>461,538</u>	<u>-</u>
FUND BALANCE - ENDING	<u>\$ 515,918</u>	<u>\$ 484,312</u>	<u>\$ (31,606)</u>

CITY OF БЕЛОIT

COMBINING STATEMENT OF NET ASSETS - NONMAJOR PROPRIETARY FUNDS
As of December 31, 2011

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
ASSETS						
Current Assets						
Cash and investments	\$ 750	\$ -	\$ 436,493	\$ 394,110	\$ 360	\$ 831,713
Receivables						
Taxes	-	20,000	-	-	517,256	537,256
Customer accounts	-	-	283,114	163,164	38,294	484,572
Other	-	-	-	6,299	-	6,299
Due from other governmental units	-	-	-	-	232,798	232,798
Inventories	-	-	-	-	123,459	123,459
Restricted Assets						
Bond redemption account	-	-	-	44,466	-	44,466
Total Current Assets	<u>750</u>	<u>20,000</u>	<u>719,607</u>	<u>608,039</u>	<u>912,167</u>	<u>2,260,563</u>
Non-Current Assets						
Restricted Assets						
Construction account	-	-	-	339,462	-	339,462
Bond reserve account	-	-	-	126,444	-	126,444
Total Restricted Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>465,906</u>	<u>-</u>	<u>465,906</u>
Capital Assets						
Land	816,000	322,000	-	-	132,000	1,270,000
Land improvements	666,970	35,448	-	-	-	702,418
Buildings	280,988	120,153	-	-	4,432,323	4,833,464
Machinery, equipment, and vehicles	56,741	43,028	-	-	4,144,681	4,244,450
Infrastructure	-	-	-	12,158,603	-	12,158,603
Less: accumulated depreciation	(859,451)	(132,595)	-	(2,352,971)	(3,047,803)	(6,392,820)
Total Capital Assets, Net	<u>961,248</u>	<u>388,034</u>	<u>-</u>	<u>9,805,632</u>	<u>5,661,201</u>	<u>16,816,115</u>
Other Assets						
Unamortized debt issuance costs	-	-	-	41,200	1,415	42,615
Total Other Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>41,200</u>	<u>1,415</u>	<u>42,615</u>
Total Non-Current Assets	<u>961,248</u>	<u>388,034</u>	<u>-</u>	<u>10,312,738</u>	<u>5,662,616</u>	<u>17,324,636</u>
Total Assets	<u>961,998</u>	<u>408,034</u>	<u>719,607</u>	<u>10,920,777</u>	<u>6,574,783</u>	<u>19,585,199</u>
LIABILITIES						
Current Liabilities						
Accounts payable	6,724	834	8,538	51,927	84,625	152,648
Accrued liabilities	-	-	-	4,760	4,126	8,886
Due to other funds	4,338	13,049	-	-	88,904	106,291
Compensated absences	6,198	1,096	34,473	13,347	61,660	116,774
Current maturities of						
general obligation debt	10,387	3,583	-	72,031	100,881	186,882
Unearned revenue	-	20,000	-	-	517,256	537,256
Other current liabilities	16,001	-	-	-	-	16,001
Current Liabilities Payable From						
Restricted Assets						
Current maturities of revenue debt	-	-	-	55,000	-	55,000
Accrued interest	-	-	-	17,998	-	17,998
Total Current Liabilities	<u>43,648</u>	<u>38,562</u>	<u>43,011</u>	<u>215,063</u>	<u>857,452</u>	<u>1,197,736</u>
Noncurrent Liabilities						
General obligation debt	\$ 13,320	\$ 10,099	\$ -	\$ 1,173,092	\$ 547,698	\$ 1,744,209
Unamortized loss on advance refunding	-	-	-	-	(3,871)	(3,871)
Compensated absences	19,070	2,187	-	-	34,363	55,620
Other post-employment benefits	6,534	6,534	-	21,783	69,934	104,785
Revenue debt, less current maturities	-	-	-	1,365,000	-	1,365,000
Advances from other funds	764,000	-	-	-	-	764,000
Total Noncurrent Liabilities	<u>802,924</u>	<u>18,820</u>	<u>-</u>	<u>2,559,875</u>	<u>648,124</u>	<u>4,029,743</u>
Total Liabilities	<u>846,572</u>	<u>57,382</u>	<u>43,011</u>	<u>2,774,938</u>	<u>1,505,576</u>	<u>5,227,479</u>
NET ASSETS						
Invested in capital assets, net of related debt	937,541	374,352	-	7,521,171	5,017,908	13,850,972
Restricted	-	-	-	152,912	-	152,912
Unrestricted (deficit)	(822,115)	(23,700)	676,596	471,756	51,299	353,836
TOTAL NET ASSETS	<u>\$ 115,426</u>	<u>\$ 350,652</u>	<u>\$ 676,596</u>	<u>\$ 8,145,839</u>	<u>\$ 5,069,207</u>	<u>\$ 14,357,720</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 FUND NET ASSETS - NONMAJOR PROPRIETARY FUNDS
 For the Year Ended December 31, 2011

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
OPERATING REVENUES						
Charges for services	\$ 316,558	\$ 195,152	\$ 1,055,072	\$ 945,989	\$ 184,826	\$ 2,697,597
Other	500	8,165	-	-	31,615	40,280
Total Operating Revenues	<u>317,058</u>	<u>203,317</u>	<u>1,055,072</u>	<u>945,989</u>	<u>216,441</u>	<u>2,737,877</u>
OPERATING EXPENSES						
Operation and maintenance	505,643	310,381	999,880	499,960	1,709,258	4,025,122
Contractual services	-	-	-	135,358	156,205	291,563
Depreciation	28,127	3,023	-	135,945	335,033	502,128
Total Operating Expenses	<u>533,770</u>	<u>313,404</u>	<u>999,880</u>	<u>771,263</u>	<u>2,200,496</u>	<u>4,818,813</u>
Operating Income (Loss)	<u>(216,712)</u>	<u>(110,087)</u>	<u>55,192</u>	<u>174,726</u>	<u>(1,984,055)</u>	<u>(2,080,936)</u>
NONOPERATING REVENUES (EXPENSES)						
Intergovernmental revenues	-	-	-	-	1,194,315	1,194,315
Investment income (loss)	(1,654)	99,001	5,209	4,735	994	108,285
Interest charged to construction	-	-	-	28,947	-	28,947
Interest expense	(897)	(747)	-	(126,938)	(26,458)	(155,040)
Amortization of debt issuance costs and premiums	-	-	-	(3,813)	-	(3,813)
General property taxes	-	50,000	-	-	517,256	567,256
Interest subsidy received on Build America Bonds	-	-	-	27,386	-	27,386
Total Nonoperating Revenues (Expenses)	<u>(2,551)</u>	<u>148,254</u>	<u>5,209</u>	<u>(69,683)</u>	<u>1,686,107</u>	<u>1,767,336</u>
Income (loss) before contributions	(219,263)	38,167	60,401	105,043	(297,948)	(313,600)
Capital contributions	-	-	-	164,244	403,894	568,138
Change in Net Assets	(219,263)	38,167	60,401	269,287	105,946	254,538
TOTAL NET ASSETS - Beginning	<u>334,689</u>	<u>312,485</u>	<u>616,195</u>	<u>7,876,552</u>	<u>4,963,261</u>	<u>14,103,182</u>
TOTAL NET ASSETS - Ending	<u>\$ 115,426</u>	<u>\$ 350,652</u>	<u>\$ 676,596</u>	<u>\$ 8,145,839</u>	<u>\$ 5,069,207</u>	<u>\$ 14,357,720</u>

CITY OF BELOIT

STATEMENT OF CASH FLOWS
NONMAJOR PROPRIETARY FUNDS
For the Year Ended December 31, 2011

	Enterprise Funds					Totals
	Golf Course	Cemeteries	Ambulance	Storm Sewer	Transit System	
CASH FLOWS FROM OPERATING ACTIVITIES						
Received from customers	\$ 317,058	\$ 203,317	\$ 1,074,449	\$ 960,996	\$ 220,148	\$ 2,775,968
Paid to suppliers for goods and services	(286,258)	(218,115)	(193,241)	(377,377)	(1,085,558)	(2,160,549)
Payments to employees for services	(218,161)	(130,201)	(806,889)	(232,509)	(789,950)	(2,177,710)
Net Cash Provided by Operating Activities	(187,361)	(144,999)	74,319	351,110	(1,655,360)	(1,562,291)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating grants received	-	-	-	-	1,279,251	1,279,251
Property taxes received	-	50,000	-	-	517,256	567,256
Non-capital advance (and repayment)	200,000	-	-	-	(4,749)	195,251
Net Cash Used by Noncapital Financing Activities	200,000	50,000	-	-	1,791,758	2,041,758
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Debt retired	(10,088)	(3,448)	-	(118,976)	(98,977)	(231,489)
Interest paid	(897)	(554)	-	(126,369)	(27,248)	(155,068)
Interest subsidy received on BABs	-	-	-	25,330	-	25,330
Acquisition and construction of capital assets	-	-	-	(824,300)	(361,167)	(1,185,467)
Construction grants received	-	-	-	-	350,000	350,000
Net Cash Provided (Used) by Capital and Related Financing Activities	(10,985)	(4,002)	-	(1,044,315)	(137,392)	(1,196,694)
CASH FLOWS FROM INVESTING ACTIVITIES						
Investment income (loss)	(1,654)	99,001	5,209	4,735	994	108,285
Net Cash Provided (Used) by Investing Activities	(1,654)	99,001	5,209	4,735	994	108,285
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	79,528	(688,470)	-	(608,942)
CASH AND CASH EQUIVALENTS - Beginning	750	-	356,965	1,592,952	360	1,951,027
CASH AND CASH EQUIVALENTS - Ending	\$ 750	\$ -	\$ 436,493	\$ 904,482	\$ 360	\$ 1,342,085
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES						
Operating income (Loss)	\$ (216,712)	\$ (110,087)	\$ 55,192	\$ 174,726	\$ (1,984,055)	\$ (2,080,936)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities						
Depreciation expense	28,127	3,023	-	135,945	335,033	502,128
Change in non-cash Components of Working Capital						
Accounts receivable	-	-	19,377	15,007	3,706	38,090
Taxes accrued	-	30,000	-	-	-	30,000
Inventories	-	-	-	-	(1,237)	(1,237)
Accounts payable	(22)	(911)	(2,903)	28,193	(22,895)	1,462
Other post-employment benefits	347	347	-	1,159	3,824	5,677
Payable to other funds	1,926	(38,059)	-	-	-	(36,133)
Deferred revenue	-	(30,000)	-	-	-	(30,000)
Compensated absences	-	-	-	(3,920)	10,264	6,344
Other current liabilities	(1,027)	688	2,653	-	-	2,314
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ (187,361)	\$ (144,999)	\$ 74,319	\$ 351,110	\$ (1,655,360)	\$ (1,562,291)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS - PROPRIETARY FUNDS						
Cash and investments - statement of net assets	\$ 750	\$ -	\$ 436,493	\$ 394,110	\$ 360	\$ 831,713
Restricted cash and investments - statement of net assets:						
Bond redemption account	-	-	-	44,466	-	44,466
Construction account	-	-	-	339,462	-	339,462
Bond reserve account	-	-	-	126,444	-	126,444
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 750	\$ -	\$ 436,493	\$ 904,482	\$ 360	\$ 1,342,085

NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITY

During 2011, \$9,103 of cemetery refunding bonds were issued to advance refund \$8,911 of debt.
 During 2011, \$164,244 of storm capital assets were contributed by the City.
 During 2011, \$28,947 of storm interest was capitalized.
 During 2011, \$53,894 of transit capital grants were accrued.
 During 2011, \$212,646 of transit refunding bonds were issued to advance refund \$207,360 of debt.

CITY OF BELOIT

ENTERPRISE FUND - BELOIT MASS TRANSIT DETAILED SCHEDULE OF REVENUES AND EXPENSES - REGULATORY BASIS For the Year Ended December 31, 2011

	<u>2011</u>
REVENUE	
401 - Passenger fares for transit service	\$ 184,826
407 - Non-transportation revenue	
Advertising	13,119
Investment Income	994
Rental Income	18,667
Charter and miscellaneous	1,033 *
Gain (loss) on disposal	(1,204)
409 - Local operating assistance - city levy	517,256
409 - Local operating assistance - inter-government	75,657
411 - State operating assistance	513,570
413 - Federal operating assistance	605,088
Capital contributions	<u>403,894</u>
 Total Revenue	 <u>2,332,900</u>
EXPENSES - BY OBJECT CLASS TOTAL	
501 - Labor	790,003
502 - Fringe benefits	633,340
503 - Services	54,720
504 - Materials and supplies	241,140
505 - Utilities	46,347
506 - Casualty and liability costs	59,013
508 - Purchased transportation services	23,743
509 - Miscellaneous	17,158
509 - Interest expense	26,458
513 - Depreciation	<u>335,032</u>
 Total Expenses	 <u>2,226,954</u>
 EXCESS EXPENSES OVER REVENUES FOR THE YEAR	 <u>\$ 105,946</u>

* Contra expense for state subsidy purposes.

CITY OF БЕЛОIT

ENTERPRISE FUND - БЕЛОIT MASS TRANSIT
 RECONCILIATION OF REVENUES AND EXPENSES TO WISDOT AND FEDERAL
 RECOGNIZED REVENUES AND EXPENSES
 For the Year Ended December 31, 2011

	Per WisDOT Guidelines	Per Federal Guidelines
Beloit Revenues	\$ 2,332,900	\$ 2,332,900
Less Unrecognized Revenues		
Advertising Revenue	-	13,119
Charter Revenue	1,033	1,033
Investment income	994	994
Local Operating Assistance	592,913	592,913
State Operating Assistance	513,570	513,570
Federal Operating Assistance	605,088	605,088
Capital Contributions 1	403,894	403,894
ADJUSTED REVENUES	\$ 216,612	\$ 203,493
 Total Expenses	 \$ 2,226,954	 \$ 2,226,954
Less Non-Recognized Expenses		
Interest	26,458	26,458
Depreciation	335,032	335,032
Less Contra Expenses		
Charter Revenue	1,033	1,033
Capital Contributions for Operating Expenses 2	-	-
RECOGNIZED EXPENSES	\$ 1,864,431	\$ 1,864,431
RECOGNIZED EARNINGS (DEFICITS)	\$ (1,647,819)	\$ (1,660,838)
 1 - Capital contributions - assets capitalized	 403,894	
Capital contributions - expensed	-	
Total capital contributions	403,894	
 2 - Capital contributions - expensed	 -	
Federal share	80%	
Federal and local share of expenses	-	

CITY OF BELOIT

**ENTERPRISE FUND - BELOIT MASS TRANSIT
COMPUTATION OF THE DEFICIT DISTRIBUTION AMONG THE SUBSIDY GRANTORS
For the Year Ended December 31, 2011**

<i>STATE FUNDS</i>		
WisDOT Contract Amount		<u>\$ 522,242</u>
Local Operating Subsidy	<u>\$ 592,913</u>	
5 Times Operating Subsidy		<u>\$ 2,964,565</u>
WisDOT Recognized Deficit	<u>\$ 1,647,819</u>	
Federal Share of Operating Assistance	<u>\$ 605,088</u>	
Remaining State Share of Deficit		<u>\$ 1,042,731</u>
WisDOT Recognized Expenses	<u>\$ 1,864,431</u>	
Maximum State and Federal Operating Assistance	60.00%	
	<u>\$ 1,118,659</u>	
Federal Share of Operating Assistance	<u>\$ 605,088</u>	
Remaining State Share of Operating Assistance		<u>\$ 513,571</u>
State Share – Least of the Five		<u>\$ 513,570</u>
<i>FEDERAL SECTION 9 FUNDS</i>		
Federally Recognized Deficit	<u>\$ 1,660,938</u>	
50% of Federal Deficit		<u>\$ 830,469</u>
Federal Recognized Deficit	<u>\$ 1,660,938</u>	
Less: State share	<u>513,570</u>	
Local Share		<u>\$ 1,147,368</u>
Maximum Federal Share Per Grant Award		<u>\$ 605,088</u>
Federal Section 9 Share – Least of the Three		<u>\$ 605,088</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - INTERNAL SERVICE FUNDS As of December 31, 2011

	<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	\$ 194,182	\$ 310,554	\$ -	\$ -	\$ 504,736
Accounts receivable	17,627	288	9,465	13,265	40,645
Total Current Assets	<u>211,809</u>	<u>310,842</u>	<u>9,465</u>	<u>13,265</u>	<u>545,381</u>
Non-Current Assets					
Restricted Assets					
Deposit with risk pool	-	1,575,475	-	-	1,575,475
Total Restricted Assets	<u>-</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,575,475</u>
Capital Assets					
Machinery, equipment, and vehicles	67,165	-	-	-	67,165
Less: Accumulated depreciation	(49,284)	-	-	-	(49,284)
Net Capital Assets	<u>17,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,881</u>
Total Non-Current Assets	<u>17,881</u>	<u>1,575,475</u>	<u>-</u>	<u>-</u>	<u>1,593,356</u>
Total Assets	<u>229,690</u>	<u>1,886,317</u>	<u>9,465</u>	<u>13,265</u>	<u>2,138,737</u>
LIABILITIES					
Current Liabilities					
Cash deficit	-	-	66,857	-	66,857
Accounts payable	36,856	2,296	-	-	39,152
Claims payable	-	229,402	2,493,175	-	2,722,577
Due to other funds	-	-	47,096	2,952	50,048
Total Liabilities	<u>36,856</u>	<u>231,698</u>	<u>2,607,128</u>	<u>2,952</u>	<u>2,878,634</u>
NET ASSETS (DEFICITS)					
Invested in capital assets	17,881	-	-	-	17,881
Unrestricted (deficit)	174,953	1,654,619	(2,597,663)	10,313	(757,778)
TOTAL NET ASSETS (DEFICITS)	<u>\$ 192,834</u>	<u>\$ 1,654,619</u>	<u>\$ (2,597,663)</u>	<u>\$ 10,313</u>	<u>\$ (739,897)</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS (DEFICIT) -
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2011

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
OPERATING REVENUES					
Charges for services	\$ 1,392,062	\$ 1,279,561	\$ 7,320,969	\$ 2,134,744	\$ 12,127,336
Total Operating Revenue	<u>1,392,062</u>	<u>1,279,561</u>	<u>7,320,969</u>	<u>2,134,744</u>	<u>12,127,336</u>
OPERATING EXPENSES					
Operation and maintenance	1,261,784	763,358	8,214,756	2,124,142	12,364,040
Contractual services	21,579	963,246	-	-	984,825
Depreciation	2,941	-	-	-	2,941
Total Operating Expenses	<u>1,286,304</u>	<u>1,726,604</u>	<u>8,214,756</u>	<u>2,124,142</u>	<u>13,351,806</u>
Operating Income (loss)	<u>105,758</u>	<u>(447,043)</u>	<u>(893,787)</u>	<u>10,602</u>	<u>(1,224,470)</u>
Transfer In	-	270,000	-	-	270,000
Change in Net Assets	105,758	(177,043)	(893,787)	10,602	(954,470)
TOTAL NET ASSETS - Beginning	<u>87,076</u>	<u>1,831,662</u>	<u>(1,703,876)</u>	<u>(289)</u>	<u>214,573</u>
TOTAL NET ASSETS (DEFICIT) - ENDING	<u>\$ 192,834</u>	<u>\$ 1,654,619</u>	<u>\$ (2,597,663)</u>	<u>\$ 10,313</u>	<u>\$ (739,897)</u>

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
For the Year Ended December 31, 2011

	Equipment Operations	General Liability Insurance	Health Insurance	Retiree Health Insurance	Totals
CASH FLOWS FROM OPERATING ACTIVITIES					
Received from customers	\$ 1,402,668	\$ 1,281,893	\$ 7,726,948	\$ 2,123,597	\$ 12,535,106
Paid to suppliers for goods and services	(813,907)	(1,567,767)	(7,935,611)	(2,123,597)	(12,440,882)
Payments to employees for services	(454,411)	(84,274)	-	-	(538,685)
Net Cash Provided (Used) by Operating Activities	<u>134,350</u>	<u>(370,148)</u>	<u>(208,663)</u>	<u>-</u>	<u>(444,461)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in (out)	-	270,000	-	-	270,000
Net Cash Used by Noncapital Financing Activities	<u>-</u>	<u>270,000</u>	<u>-</u>	<u>-</u>	<u>270,000</u>
Net Increase (Decrease) in Cash and Cash Equivalents	134,350	(100,148)	(208,663)	-	(174,461)
CASH AND CASH EQUIVALENTS - Beginning	<u>59,832</u>	<u>410,702</u>	<u>141,806</u>	<u>-</u>	<u>612,340</u>
CASH AND CASH EQUIVALENTS - Ending	<u>\$ 194,182</u>	<u>\$ 310,554</u>	<u>\$ (66,857)</u>	<u>\$ -</u>	<u>\$ 437,879</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss)	\$ 105,758	\$ (447,043)	\$ (893,787)	\$ 10,602	\$ (1,224,470)
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities					
Depreciation expense	2,941	-	-	-	2,941
Change in non-cash Components of Working Capital					
Accounts receivable	10,606	2,332	405,979	(11,147)	407,770
Accounts payable	15,045	(11,730)	(2,352)	(714)	249
Payable to other funds	-	-	46,592	1,259	47,851
Claims payable	-	86,293	234,905	-	321,198
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 134,350</u>	<u>\$ (370,148)</u>	<u>\$ (208,663)</u>	<u>\$ -</u>	<u>\$ (444,461)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET ASSETS - PROPRIETARY FUNDS					
Cash and investments - statement of net assets	\$ 194,182	\$ 310,554	\$ -	\$ -	\$ 504,736
Cash deficit - statement of net assets	<u>-</u>	<u>-</u>	<u>(66,857)</u>	<u>-</u>	<u>(66,857)</u>
CASH AND CASH EQUIVALENTS (DEFICIT) - END OF YEAR	<u>\$ 194,182</u>	<u>\$ 310,554</u>	<u>\$ (66,857)</u>	<u>\$ -</u>	<u>\$ 437,879</u>

CITY OF BELOIT

COMBINING STATEMENT OF CHANGES IN ASSETS
AND LIABILITIES - TAX COLLECTIONS
For year ended December, 31, 2011

	Balance January 1, 2011	Additions	Deductions	Balance December 31, 2011
TAX COLLECTIONS				
Assets				
Cash and investments	\$ 11,377,082	\$ 5,428,740	\$ 11,377,082	\$ 5,428,740
Property taxes receivable	<u>12,492,827</u>	<u>17,820,717</u>	<u>12,492,827</u>	<u>17,820,717</u>
TOTAL ASSETS	<u>\$ 23,869,909</u>	<u>\$ 23,249,457</u>	<u>\$ 23,869,909</u>	<u>\$ 23,249,457</u>
Liabilities				
Due to other taxing units	\$ <u>23,869,909</u>	\$ <u>23,249,457</u>	\$ <u>23,869,909</u>	\$ <u>23,249,457</u>
TOTAL LIABILITIES	<u>\$ 23,869,909</u>	<u>\$ 23,249,457</u>	<u>\$ 23,869,909</u>	<u>\$ 23,249,457</u>

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
As of December 31, 2011

	Primary Government			Total Primary Government	Component Units		Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Beloit	Beloit			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable		Apartment Redevelopment Phase 1, LLC	Apartment Redevelopment Phase 2, LLC			
ASSETS									
Current Assets									
Cash and investments	\$ 813,054	\$ 865,851	\$ -	\$ 1,678,905	\$ 10,572	\$ 14,589	\$ 1,704,066	\$ -	\$ 1,704,066
Receivables									
Accounts	17,523	10,893	-	28,416	75,430	691	104,537	(58,150)	46,387
Lease receivable from Beloit Apartments Redevelopment - Phase 1 - LLC	-	2,443,937	-	2,443,937	-	-	2,443,937	(2,443,937)	-
Lease receivable from Beloit Apartments Redevelopment - Phase 2 - LLC	-	1,410,000	-	1,410,000	-	-	1,410,000	(1,410,000)	-
Lease receivable from primary government	-	-	1,915,000	1,915,000	-	-	1,915,000	-	1,915,000
Due from Beloit Apartments Redevelopment - Phase 1 - LLC	-	62,444	-	62,444	-	-	62,444	(62,444)	-
Due from Beloit Apartments Redevelopment - Phase 2 - LLC	-	65,191	-	65,191	-	-	65,191	(65,191)	-
Due from other governmental units	-	5,562	-	5,562	-	-	5,562	-	5,562
Financing costs	-	-	-	-	14,623	-	14,623	-	14,623
Tax credit fees	-	-	-	-	106,432	124,963	231,395	-	231,395
Prepaid items	-	112	-	112	2,825	-	2,937	-	2,937
Total Current Assets	830,577	4,863,990	1,915,000	7,609,567	209,882	140,243	7,959,692	(4,039,722)	3,919,970
Non-Current Assets									
Restricted Assets									
Cash and investments	-	-	2,957,147	2,957,147	31,531	257,438	3,246,116	-	3,246,116
Capital Assets									
Land	-	414,539	-	414,539	409,500	770,000	1,594,039	(1,179,500)	414,539
Land improvements	-	-	-	-	168,111	-	168,111	-	168,111
Construction in progress	-	-	-	-	-	1,928,664	1,928,664	-	1,928,664
Buildings	-	869,691	-	869,691	1,548,150	640,000	3,057,841	(975,520)	2,082,321
Building improvements	-	-	-	-	8,244,008	-	8,244,008	-	8,244,008
Machinery, equipment, furnishings and vehicles	13,034	602,656	-	615,690	260,718	-	876,408	-	876,408
Less: Accumulated depreciation	(11,003)	(816,426)	-	(827,429)	(240,138)	(3,597)	(1,071,164)	-	(1,071,164)
Total Capital Assets, Net	2,031	1,070,460	-	1,072,491	10,390,349	3,335,067	14,797,907	(2,155,020)	12,642,887
Other Assets									
Lease receivable from primary government	-	-	18,527,853	18,527,853	-	-	18,527,853	-	18,527,853
Total Non-Current Assets	2,031	1,070,460	21,485,000	22,557,491	10,421,880	3,592,505	36,571,876	(2,155,020)	34,416,856
Total Assets	832,608	5,934,450	23,400,000	30,167,058	10,631,762	3,732,748	44,531,568	(6,194,742)	38,336,826

	Primary Government			Total Primary Government	Component Units		Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Beloit Apartments Redevelopment Phase 1, LLC	Beloit Apartments Redevelopment Phase 2, LLC			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable						
LIABILITIES									
Current Liabilities									
Accounts payable	\$ 5,450	\$ 1,993	\$ -	\$ 7,443	\$ 20,521	\$ 2,561	\$ 30,525	\$ (10,474)	\$ 20,051
Construction payables	-	-	-	-	630,087	382,182	1,012,269	(117,161)	895,108
Accrued liabilities	19,676	33,290	-	52,966	797,459	151,337	1,001,762	-	1,001,762
Due to Beloit Apartments Redevelopment - Phase 1 - LLC	-	58,150	-	58,150	-	-	58,150	(58,150)	-
Due to primary government	39,064	47,702	-	86,766	-	-	86,766	-	86,766
Unearned revenues	-	118,634	-	118,634	1,301,688	-	1,420,322	-	1,420,322
Deposits	10,936	1,250	-	12,186	30,825	8,900	51,911	-	51,911
Lease revenue bonds payable	-	-	1,915,000	1,915,000	-	-	1,915,000	-	1,915,000
Total Current Liabilities	<u>75,126</u>	<u>261,019</u>	<u>1,915,000</u>	<u>2,251,145</u>	<u>2,780,580</u>	<u>544,980</u>	<u>5,576,705</u>	<u>(185,785)</u>	<u>5,390,920</u>
Non-Current Liabilities									
Compensated absences	4,644	15,651	-	20,295	-	-	20,295	-	20,295
Mortgage notes payable	-	-	-	-	4,095,545	1,410,000	5,505,545	(3,853,937)	1,651,608
Lease revenue bonds payable	-	-	21,485,000	21,485,000	-	-	21,485,000	-	21,485,000
Total Noncurrent Liabilities	<u>4,644</u>	<u>15,651</u>	<u>21,485,000</u>	<u>21,505,295</u>	<u>4,095,545</u>	<u>1,410,000</u>	<u>27,010,840</u>	<u>(3,853,937)</u>	<u>23,156,903</u>
Total Liabilities	<u>79,770</u>	<u>276,670</u>	<u>23,400,000</u>	<u>23,756,440</u>	<u>6,876,125</u>	<u>1,954,980</u>	<u>32,587,545</u>	<u>(4,039,722)</u>	<u>28,547,823</u>
NET ASSETS									
Invested in capital assets (deficit)	2,031	1,070,460	-	1,072,491	-	-	1,072,491	-	1,072,491
Members' equity	-	-	-	-	3,755,637	1,777,768	5,533,405	(2,155,020)	3,378,385
Restricted for grant programs	<u>750,807</u>	<u>4,587,320</u>	<u>-</u>	<u>5,338,127</u>	<u>-</u>	<u>-</u>	<u>5,338,127</u>	<u>-</u>	<u>5,338,127</u>
TOTAL NET ASSETS	<u>\$ 752,838</u>	<u>\$ 5,657,780</u>	<u>\$ -</u>	<u>\$ 6,410,618</u>	<u>\$ 3,755,637</u>	<u>\$ 1,777,768</u>	<u>\$ 11,944,023</u>	<u>\$ (2,155,020)</u>	<u>\$ 9,789,003</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
FUND NET ASSETS - COMMUNITY DEVELOPMENT AUTHORITY
For the Year Ended December 31, 2011

	Primary Government			Total Primary Government	Component Units		Totals Before Eliminations	Eliminations	Totals
	Major	Major	Major		Beloit Apartments Redevelopment Phase 1, LLC	Beloit Apartments Redevelopment Phase 2, LLC			
	Section 8 Rental Voucher Program	Low Rent Public Housing	Lease Receivable						
EXPENSES									
Community development	\$ 3,465,973	\$ 779,523	\$ -	\$ 4,245,496	\$ 302,057	\$ 11,542	\$ 4,559,095	\$ (50,843)	\$ 4,508,252
PROGRAM REVENUES									
Charges for services	-	171,638	-	171,638	71,049	18,802	261,489	(50,843)	210,646
Operating grants and contributions	3,379,745	771,633	-	4,151,378	-	-	4,151,378	-	4,151,378
Other revenue	-	-	-	-	40,658	630	41,288	-	41,288
Total Program Revenues	3,379,745	943,271	-	4,323,016	111,707	19,432	4,454,155	(50,843)	4,403,312
Net Revenues (Expenses)	(86,228)	163,748	-	77,520	(190,350)	7,890	(104,940)	-	(104,940)
GENERAL REVENUES (EXPENSES)									
Investment income	1,221	2,267	1,273,740	1,277,228	14	1	1,277,243	-	1,277,243
Interest and amortization	-	-	(1,273,740)	(1,273,740)	(135,823)	(12,625)	(1,422,188)	-	(1,422,188)
Gain on capital assets	-	1,156,205	-	1,156,205	-	-	1,156,205	(1,156,205)	-
Miscellaneous	33,177	-	-	33,177	(43,250)	(45,140)	(55,213)	-	(55,213)
Total General Revenue (Expenses)	34,398	1,156,472	-	1,192,870	(179,059)	(57,764)	956,047	(1,156,205)	(200,158)
Revenues (Expenses) Before Contributions	(51,830)	1,322,220	-	1,270,390	(369,409)	(49,874)	851,107	(1,156,205)	(305,098)
CAPITAL CONTRIBUTIONS									
	-	-	-	-	3,189,671	1,827,642	5,017,313	-	5,017,313
CHANGE IN NET ASSETS	(51,830)	1,322,220	-	1,270,390	2,820,262	1,777,768	5,868,420	(1,156,205)	4,712,215
NET ASSETS – Beginning of Year	804,668	4,335,560	-	5,140,228	935,375	-	6,075,603	(998,815)	5,076,788
NET ASSETS – END OF YEAR	\$ 752,838	\$ 5,657,780	\$ -	\$ 6,410,618	\$ 3,755,637	\$ 1,777,768	\$ 11,944,023	\$ (2,155,020)	\$ 9,789,003

CITY OF BELOIT

COMBINING STATEMENT OF CASH FLOWS - COMMUNITY DEVELOPMENT AUTHORITY For the Year Ended December 31, 2011

	Primary Government			Totals
	Major	Major	Major	
	Section 8 Rental Voucher Program	Low Rent Public Housing	Leases Receivable	
CASH FLOWS FROM OPERATING ACTIVITIES				
Received from customers	\$ 38,815	\$ 488,536	\$ -	\$ 527,351
Paid to suppliers for goods and services	(3,282,401)	(477,382)	-	(3,759,783)
Payments to employees for services	(193,893)	(205,690)	-	(399,583)
Payments to city for tax equivalent	-	(7,378)	-	(7,378)
Net Cash Flows From Operating Activities	<u>(3,437,479)</u>	<u>(201,914)</u>	<u>-</u>	<u>(3,639,393)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Operating grants received	3,379,745	760,831	-	4,140,576
Collections on leases receivable	-	-	1,195,568	1,195,568
Non-capital (advance) and repayment	-	-	(3,915,355)	(3,915,355)
Net Cash Flows From Non-Capital Financing Activities	<u>3,379,745</u>	<u>760,831</u>	<u>(2,719,787)</u>	<u>1,420,789</u>
CASH FLOWS FROM CAPITAL AND FINANCING ACTIVITIES				
Debt issued	-	-	4,340,000	4,340,000
Debt retired	-	-	(1,305,000)	(1,305,000)
Interest paid	-	-	(1,273,740)	(1,273,740)
Capital grants received	-	10,802	-	10,802
Acquisition and construction of capital assets	(1,232)	(14,282)	-	(15,514)
Cost of removal of property retired	-	(162,449)	-	(162,449)
Net Cash Flows From Capital and Related Financing Activities	<u>(1,232)</u>	<u>(165,929)</u>	<u>1,761,260</u>	<u>1,594,099</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment income	1,221	2,267	1,273,740	1,277,228
Net Cash Flows From Investing Activities	<u>1,221</u>	<u>2,267</u>	<u>1,273,740</u>	<u>1,277,228</u>
Net Change in Cash and Cash Equivalents	(57,745)	395,255	315,213	652,723
CASH AND CASH EQUIVALENTS - Beginning of Year	870,799	470,596	2,641,934	3,983,329
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 813,054</u>	<u>\$ 865,851</u>	<u>\$ 2,957,147</u>	<u>\$ 4,636,052</u>
RECONCILIATION OF OPERATING (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating (loss)	\$ (3,465,973)	\$ (607,885)	\$ -	\$ (4,073,858)
Adjustments to Reconcile Operating (Loss) to Net Cash Provided by Operating Activities				
Non-operating income (loss)	33,177	-	-	33,177
Depreciation	690	171,930	-	172,620
Change in Assets and Liabilities				
Accounts receivable	5,638	3,553	-	9,191
Due from Beloit Apartments Redevelopment - Phase I - LLC	-	292,723	-	292,723
Prepaid items	391	(112)	-	279
Accounts payable and accrued liabilities	(22,235)	56,902	-	34,667
Due to primary government	9,450	(129,401)	-	(119,951)
Unearned revenues	-	36,907	-	36,907
Deposits	-	(14,863)	-	(14,863)
Other liabilities	1,383	(11,668)	-	(10,285)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ (3,437,479)</u>	<u>\$ (201,914)</u>	<u>\$ -</u>	<u>\$ (3,639,393)</u>
NONCASH CAPITAL AND FINANCING ACTIVITIES				
Capital assets sold under capital lease	\$ -	\$ 342,765	\$ -	\$ 342,765
Capital lease receivable	\$ -	\$ 1,410,000	\$ -	\$ 1,410,000

CITY OF BELOIT

COMBINING STATEMENT OF NET ASSETS - NON-MAJOR COMPONENT UNITS For year ended December, 31, 2011

	<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	\$ 171,713	\$ 584,569	\$ 756,282
Receivables			
Special assessments	124,118	-	124,118
Accrued interest	-	167	167
Total Current Assets	<u>295,831</u>	<u>584,736</u>	<u>880,567</u>
 Total Assets	 <u>295,831</u>	 <u>584,736</u>	 <u>880,567</u>
LIABILITIES			
Current Liabilities			
Accounts payable	11,179	7,130	18,309
Due to primary government	105,514	-	105,514
Library campaign pledge	-	50,000	50,000
Unearned revenues	<u>124,118</u>	<u>-</u>	<u>124,118</u>
Total Current Liabilities	<u>240,811</u>	<u>57,130</u>	<u>297,941</u>
Non-Current Liabilities			
Library campaign pledge	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Total Noncurrent Liabilities	<u>-</u>	<u>100,000</u>	<u>100,000</u>
Total Liabilities	<u>240,811</u>	<u>157,130</u>	<u>397,941</u>
NET ASSETS			
Restricted for grant programs	-	5,412	5,412
Unrestricted	<u>55,020</u>	<u>422,194</u>	<u>477,214</u>
 TOTAL NET ASSETS	 <u>\$ 55,020</u>	 <u>\$ 427,606</u>	 <u>\$ 482,626</u>

CITY OF BELOIT

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - NON-MAJOR COMPONENT UNITS

For the Year Ended December 31, 2011

	<u>Non-major Business Improvement District</u>	<u>Non-major Beloit Public Library Foundation, Inc.</u>	<u>Totals</u>
EXPENSES			
Economic development	\$ 202,207	\$ -	\$ 202,207
Library services	-	32,546	32,546
Total Expenses	<u>202,207</u>	<u>32,546</u>	<u>234,753</u>
PROGRAM REVENUES			
Charges for services	125,486	812	126,298
Operating grants and contributions	84,763	142,762	227,525
Total Program Revenues	<u>210,249</u>	<u>143,574</u>	<u>353,823</u>
Operating Income	<u>8,042</u>	<u>111,028</u>	<u>119,070</u>
GENERAL REVENUES			
Investment income	721	(82)	639
Total General Revenues	<u>721</u>	<u>(82)</u>	<u>639</u>
Change in Net Assets	8,763	110,946	119,709
TOTAL NET ASSETS - Beginning	<u>46,257</u>	<u>316,660</u>	<u>362,917</u>
TOTAL NET ASSETS - ENDING	<u>\$ 55,020</u>	<u>\$ 427,606</u>	<u>\$ 482,626</u>

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.	144 - 150
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.	151 - 155
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.	156 - 159
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.	160 - 161
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.	162 - 164

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

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities									
Invested in capital assets, net of related debt	\$ (1,760,281)	\$ 32,455,579	\$ 34,301,380	\$ 39,628,194	\$ 41,730,847	\$ 34,379,310	\$ 35,513,141	\$ 32,392,062	\$ 32,741,870
Restricted	13,796,880	10,863,873	11,768,879	13,459,223	11,760,200	10,428,457	8,816,905	8,659,283	15,589,925
Unrestricted	13,392,661	17,504,451	14,956,037	8,766,021	4,566,212	10,045,542	2,934,357	2,410,345	(5,964,986)
Total governmental activities net assets	<u>\$25,429,260</u>	<u>\$ 60,823,903</u>	<u>\$ 61,026,296</u>	<u>\$ 61,853,438</u>	<u>\$ 58,057,259</u>	<u>\$ 54,853,309</u>	<u>\$ 47,264,403</u>	<u>\$ 43,461,690</u>	<u>\$ 42,366,809</u>
Business-type activities									
Invested in capital assets, net of related debt	\$40,795,700	\$ 39,876,034	\$ 42,866,172	\$ 43,679,392	\$ 51,141,052	\$ 56,401,815	\$ 62,058,630	\$ 62,944,168	\$ 63,001,736
Restricted	3,296,536	9,258,839	7,524,675	8,032,063	8,110,918	6,694,042	2,899,983	3,138,458	3,157,163
Unrestricted	12,571,082	8,475,678	8,052,070	9,232,479	9,583,948	7,893,186	9,454,212	8,713,964	9,051,974
Total business-type activities net assets	<u>\$56,663,318</u>	<u>\$ 57,610,551</u>	<u>\$ 58,442,917</u>	<u>\$ 60,943,934</u>	<u>\$ 68,835,918</u>	<u>\$ 70,989,043</u>	<u>\$ 74,412,825</u>	<u>\$ 74,796,590</u>	<u>\$ 75,210,873</u>
Primary government									
Invested in capital assets, net of related debt	\$39,035,419	\$ 72,331,613	\$ 77,167,552	\$ 83,307,586	\$ 92,871,899	\$ 90,781,125	\$ 93,328,072	\$ 89,611,229	\$ 89,992,940
Restricted	17,093,416	20,122,712	20,885,644	21,491,286	19,871,118	17,122,499	11,716,888	11,797,741	18,747,088
Unrestricted	25,963,743	25,980,129	21,416,017	17,998,500	14,150,160	17,938,728	16,632,268	16,849,310	8,837,654
Total primary government net assets	<u>\$82,092,578</u>	<u>\$118,434,454</u>	<u>\$119,469,213</u>	<u>\$122,797,372</u>	<u>\$126,893,177</u>	<u>\$125,842,352</u>	<u>\$121,677,228</u>	<u>\$ 118,258,280</u>	<u>\$ 117,577,682</u>

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

The 2004 balances were restated for the retroactive reporting of infrastructure capital assets.

The primary government section includes an adjustment for capital assets owned by the business-type activities, but financed by the debt of the governmental activities.

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Expenses									
Governmental activities:									
General government	\$ 644,342	\$ 612,189	\$ 723,994	\$ 715,922	\$ 776,459	\$ 804,713	\$ 780,235	\$ 680,410	\$ 820,889
Finance and administrative services	4,031,333	4,202,312	4,354,243	4,782,420	6,767,790	7,277,848	6,927,516	7,947,872	9,029,097
Community development	3,091,287	2,819,663	2,673,273	3,774,720	2,743,751	2,221,424	3,173,955	3,569,817	3,978,299
Economic development	212,794	232,040	225,825	241,839	264,699	266,796	278,919	315,893	336,540
Public safety:									
Police services	9,534,429	9,689,839	9,657,237	10,780,470	10,969,806	14,125,683	13,176,014	14,431,648	14,780,278
Fire services	6,087,103	6,279,879	6,553,907	6,794,772	7,335,343	7,544,082	8,709,729	9,460,266	9,797,889
Health	2,119,051	1,816,663	1,625,005	200,144	-	-	-	-	-
Public works	11,936,384	11,396,417	11,159,001	13,460,584	13,366,204	12,973,727	20,115,663	13,882,641	12,828,126
Library	1,717,707	1,766,186	1,862,844	1,988,168	2,050,640	2,117,408	2,701,175	2,222,913	2,272,383
Interest and fiscal charges	2,747,848	2,322,088	2,508,848	2,813,184	3,501,709	2,084,379	3,063,257	3,164,857	3,042,878
Total governmental activities	<u>42,122,278</u>	<u>41,137,276</u>	<u>41,344,177</u>	<u>45,552,223</u>	<u>47,776,401</u>	<u>49,416,060</u>	<u>58,926,463</u>	<u>55,676,317</u>	<u>56,886,379</u>
Business-type activities:									
Water	552,420	3,863,256	4,287,366	3,972,012	3,939,599	4,293,844	4,799,644	4,505,850	4,467,294
Sewer	7,413,585	7,775,483	8,419,122	7,013,940	7,189,675	7,500,706	7,683,971	7,920,544	8,019,535
Other non-major enterprise funds	3,066,042	3,081,295	3,407,599	3,552,212	4,345,532	4,630,975	4,699,156	4,962,055	5,030,578
Total business-type activities	<u>11,032,047</u>	<u>14,720,034</u>	<u>16,114,087</u>	<u>14,538,164</u>	<u>15,474,806</u>	<u>16,425,525</u>	<u>17,182,771</u>	<u>17,388,449</u>	<u>17,517,407</u>
Total primary government expenses	<u>\$ 53,154,325</u>	<u>\$ 55,857,310</u>	<u>\$ 57,458,264</u>	<u>\$ 60,090,387</u>	<u>\$ 63,251,207</u>	<u>\$ 65,841,585</u>	<u>\$ 76,109,234</u>	<u>\$ 73,064,766</u>	<u>\$ 74,403,786</u>
Program Revenues (see Schedule 3)									
Governmental activities:									
Charges for services:									
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074	\$ 21,402	\$ 17,856	\$ 15,507	\$ 26,550	\$ 31,670
Finance and administrative services	2,733,344	1,915,701	1,029,731	2,180,127	1,454,134	2,804,954	2,870,541	3,670,559	4,529,164
Community development	320,366	172,899	-	139,683	367,089	19,496	143,657	113,941	180,125
Economic development	57,215	68,227	23,091	14,585	-	-	-	-	-
Public safety:									
Police services	74,130	1,226,210	1,123,379	1,146,735	1,429,750	969,005	1,322,122	1,383,631	1,429,097
Fire services	39,428	63,229	60,024	22,061	19,589	164,324	40,676	52,421	1,310
Health	122,702	91,599	85,037	759	-	-	-	-	-
Public works	1,748,783	1,966,409	2,004,048	2,364,965	2,259,768	2,359,255	2,214,592	2,519,039	2,477,014
Library	54,255	63,308	103,841	150,241	140,446	160,832	195,909	194,405	199,207
Operating grants and contributions	3,585,554	4,308,531	2,755,787	2,398,066	1,157,167	1,861,658	2,693,755	1,992,886	2,640,623
Capital grants and contributions	3,705,837	1,779,114	767,858	846,026	233,136	262,640	1,157,709	234,354	507,677
Total governmental activities program revenues	<u>12,491,630</u>	<u>11,675,615</u>	<u>7,979,538</u>	<u>9,285,322</u>	<u>7,082,481</u>	<u>8,620,020</u>	<u>10,654,468</u>	<u>10,187,786</u>	<u>11,995,887</u>
Business-type activities:									
Charges for services:									
Water	357,578	4,469,255	4,507,623	4,660,075	4,605,675	4,693,431	4,690,251	5,029,628	5,428,312
Sewer	7,585,688	7,503,078	7,500,532	7,523,826	7,479,230	7,189,691	6,809,634	6,946,357	6,742,228
Other non-major enterprise funds	1,347,050	1,263,756	1,555,212	1,636,118	2,302,068	2,531,473	2,580,501	2,873,575	2,737,877
Operating grants and contributions	785,093	944,628	1,087,975	1,074,996	1,107,569	1,119,323	1,132,853	-	-
Capital grants and contributions	3,398,652	1,097,293	1,362,933	1,500,373	1,173,071	934,212	4,871,996	-	27,386
Total business-type activities program revenues	<u>13,474,061</u>	<u>15,278,010</u>	<u>16,014,275</u>	<u>16,395,388</u>	<u>16,667,613</u>	<u>16,468,130</u>	<u>20,085,235</u>	<u>14,849,560</u>	<u>14,935,803</u>
Total primary government program revenues	<u>\$ 25,965,691</u>	<u>\$ 26,953,625</u>	<u>\$ 23,993,813</u>	<u>\$ 25,680,710</u>	<u>\$ 23,750,094</u>	<u>\$ 25,088,150</u>	<u>\$ 30,739,703</u>	<u>\$ 25,037,346</u>	<u>\$ 26,931,690</u>
Net (expense)/revenue									
Governmental activities	\$(29,630,648)	\$(29,461,661)	\$(33,364,639)	\$(36,266,901)	\$(40,693,920)	\$(40,796,040)	\$(48,271,995)	\$(45,488,531)	\$(44,890,492)
Business-type activities	2,442,014	557,976	(99,812)	1,857,224	1,192,807	42,605	2,902,464	(2,538,889)	(2,581,604)
Total primary government net expense	<u>\$(27,188,634)</u>	<u>\$(28,903,685)</u>	<u>\$(33,464,451)</u>	<u>\$(34,409,677)</u>	<u>\$(39,501,113)</u>	<u>\$(40,753,435)</u>	<u>\$(45,369,531)</u>	<u>\$(48,027,420)</u>	<u>\$(47,472,096)</u>

(continued)

(concluded)

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

	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
General revenues and other changes in net assets									
Governmental activities:									
Taxes									
Property taxes, levied for general purposes	\$ 4,737,886	\$ 4,689,377	\$ 4,843,078	\$ 5,156,577	\$ 5,375,871	\$ 5,570,069	\$ 5,654,118	\$ 5,990,830	\$ 6,170,168
Property taxes, levied for debt service	2,626,280	3,079,460	2,752,289	2,502,289	2,882,495	3,603,871	3,816,130	4,298,477	4,573,523
Property taxes, levied for other	3,171,118	3,193,143	3,304,771	3,808,617	4,360,329	6,816,113	7,492,551	8,560,888	8,555,227
Other taxes	65,209	114,248	291,301	619,176	508,753	551,547	510,674	612,327	561,291
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	20,679,687	21,209,003	21,957,459
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	630,129	39,470	986,271
Gain (loss) on sale of property	-	-	-	300,835	623,359	318,690	86,179	172,518	20,672
Miscellaneous	293,652	347,364	1,137,866	341,679	1,646,145	992,256	1,327,240	1,628,340	1,661,285
Transfers	1,742,555	300,000	300,000	775,846	(1,567,885)	(1,023,197)	486,381	584,499	(690,285)
Total governmental activities	<u>32,921,253</u>	<u>31,031,533</u>	<u>33,567,032</u>	<u>37,094,043</u>	<u>36,897,741</u>	<u>37,592,090</u>	<u>40,683,089</u>	<u>43,096,352</u>	<u>43,795,611</u>
Business-type activities									
Taxes	586,230	503,520	618,208	754,260	700,697	594,530	530,980	519,980	567,256
Intergovernmental revenues not restricted to specific programs								1,172,108	1,194,315
Investment income	512,691	561,506	586,234	574,614	669,637	492,793	457,938	377,693	529,770
Miscellaneous	36,619	15,483	27,736	-	-	-	15,781	26,838	14,261
Gain (loss) on sale of property	-	-	-	-	-	-	3,000	-	-
Transfers	-	(300,000)	(300,000)	(775,846)	1,567,885	1,023,197	(486,381)	(584,499)	690,285
Total business-type activities	<u>1,135,540</u>	<u>780,509</u>	<u>932,178</u>	<u>553,028</u>	<u>2,938,219</u>	<u>2,110,520</u>	<u>521,318</u>	<u>1,512,120</u>	<u>2,995,887</u>
Total primary government	<u>\$ 34,056,793</u>	<u>\$ 31,812,042</u>	<u>\$ 34,499,210</u>	<u>\$ 37,647,071</u>	<u>\$ 39,835,960</u>	<u>\$ 39,702,610</u>	<u>\$ 41,204,407</u>	<u>\$ 44,608,472</u>	<u>\$ 46,791,498</u>
Change in net assets									
Governmental activities	\$ 3,290,605	\$ 1,569,872	\$ 202,393	\$ 827,142	\$ (3,796,179)	\$ (3,203,950)	\$ (7,588,906)	\$ (2,392,179)	\$ (1,094,881)
Business-type activities	3,577,554	1,338,485	832,366	2,410,252	4,131,026	2,153,125	3,423,782	(1,026,769)	414,283
Total primary government	<u>\$ 6,868,159</u>	<u>\$ 2,908,357</u>	<u>\$ 1,034,759</u>	<u>\$ 3,237,394</u>	<u>\$ 334,847</u>	<u>\$ (1,050,825)</u>	<u>\$ (4,165,124)</u>	<u>\$ (3,418,948)</u>	<u>\$ (680,598)</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 Nine Fiscal Years
(accrual basis of accounting)

Function/Program	Program Revenues								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental activities:									
General government	\$ 50,016	\$ 20,388	\$ 26,742	\$ 22,074	\$ 21,402	\$ 17,856	\$ 15,507	\$ 26,550	\$ 31,670
Finance and administrative services	3,106,579	1,922,133	1,036,048	2,183,782	1,455,401	2,817,806	3,086,078	3,873,509	4,847,967
Community development	1,247,347	1,791,483	781,256	970,331	588,969	199,078	1,665,932	1,059,927	1,681,051
Economic development	231,744	68,227	40,357	396,608	166,421	11,076	41,529	-	-
Public safety:									
Police services	545,017	1,490,977	1,170,936	1,146,735	1,476,936	1,217,410	1,588,909	1,433,267	1,458,056
Fire services	86,559	114,971	115,011	79,169	68,752	248,684	105,548	118,626	64,433
Health	1,502,466	1,233,420	809,326	759	-	-	-	-	-
Public works	5,387,848	4,680,410	3,614,713	4,065,701	2,901,070	3,697,776	3,711,718	3,206,532	3,430,619
Library	334,054	353,606	385,149	420,163	403,530	410,334	439,247	469,375	482,091
Total governmental activities	<u>12,491,630</u>	<u>11,675,615</u>	<u>7,979,538</u>	<u>9,285,322</u>	<u>7,082,481</u>	<u>8,620,020</u>	<u>10,654,468</u>	<u>10,187,786</u>	<u>11,995,887</u>
Business-type activities:									
Water	2,462,326	5,469,747	5,665,145	5,287,437	4,886,450	4,980,009	5,680,334	6,123,465	5,428,312
Sewer	8,822,605	7,521,152	7,616,106	7,792,114	7,573,835	7,291,004	8,262,681	6,946,357	6,742,228
Other non-major enterprise funds	2,189,130	2,287,111	2,733,024	3,315,837	4,207,328	4,197,117	6,142,220	3,190,272	2,765,263
Total business-type activities	<u>13,474,061</u>	<u>15,278,010</u>	<u>16,014,275</u>	<u>16,395,388</u>	<u>16,667,613</u>	<u>16,468,130</u>	<u>20,085,235</u>	<u>16,260,094</u>	<u>14,935,803</u>
Total primary government	<u>\$ 25,965,691</u>	<u>\$ 26,953,625</u>	<u>\$ 23,993,813</u>	<u>\$ 25,680,710</u>	<u>\$ 23,750,094</u>	<u>\$ 25,088,150</u>	<u>\$ 30,739,703</u>	<u>\$ 26,447,880</u>	<u>\$ 26,931,690</u>

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

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

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

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

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General fund										
Reserved	\$ 3,045,541	\$ 2,291,884	\$ 2,301,074	\$ 2,441,506	\$ 2,272,741	\$ 2,031,796	\$ 2,149,150	\$ 1,924,704	\$ 2,076,049	\$ -
Unreserved	8,903,048	9,156,158	8,025,173	7,312,676	8,165,444	8,547,741	8,184,365	8,519,970	8,724,137	-
Nonspendable	-	-	-	-	-	-	-	-	-	1,761,379
Assigned	-	-	-	-	-	-	-	-	-	605,321
Unassigned	-	-	-	-	-	-	-	-	-	8,408,569
Total general fund	<u>\$ 11,948,589</u>	<u>\$ 11,448,042</u>	<u>\$ 10,326,247</u>	<u>\$ 9,754,182</u>	<u>\$ 10,438,185</u>	<u>\$ 10,579,537</u>	<u>\$ 10,333,515</u>	<u>\$ 10,444,674</u>	<u>\$ 10,800,186</u>	<u>\$ 10,775,269</u>
All other governmental funds										
Reserved	\$ 13,928,934	\$ 8,985,078	\$ 11,494,064	\$ 12,554,918	\$ 11,856,614	\$ 10,935,007	\$ 11,565,636	\$ 8,022,576	\$ 7,271,469	\$ -
Unreserved, reported in:										
Special revenue funds	2,243,709	6,645,230	5,733,357	5,483,717	3,082,789	3,423,288	533,830	(485,129)	243,976	-
Capital projects funds	12,443,822	15,211,988	7,880,186	5,863,503	11,299,595	22,179,563	9,335,975	8,910,576	9,354,103	-
Debt service funds	(8,566,563)	(8,349,672)	(2,721,092)	(2,227,682)	(6,489,022)	(5,136,143)	-	-	-	-
Nonspendable	-	-	-	-	-	-	-	-	-	75,000
Restricted	-	-	-	-	-	-	-	-	-	15,502,709
Assigned	-	-	-	-	-	-	-	-	-	11,069,132
Unassigned	-	-	-	-	-	-	-	-	-	(4,553,852)
Total all other governmental funds	<u>\$ 20,049,902</u>	<u>\$ 22,492,624</u>	<u>\$ 22,386,515</u>	<u>\$ 21,674,456</u>	<u>\$ 19,749,976</u>	<u>\$ 31,401,715</u>	<u>\$ 21,435,441</u>	<u>\$ 16,448,023</u>	<u>\$ 16,869,548</u>	<u>\$ 22,092,989</u>
Total governmental funds	<u>\$ 31,998,491</u>	<u>\$ 33,940,666</u>	<u>\$ 32,712,762</u>	<u>\$ 31,428,638</u>	<u>\$ 30,188,161</u>	<u>\$ 41,981,252</u>	<u>\$ 31,768,956</u>	<u>\$ 26,892,697</u>	<u>\$ 27,669,734</u>	<u>\$ 32,868,258</u>

Note: It is the city's policy to maintain an unassigned 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 2011 was \$7,530,780 which represents three months of budgeted operating expenditures. The city exceeded this limit by \$877,788. The city implemented GASB Statement 54 beginning with fiscal year 2011. Refer to Note I D 10 in the Notes to Financial Statements section of the report.

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

	Fiscal Year				
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues					
Taxes (see Schedule 6)	\$ 9,764,202	\$ 10,600,491	\$ 10,843,237	\$ 11,265,060	\$ 11,572,159
Intergovernmental	25,053,509	26,625,582	23,246,309	22,225,934	23,493,675
Licenses and permits	593,274	599,810	639,774	776,138	862,170
Fines, forfeitures and penalties	907,809	886,032	952,782	993,225	1,128,260
Fees and service charges	1,599,255	722,437	951,737	511,779	662,075
Rent	82,679	112,476	58,103	38,988	44,459
Special assessments	385,596	216,283	183,671	294,488	388,906
Investment income	1,923,913	736,590	726,856	904,864	1,977,154
Public charges for services	-	1,586,080	1,757,120	1,682,946	2,031,103
Donations	38,008	13,876	13,531	17,502	-
Other	2,405,551	2,358,834	2,016,416	2,636,405	2,085,813
Total revenues	<u>42,753,796</u>	<u>44,458,491</u>	<u>41,389,536</u>	<u>41,347,329</u>	<u>44,245,774</u>
Expenditures					
Current					
General government	5,008,061	3,712,424	3,678,019	3,807,291	3,771,853
Community development	2,443,943	2,919,207	3,171,269	2,802,778	4,143,333
Public safety	14,270,529	15,400,453	15,982,181	16,369,892	16,961,863
Public health	2,025,143	2,097,905	1,834,356	1,655,042	334,012
Public works	6,648,828	7,228,369	7,441,486	7,633,559	8,095,485
Parks, recreation, and education	1,604,472	1,767,192	1,779,022	1,811,607	1,907,205
Capital outlay	10,816,717	9,278,605	8,663,952	12,142,447	14,193,984
Debt service:					
Principal retirement	3,296,793	8,198,136	4,129,286	3,612,222	3,570,886
Interest and fiscal charges	2,321,430	2,867,062	2,612,794	2,756,201	2,862,355
Total expenditures	<u>48,435,916</u>	<u>53,469,353</u>	<u>49,292,365</u>	<u>52,591,039</u>	<u>55,840,976</u>
Excess of revenues over (under) expenditures	(5,682,120)	(9,010,862)	(7,902,829)	(11,243,710)	(11,595,202)
Other financing sources (uses)					
Debt issued	3,905,077	12,088,452	8,172,166	8,174,118	8,227,299
Debt issued - refunding	-	-	-	-	-
Capital lease issued	8,049,570	941,204	934,549	662,726	616,592
Premium on bonds	-	-	52,776	-	-
Payments to escrow agent	-	-	(2,904,746)	-	-
Sale of city property	218,165	254,536	163,416	822,742	734,988
Debt service - principal	-	-	-	-	-
Transfers in	2,168,654	1,350,951	2,313,628	1,204,367	1,984,009
Transfers out	(2,626,561)	(1,350,951)	(2,056,864)	(904,367)	(1,208,163)
Total other financing sources (uses)	<u>11,714,905</u>	<u>13,284,192</u>	<u>6,674,925</u>	<u>9,959,586</u>	<u>10,354,725</u>
Special item					
Retirement prior service	-	(2,323,452)	-	-	-
Total special items	-	(2,323,452)	-	-	-
Net change in fund balances	<u>\$ 6,032,785</u>	<u>\$ 1,949,878</u>	<u>\$ (1,227,904)</u>	<u>\$ (1,284,124)</u>	<u>\$ (1,240,477)</u>
Debt service as a percentage of non-capital expenditures	14.93%	22.76%	14.98%	14.69%	13.28%

Fiscal Year				
<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
\$ 12,615,533	\$ 16,047,362	\$ 17,006,060	\$ 18,928,612	\$ 19,372,644
21,902,213	21,831,391	22,996,684	23,009,047	23,963,992
758,459	733,953	567,135	579,017	590,135
1,212,231	1,187,381	1,166,653	1,270,139	1,217,884
630,560	677,097	648,181	720,898	655,964
43,182	30,715	30,026	15,469	56
314,066	246,045	250,769	158,485	225,047
2,908,368	2,247,632	671,550	28,627	1,027,796
2,256,901	2,261,251	2,254,880	2,576,526	2,520,878
-	-	-	-	-
2,775,930	2,350,749	3,373,864	2,963,236	2,657,310
<u>45,417,443</u>	<u>47,613,576</u>	<u>48,965,802</u>	<u>50,250,056</u>	<u>52,231,706</u>
3,895,310	3,965,843	4,274,654	3,849,649	3,935,480
2,775,921	2,600,297	3,101,277	3,963,150	3,916,607
17,960,197	18,022,207	18,225,392	18,447,116	19,113,358
-	-	-	-	-
8,797,432	8,780,712	8,622,853	8,325,488	8,194,319
1,938,463	1,970,069	1,928,426	1,992,966	2,045,247
10,443,691	18,213,473	20,304,947	9,474,436	11,075,644
11,760,034	10,294,458	4,946,407	5,609,568	5,923,641
3,876,435	1,956,651	3,181,079	3,119,978	3,181,470
<u>61,447,483</u>	<u>65,803,710</u>	<u>64,585,035</u>	<u>54,782,351</u>	<u>57,385,766</u>
(16,030,040)	(18,190,134)	(15,619,233)	(4,532,295)	(5,154,060)
15,196,994	3,438,190	15,785,965	4,462,587	1,500,000
11,213,109	5,085,000	-	-	14,006,168
-	-	-	-	3,915,445
-	-	(1,194,912)	-	-
780,745	477,845	88,022	262,246	(9,759,095)
-	-	(4,880,389)	-	302,433
1,017,571	1,350,505	3,247,606	2,141,710	-
(385,288)	(2,373,702)	(2,303,318)	(1,557,211)	2,509,837
<u>27,823,131</u>	<u>7,977,838</u>	<u>10,742,974</u>	<u>5,309,332</u>	<u>(2,122,204)</u>
-	-	-	-	10,352,584
-	-	-	-	-
<u>\$ 11,793,091</u>	<u>\$ (10,212,296)</u>	<u>\$ (4,876,259)</u>	<u>\$ 777,037</u>	<u>\$ 5,198,524</u>
28.41%	23.93%	14.68%	16.78%	17.92%

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>
2002	\$ 9,678,621	\$ 27,583	\$ 16,342	\$ -	\$ 41,656	\$ 9,764,202
2003	10,540,598	28,464	9,181	(18,960)	41,208	10,600,491
2004	10,963,221	23,515	8,489	(195,931)	43,943	10,843,237
2005	11,093,961	22,468	8,008	96,072	44,551	11,265,060
2006	11,430,534	18,786	9,097	63,981	49,761	11,572,159
2007	12,621,107	22,868	-	(82,301)	53,859	12,615,533
2008	15,992,806	25,791	13,185	(64,930)	80,510	16,047,362
2009	16,965,490	10,018	10,312	(372)	20,612	17,006,060
2010	18,852,196	12,182	10,509	899	52,826	18,928,612
2011	19,299,003	12,628	9,038	2,006	49,969	19,372,644

Note: Wisconsin Statutes limits the amount that the property tax levy may increase to the percentage increase in the tax base attributed to net new construction.

**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
2002	\$ 755,404,400	\$ 269,094,100	\$ 77,090,000	\$ 837,200	\$ 59,898,100	\$ 1,162,323,800	\$ 8.56	\$ 1,165,552,800	99.72%
2003	804,335,800	276,412,100	85,489,000	592,100	54,811,020	1,221,640,020	8.41	1,224,010,800	99.81%
2004	865,566,200	296,065,500	93,956,800	588,200	54,701,730	1,310,878,430	7.89	1,289,346,100	101.67%
2005	909,742,900	325,246,300	88,058,400	664,000	54,982,590	1,378,694,190	7.68	1,387,616,400	99.36%
2006	971,475,800	365,904,900	96,725,400	693,400	55,914,090	1,490,713,590	7.58	1,470,055,900	101.41%
2007	1,046,740,100	423,735,800	114,075,400	710,400	79,446,830	1,664,708,530	7.87	1,630,887,400	102.07%
2008	1,054,404,900	439,788,300	121,180,400	691,200	83,002,580	1,699,067,380	8.08	1,718,751,200	98.85%
2009	1,003,840,630	449,214,400	142,397,900	700,400	88,111,210	1,684,264,540	8.89	1,744,186,100	96.56%
2010	900,230,900	427,694,300	135,080,700	679,600	87,133,340	1,550,818,840	10.04	1,610,889,800	96.27%
2011	899,392,250	432,887,800	141,146,700	596,600	82,989,040	1,557,012,390	10.33	1,558,718,400	99.89%

Note: Property in the city is assessed each year as of January 1. Property is assessed at actual value; however, the Wisconsin Department of Revenue each year estimates the market value of all taxable property for the purpose of apportioning tax levies among the various taxing jurisdictions.

This value is referred to as the equalized value. Taxable assessed value does not include tax exempt properties. Tax rates are per \$1,000 of assessed value and the city direct rate represents the city's portion of the tax levy. The total tax rates including those of other taxing jurisdictions can be found on Schedule 8.

Taxes are levied in December based on the assessed value as of January 1 and collected the following year.

Source: City of Beloit annual budget.

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

Beloit School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Beloit School District			
2002	2003	\$ 6.30	\$ 2.26	\$ 8.56	\$ 5.89	\$ 0.20	\$ 1.72	\$ 10.68	\$ 27.05	\$ (1.63)	\$ 25.42
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	10.67	27.08	(1.47)	25.61
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	10.27	25.89	(1.34)	24.55
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	10.44	25.92	(1.23)	24.69
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	10.22	25.02	(1.45)	23.57
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	9.08	24.03	(1.47)	22.55
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	7.73	23.03	(1.56)	21.48
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	8.53	25.15	(1.40)	23.75
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	9.84	28.08	(1.37)	26.71
2011	2012	6.59	3.74	10.33	6.30	0.17	1.79	9.48	28.07	(1.30)	26.77

Beloit Turner School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Beloit Turner School District			
2002	2003	\$ 6.30	\$ 2.26	\$ 8.56	\$ 5.89	\$ 0.20	\$ 1.72	\$ 11.70	\$ 28.07	\$ (1.63)	\$ 26.44
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	11.27	27.68	(1.47)	26.21
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	11.51	27.13	(1.34)	25.79
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	9.93	25.41	(1.23)	24.18
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	9.19	23.99	(1.45)	22.55
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	8.94	23.89	(1.47)	22.42
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	9.98	25.28	(1.56)	23.72
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	10.35	26.96	(1.40)	25.56
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	10.95	29.20	(1.37)	27.83
2011	2012	6.59	3.74	10.33	6.30	0.17	1.79	11.05	29.63	(1.30)	28.34

Clinton Community School District

Levy Year	Collection Year	City of Beloit			Overlapping Rates (a)				Gross Tax Rate	School Tax Credit	Net Tax Rate
		Basic Rate	G. O. Debt Service Rate	Direct Tax Rate	Rock County	State of Wisconsin	Technical College	Clinton School District			
2001	2002	\$ 5.75	\$ 2.66	\$ 8.41	\$ 5.81	\$ 0.20	\$ 1.69	\$ 12.71	\$ 28.82	\$ (1.76)	\$ 27.06
2002	2003	6.30	2.26	8.56	5.89	0.20	1.72	12.50	28.87	(1.63)	27.24
2003	2004	5.89	2.52	8.41	5.98	0.20	1.82	12.31	28.72	(1.47)	27.25
2004	2005	5.79	2.10	7.89	5.82	0.20	1.72	9.09	24.71	(1.34)	23.37
2005	2006	5.87	1.81	7.68	5.88	0.19	1.73	10.47	25.95	(1.23)	24.72
2006	2007	5.65	1.93	7.58	5.40	0.17	1.65	10.17	24.97	(1.45)	23.52
2007	2008	5.71	2.17	7.87	5.25	0.17	1.66	9.87	24.82	(1.47)	23.35
2008	2009	5.83	2.25	8.08	5.33	0.17	1.72	10.32	25.62	(1.56)	24.07
2009	2010	6.34	2.55	8.89	5.75	0.18	1.79	11.42	28.03	(1.40)	26.63
2010	2011	7.09	2.95	10.04	6.23	0.18	1.80	11.97	30.21	(1.37)	28.84
2011	2012	6.59	3.74	10.33	6.30	0.17	1.79	12.34	30.92	(1.30)	29.63

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

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

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

Taxpayer	Type of Business/Property	2011			2002		
		Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank	Taxable Assessed Valuation	Percentage of Total Taxable Assessed Valuation	Rank
ABC Supply/Hendricks	Wholesale Distribution/Property Development	\$ 63,466,540	4.08%	1	\$ 19,328,450	1.66%	1
Kerry Ingredients	Mfg of Food Additives	51,218,100	3.29%	2	9,083,800	0.78%	8
Staples Contract & Commercial LLC	Order Fulfillment Center	34,139,420	2.19%	3			
Frito Lay Inc	Food Processor	22,261,600	1.43%	4	18,525,800	1.59%	2
Walmart	Retailer	16,322,510	1.05%	5	11,085,110	0.95%	4
Menards	Retailer	16,076,710	1.03%	6			
Beloit Clinic	Health Services	14,866,820	0.95%	7			
Woodmans	Retail Grocer	14,643,250	0.94%	8	12,892,290	1.11%	3
Jacobson Beloit LLC	Manufacturer	12,825,000	0.82%	9			
Hawks Ridge Apartments LLC	Apartment Rentals	11,711,350	0.75%	10			
Reynolds Aluminum	Manufacturer				9,837,700	0.85%	7
George Hormel & Co.	Food Processor				10,480,200	0.90%	5
Valmet (Metso Corp.)	Manufacturer				9,851,680	0.85%	6
Beloit Corp.	Manufacturer				8,443,000	0.73%	9
Enzyme Bio Systems, Ltd.	Manufacturer				7,768,700	0.67%	10
Totals		<u>\$ 257,531,300</u>	<u>16.54%</u>		<u>\$ 117,296,730</u>	<u>10.09%</u>	

Source: City of Beloit Assessor's Office.

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

Levy Year	Collection Year	Total City Tax Levy (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
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%	10,920,358	13,724,612	99.98%
2009	2010	14,980,809	4,112,716	27.45%	10,858,577	14,971,293	99.94%
2010	2011	15,564,530	3,861,158	24.81%	11,692,161	15,553,319	99.93%
2011	2012	16,085,443	2,917,275	18.14%	-	2,917,275	18.14%

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

(1) Source: City of Beloit budget

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

Fiscal Year	Governmental Activities				Business-Type Activities						Total Primary Government	Percentage of Estimated Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Other Debt	Capital Leases	Total	General Obligation Bonds (b)	Other Debt	Sewer Revenue Bonds	Water Revenue Bonds	Storm Water Revenue Bonds	Total			
2002	\$26,590,422	\$ 282,720	\$11,843,174	\$38,716,316	\$1,240,493	\$ 363,112	\$ 22,231,690	\$ -	\$ -	\$ 23,835,295	\$ 62,551,611	6.31%	\$ 1,742
2003	31,122,651	244,931	12,539,030	43,906,612	302,400	260,474	19,460,330	25,210,000	-	45,233,204	89,139,816	8.56%	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	8.48%	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	8.49%	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	8.13%	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	9.01%	2,842
2008	52,967,110	235,479	15,670,044	68,872,633	5,928,389	-	4,090,000	23,025,000	-	33,043,389	101,916,022	8.56%	2,746
2009	53,844,175	110,000	19,681,831	73,636,006	5,986,851	-	-	26,240,000	-	32,226,851	105,862,857	9.25%	2,861
2010	54,003,141	100,000	18,325,674	72,428,815	5,925,112	-	-	29,155,000	1,470,000	36,550,112	108,978,927	9.33%	2,948
2011	55,450,472	90,000	20,946,841	76,487,313	5,577,580	-	2,866,012	28,075,000	1,420,000	37,938,592	114,425,905	NA	3,097

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 \$1.5 million in new general obligation debt, \$14 million in general obligation refunding debt and \$3.9 million in capital leases in 2011

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

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund (a)	Total	Per Capita (c)	Percentage of Estimated Actual Market Value of Property (b)	Total Debt Applicable to Debt Limit	Legal Debt Limit (d)	Legal Debt Margin (e)	Legal Debt Margin as a Percentage of the Debt Limit
2002	\$ 27,830,915	\$ 2,414,464	\$ 25,416,451	\$ 708	2.18%	\$ 27,830,915	\$ 58,277,640	\$ 30,446,725	52.24%
2003	31,425,051	5,504,126	25,920,925	724	2.12%	31,425,051	61,200,540	29,775,489	48.65%
2004	32,489,150	6,171,010	26,318,140	730	2.04%	32,489,150	64,467,305	31,978,155	49.60%
2005	38,276,150	6,106,417	32,169,733	891	2.32%	38,276,150	69,380,820	31,104,670	44.83%
2006	44,065,226	6,574,638	37,490,588	1,025	2.55%	44,065,226	73,502,795	29,437,569	40.05%
2007	57,424,706	5,026,140	52,398,566	1,412	3.21%	57,424,706	81,544,370	24,119,664	29.58%
2008	58,895,499	4,000,673	54,894,826	1,479	3.19%	58,895,499	85,937,560	27,042,061	31.47%
2009	59,831,026	2,297,699	57,533,327	1,555	3.30%	59,831,026	87,209,305	27,378,279	31.39%
2010	59,928,253	2,077,288	57,850,965	1,565	3.59%	59,928,253	80,544,490	20,616,237	25.60%
2011	61,028,052	6,031,219	54,996,833	1,489	3.53%	61,028,052	77,935,920	16,907,868	21.69%

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

(a) Restricted net asset balance for debt service refer to page 1.

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

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

(d) Wisconsin State Statutes limit the city's general obligation indebtedness to 5% of the equalized value of taxable property within the city's boundaries. The city has established a self imposed limit under its Debt Policy of 3.0-3.5% of equalized value.

(e) 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.

**City of Beloit, Wisconsin
Direct and Overlapping Governmental Activities Debt
as of December 31, 2011**

<u>Governmental Unit</u>	<u>General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
County of Rock, Wisconsin	\$ 39,475,000	15.8054%	\$ 6,239,182
Beloit School District	10,751,397	94.6284%	10,173,875
Blackhawk Technical College	24,105,000	13.2631%	3,197,070
Beloit Turner School District	9,358,121	11.7203%	1,096,800
Clinton Community School District	10,950,000	11.4827%	1,257,356
Subtotal, overlapping debt			<u>21,964,282</u>
City direct debt			<u>76,487,313</u>
Total direct and overlapping debt			<u><u>\$ 98,451,595</u></u>

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

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

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

Direct Debt includes outstanding long term bonded debt, notes, loans, and capital leases of the city's governmental activities.

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

Sewer Utility Revenue Bonds						
Fiscal Year	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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
2004	7,865,348	4,138,694	3,726,654	2,921,923	954,384	0.96
2005	7,950,886	4,153,179	3,797,707	3,072,903	995,992	0.93
2006	7,894,227	4,122,852	3,771,375	2,604,318	446,585	1.24
2007	7,854,276	4,341,516	3,512,760	2,696,186	352,407	1.15
2008	7,495,480	4,613,801	2,881,679	2,800,000	248,500	0.95
2009	7,066,624	5,019,792	2,046,832	-	-	-
2010	7,083,699	5,370,311	1,713,388	-	-	-
2011	6,867,461	5,471,436	1,396,025	-	180,754	7.72

Water Utility Revenue Bonds						
Fiscal Year	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ -	\$ -	\$ -	-	-	-
2003	357,578	337,108	20,470	-	-	-
2004	4,658,328	1,967,294	2,691,034	565,000	1,092,770	1.62
2005	4,609,360	1,698,314	2,911,046	580,000	1,077,770	1.76
2006	4,791,033	1,757,711	3,033,322	595,000	1,066,170	1.83
2007	4,791,676	1,771,273	3,020,403	780,000	865,315	1.84
2008	4,851,984	1,914,142	2,937,842	675,000	980,887	1.77
2009	4,756,316	2,268,695	2,487,621	695,000	1,030,961	1.44
2010	5,174,136	1,853,338	3,320,798	1,110,000	1,189,850	1.44
2011	5,472,411	1,823,566	3,648,845	1,080,000	1,220,495	1.59

Storm Water Utility Revenue Bonds						
Fiscal Year	Utility Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ -	\$ -	\$ -	-	-	-
2003	-	-	-	-	-	-
2004	-	-	-	-	-	-
2005	-	-	-	-	-	-
2006	-	-	-	-	-	-
2007	-	-	-	-	-	-
2008	-	-	-	-	-	-
2009	-	-	-	-	-	-
2010	951,506	737,653	213,853	-	41,424	5.16
2011	950,724	635,318	315,406	50,000	72,369	2.58

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

Sewer, water and storm charges and other includes non-operating revenues.

Operating expenses does not include interest, amortization expenses, or depreciation.

The city's required coverage ratios are 1.10 times for the sewer utility and 1.25 times for the water and storm water utilities.

**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>
2002	35,918	\$ 991,264,964	\$ 27,598	6,967	17,403	15,830	1,573	9.0%
2003	35,826	1,041,282,690	29,065	6,799	17,174	15,686	1,488	8.7%
2004	36,058	1,033,097,758	28,651	6,941	17,129	15,766	1,363	8.0%
2005	36,106	1,051,587,250	29,125	7,113	17,065	15,691	1,374	8.1%
2006	36,560	1,132,446,000	30,975	7,169	17,459	16,192	1,267	7.3%
2007	37,110	1,171,006,050	31,555	7,125	17,493	16,193	1,300	7.4%
2008	37,110	1,190,154,810	32,071	7,130	16,981	15,548	1,433	8.4%
2009	37,000	1,144,743,000	30,939	7,146	17,275	14,254	3,021	17.5%
2010	36,966	1,167,534,144	31,584	6,891	16,486	14,362	2,124	12.9%
2011	36,945	NA	NA	6,967	16,273	14,484	1,789	11.0%

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, WI MSA.

(4) State of Wisconsin Department of Public Instruction.

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

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

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

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

Employer	2011			2002		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Beloit Health Systems	1,464	1	10.11%	1,014	2	6.41%
School District of Beloit	881	2	6.08%	1,107	1	6.99%
Frito-Lay	739	3	5.10%	785	3	4.96%
Kerry Ingredients	634	4	4.38%	450	6	2.84%
City of Beloit	465	5	3.21%	775	4	4.90%
Hendricks Holdings (ABC Supply)	451	6	3.11%	-	-	-
Fairbanks-Morse	445	7	3.07%	301	9	1.90%
Beloit College	425	8	2.93%	454	5	2.87%
Hormel	284	9	1.96%	230	10	1.45%
First National Bank & Trust	252	10	1.74%	-	-	-
Alcoa Wheel Products	-	-	-	400	7	2.53%
Wal-Mart	-	-	-	318	8	2.01%
Total	6,040		38.85%	5,516		34.85%

Source: City of Beloit Department of Economic Development.

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

Function	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
General Government	6.00	6.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.30
Finance and Administrative Services	34.29	31.88	35.50	36.70	36.93	36.55	35.60	34.30	33.35	33.25
Community Development	32.92	34.00	22.40	19.40	18.50	19.00	19.00	18.00	18.00	19.00
Economic Development	1.90	1.58	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Public Safety:										
Police Services	100.10	97.10	94.59	95.45	95.05	95.75	95.95	95.96	95.91	95.91
Fire Services	64.50	63.50	63.50	63.50	65.10	65.62	65.65	65.65	65.65	65.65
Health	60.60	66.24	37.62	30.74	-	-	-	-	-	-
Engineering and public works	58.62	57.30	53.18	57.70	58.90	60.83	60.83	61.83	60.54	60.44
Parks and Recreation	25.99	18.75	26.48	26.56	37.16	40.64	40.26	40.26	39.26	39.76
Library	26.60	27.08	27.00	27.00	27.00	27.00	26.48	25.82	25.59	25.76
Water and Sewer Utility	32.41	30.60	33.20	33.60	33.60	35.54	36.80	36.82	37.11	37.11
Transit	18.90	18.77	19.50	19.50	19.50	20.50	20.10	20.50	20.50	20.50
Total	462.83	452.80	423.37	420.55	402.14	411.83	411.07	409.54	406.31	408.08

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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General government										
New Building permits	78	76	92	65	83	27	17	9	2	3
Building permits issued	611	671	641	763	656	967	936	625	925	1,030
Building inspections conducted	4,416	4,997	5,185	3,871	5,310	5,585	4,215	3,811	3,972	3,932
Site plans reviewed	18	20	26	27	30	27	26	22	14	18
Rental permits issued	5,455	5,503	5,473	5,793	4,837	5,748	5,456	5,673	5,624	5,449
Police										
Physical Arrests	9,639	9,472	10,218	10,039	9,154	10,467	9,777	8,384	7,952	7,736
Traffic Violations	3,868	3,595	4,510	4,733	5,607	6,639	5,578	5,328	6,434	6,261
Parking Violations	8,067	7,541	10,350	10,579	12,401	12,663	11,209	8,197	9,536	8,461
Fire										
Emergency responses	6,762	6,724	6,972	7,256	7,327	7,565	7,979	7,262	7,834	7,896
Fires extinguished	72	70	71	76	73	115	122	96	125	134
Inspections conducted	1,858	1,921	1,970	1,979	2,420	2,430	2,449	2,349	2,336	2,293
Ambulance runs	3,391	3,152	3,214	3,330	3,388	3,392	3,625	3,394	3,498	3,534
Engineering and public works										
Development plans reviewed	18	20	26	27	30	27	26	22	14	18
Infrastructure projects designed	15	18	22	23	25	27	28	30	30	20
Infrastructure projects completed	13	15	18	21	20	14	18	20	20	18
Highways and Streets										
Street resurfacing (miles)	1	1	1	2	2	1	2	4	5	2
Potholes repaired	25,279	22,859	30,432	32,999	31,162	42,972	38,897	47,309	47,218	50,590
Sanitation										
Refuse collected (tons/day)	38	37	39	38	40	38	38	37	34	33
Recyclables collected (tons/day)	11	11	11	11	21	21	20	20	23	16
Culture and Recreation										
Facility use permits issued	309	350	357	439	469	453	465	459	448	460
Number of programs offered	65	67	65	65	64	66	67	79	77	75
Rounds of golf played	21,852	19,980	17,891	22,353	20,117	22,345	28,202	25,448	28,117	17,524
Senior center participants	23,870	23,880	24,000	24,225	20,571	20,411	22,564	24,199	24,318	24,011
Number of cemetery internments	160	173	151	165	193	169	178	148	161	185
Water										
Work orders processed	N/A	N/A	N/A	1,422	2,142	1,782	1,855	1,876	3,656	2,952
DHL locate tickets processed							4,706	4,620	4,248	4,187
Main breaks	N/A	N/A	45	29	30	49	39	34	35	30
Average daily production (MGD)	N/A	5	6	7	6	7	7	6	6	5
Peak daily production (MGD)	N/A	N/A	9	11	10	10	10	9	8	9
Wastewater										
Average daily treatment (MGD)	5	4	5	4	5	5	7	6	4	4
Peak daily treatment (MGD)	7	5	10	8	12	13	19	14	6	5
Transit										
Total route miles	317,916	319,324	317,160	392,041	392,041	392,041	392,041	392,041	343,029	343,029
Passengers	264,930	283,987	287,434	271,261	302,307	311,353	313,845	307,568	272,089	265,590

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>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	43	43	42	40	40	40	39	39	39	40
Fire										
Stations	3	3	3	3	3	3	3	3	3	3
Trucks	8	8	9	9	10	10	10	10	10	10
Ambulances	3	3	3	3	3	3	3	3	3	3
Refuse Collection										
Garbage trucks	14	14	14	15	14	14	14	14	14	14
Other public works										
Streets/highways (miles)	175.19	179.63	179.5	181.07	181.7	181.92	182.2	182.2	183.5	183.5
Streetlights	720	750	770	791	855	889	902	1,053	1,229	1,320
Traffic signals	42	42	40	39	40	40	40	40	40	40
Parks and recreation										
Acreage	833	837	837	851	851	851	851	861	861	861
Parks	31	32	32	34	34	34	34	35	35	35
Tennis courts	11	11	11	11	11	11	11	11	11	11
Golf courses	1	1	1	1	1	1	1	1	1	1
Swimming pools	1	1	1	1	1	1	1	1	1	1
Community centers	1	1	1	1	1	1	1	1	1	1
Water										
Wells	N/A	7	7	7	7	7	7	7	7	7
Water mains (miles)	N/A	172	173	170	177	178	194	196.7	197.7	197.7
Hydrants	N/A	1380	1590	1559	1703	1714	1436	1434	1464	1464
Storage capacity (MGD)	N/A	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75	2.75
Wastewater										
Treatment plants	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	162	162	163	164	164	168	170.5	170.8	175	172.8
Storm sewer (miles)	170	170	170	171	171	172	110.5	108	110.2	110.2
Treatment capacity (MGD)	11	11	11	11	11	11	11	11	11	11.3
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.

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, 2011, which collectively comprise the City of Beloit's basic financial statements and have issued our report thereon dated June 29, 2012. Our report includes a reference to other auditors. Our report was modified to disclose a restatement of the 2010 financial statements to correct an error and to disclose the implementation of GASB Statement No. 54. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Other auditors audited the financial statements of the Beloit Public Library Foundation, Inc., a component unit, and the limited liability corporations (LLC's) presented as component units of the City of Beloit CDA, as described in our report on the City of Beloit's financial statements. The financial statements of the Beloit Public Library Foundation, Inc., a component unit of the City and the LLC's of the CDA, were not audited in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

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

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs to be material weaknesses. These material weaknesses are items 11-1 and 11-2.

To the City Council
City of Beloit

Compliance and Other Matters

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

We noted certain matters that we reported to management of the City of Beloit in a separate letter dated June 29, 2012.

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, city council, others within the entity, federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
June 29, 2012

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

To the City Council
City of Beloit
Beloit, Wisconsin

Compliance

We have audited the City of Beloit, Wisconsin's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *State Single Audit Guidelines* that could have a direct and material effect on each of the City of Beloit's major federal and major state programs for the year ended December 31, 2011. The City of Beloit's major federal and major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal and major state programs is the responsibility of the City of Beloit's management. Our responsibility is to express an opinion on the City of Beloit's compliance based on our audit.

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

In our opinion, the City of Beloit complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal and major state programs for the year ended December 31, 2011.

To the City Council
City of Beloit

Internal Control Over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, 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.

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

Baker Tilly Virchow Krause, LLP

Madison, Wisconsin
June 29, 2012

CITY OF BELOIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2011

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Direct Grant Number/ Pass-through Grantor's Number	Revenues				Expendi- tures Grantor Share
			Grantor Share		Accrued (Deferred) Ending Balance	Total Revenues	
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)			
U.S. Department of Housing and Urban Development							
Community Development Block Grants/Entitlement Grants	14.218	35959	\$ (307,727)	\$ 948,595	\$ 86,700	\$ 727,568	\$ 727,568
Passed through Wisconsin Departments of Commerce/Administration							
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	73675200-4330-10471	-	137,023	-	137,023	137,023
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	73675200-4330-10479	-	555,894	-	555,894	555,894
Community Development Block Grant/State's Program and Non-Entitlement Grants in Hawaii	14.228	3595E	(147,363)	610,414	-	463,051	463,051
Total CFDA #14.228			(147,363)	1,303,331	-	1,155,968	1,155,968
Passed Through City of Janesville							
Home Investment Partnerships Program	14.239	35125-35126-35127	(26,292)	142,347	100,622	216,677	216,677
Public and Indian Housing	14.850		-	489,610	-	489,610	489,610
Section 8 Housing Choice Vouchers	14.871		-	3,379,745	-	3,379,745	3,379,745
CFP Cluster							
Public Housing Capital Fund	14.872						
WI39-PO64-501-07			-	12,300	-	12,300	12,300
WI39-PO64-501-08			(3,020)	5,104	-	2,084	2,084
WI39-PO64-501-09			-	17,997	2,500	20,497	20,497
WI39-PO64-501-10			(1,120)	21,718	-	20,598	20,598
Total Public Housing Capital Fund			(4,140)	57,119	2,500	55,479	55,479
ARRA - Public Housing Capital Fund Stimulus (Formula)	14.885	WI39S06450109	-	141,970	3,062	145,032	145,032
Capital Fund			-	141,970	3,062	145,032	145,032
Total CFP Cluster			(4,140)	199,089	5,562	200,511	200,511
Lead Hazard Reduction Demonstration Grant Program	14.905	73675200-436001-10510	33,471	93,167	(4,064)	122,574	122,574
Total U.S. Department of Housing and Urban Development			(452,051)	6,555,884	188,820	6,292,653	6,292,653
U.S. Department of Justice							
Passed through Rock County							
Bulletproof Vest Partnership Program	16.607	35370	-	3,500	-	3,500	3,500
Bulletproof Vest Partnership Program	16.607	35379	(2,569)	2,569	-	-	-
Total CFDA #16.607			(2,569)	6,069	-	3,500	3,500
JAG Program Cluster							
Edward Byrne Memorial Justice Assistance Grant	16.738	35230	8,968	-	(1,277)	7,691	7,691
Edward Byrne Memorial Justice Assistance Grant	16.738	35231	20,215	-	(11,838)	8,377	8,377
Edward Byrne Memorial Justice Assistance Grant	16.738	35239	8,714	-	-	8,714	8,714
Total CFDA #16.738			37,897	-	(13,115)	24,782	24,782
ARRA - Edward Byrne Memorial Justice Assistance Grant	16.803	35189	-	4,153	-	4,153	4,153
Total JAG Program Cluster			37,897	4,153	(13,115)	28,935	28,935
Total U.S. Department of Justice			35,328	10,222	(13,115)	32,435	32,435

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

CITY OF БЕЛОIT

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2011

Federal Agency/Pass-Through Agency/Program Title	CFDA Number	Direct Grant Number/ Pass-through Grantor's Number	Revenues				Expendi- tures Grantor Share
			Grantor Share		Accrued (Deferred) Ending Balance	Total Revenues	
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)			
U.S. Department of Transportation							
Federal Transit Cluster							
ARRA - Federal Transit Capital Investment Grants 5307/5309	20.507	P2511263-4301-2011	\$ -	\$ 350,000	\$ -	\$ 350,000	\$ 350,000
Federal Transit Formula Grants	20.507	25707400-436002	(189,832)	608,411	186,509	605,088	605,088
Total CFDA #20.507			(189,832)	958,411	186,509	955,088	955,088
Passed Through Wisconsin Department of Transportation							
Federal Transit Capital Investment Grants 5307/5309	20.500		-	-	53,894	53,894	53,894
Total Federal Transit Cluster			(189,832)	958,411	240,403	1,008,982	1,008,982
Passed Through Illinois Department of Transportation							
Metropolitan Transportation Planning	20.505	35270	(15,687)	73,777	19,008	77,098	77,098
Passed Through Wisconsin Department of Transportation							
Highway Planning and Construction	20.205	5989-05-18	-	390,515	-	390,515	390,515
State and Community Highway Safety	20.600						
Speed Enforcement		11251-10582	(4,922)	29,583	5,065	29,726	29,726
Alcohol Enforcement		10571-10572	(1,696)	29,997	5,570	33,871	33,871
Total State and Community Highway Safety			(6,618)	59,580	10,635	63,597	63,597
Total U.S. Department of Transportation			(212,137)	1,482,283	270,046	1,540,192	1,540,192
U.S. Environmental Protection Agency							
Passed Through Wisconsin Department of Natural Resources and Department of Administration							
Clean Water Fund Program							
Capitalization Grants for Drinking Water State Revolving Funds	66.468	4608-05	-	386,864	-	386,864	386,864
TOTAL FEDERAL AWARDS			\$ (628,860)	\$ 8,435,253	\$ 445,751	\$ 8,252,144	\$ 8,252,144

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, 2011

State Agency/Pass-Through Agency/Program Title	State Number	Direct Grant Number/ Pass-through Grantor's Number	Revenues				Expendi- tures Grantor Share
			Grantor Share			Total Revenues	
			(Accrued) Deferred Beginning Balance	Cash Received (Returned)	Accrued (Deferred) Ending Balance		
Wisconsin Department of Transportation							
Transit Operating Aids	395.104						
2011 Operating Aids		25707400-436001	\$ -	\$ 470,016	\$ 43,554	\$ 513,570	\$ 513,570
2010 Operating Aids		25707400-436001	(88,664)	76,709	11,955	-	-
2009 Operating Aids		25707400-436001	14,656	48,458	(63,114)	-	-
Total Transit Operating Aids			<u>(74,008)</u>	<u>595,183</u>	<u>(7,605)</u>	<u>513,570</u>	<u>513,570</u>
Planning Commission Program	395.202	35271	(32,213)	85,660	50,801	104,248	104,248
Total Wisconsin Department of Transportation			<u>(106,221)</u>	<u>680,843</u>	<u>43,196</u>	<u>617,818</u>	<u>617,818</u>
Wisconsin Department of Health Services							
Ambulance Funding Assistance Grant	435.162	74666400-436001-81021	-	8,095	-	8,095	8,095
Wisconsin Department of Administration							
Office of Justice Assistance							
Uniform Beat Patrol Officers	505.603	61622239-406001-10021	-	134,927	-	134,927	134,927
TOTAL STATE AWARDS			<u>\$ (106,221)</u>	<u>\$ 823,865</u>	<u>\$ 43,196</u>	<u>\$ 760,840</u>	<u>\$ 760,840</u>

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

CITY OF БЕЛОIT

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS For the Year Ended December 31, 2011

NOTE 1 – REPORTING ENTITY

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

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

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

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

NOTE 2 – BASIS OF PRESENTATION

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

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

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2011

SECTION I – SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? yes X no

FEDERAL OR STATE AWARDS

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? yes X no

Federal Programs	State Programs
------------------	----------------

Auditee qualified as low-risk auditee? yes X no yes X no

Identification of major federal programs:

CFDA Numbers	Name of Federal Program or Cluster
14.850	Public and Indian Housing
14.871	Section 8 Housing Choice Vouchers
<u>CFP Cluster</u>	
14.872	Public Housing Capital Fund
14.885	ARRA - Public Housing Capital Fund Stimulus (Formula)
20.205	Highway Planning and Construction
<u>Federal Transit Cluster</u>	
20.500	Federal Transit – Capital Investment Grants
20.507	ARRA - Federal Transit Capital Investment Grants
20.507	Federal Transit – Formula Grants
66.468	Capitalization Grants for Drinking Water State Revolving Funds

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2011

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

FEDERAL OR STATE AWARDS (cont.)

Table with 3 columns: Description, Federal, State. Row 1: Dollar threshold used to distinguish between type A and type B programs; Row 2: Identification of major state programs.

Identification of major state programs:

Table with 2 columns: State Number, Name of State Program. Rows: 395.104 Transit Operating Aids; 505.603 Uniform Beat Patrol Officers

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

Finding 11-1 Material Weakness – Internal Control Over Financial Reporting

Criteria: Statement on Auditing Standards (SAS) No. 115 requires auditors to communicate a material weakness if any of the following factors are relevant for the City of Beloit: 1) Material journal entries are detected as part of the financial audit; 2) The auditor prepares the annual financial statements and footnotes; or 3) The schedules of expenditures of federal and state awards omits required information and is not reviewed by someone other than the preparer.

Condition:

- 1. Present the books and records to the auditor in such a condition that the auditor is not able to identify any material journal entries as a result of our audit procedures. This is uncommon for most of our clients.
2. Present the Schedules of Expenditures of Federal and State Awards in a manner that includes all grants expended by the City, includes proper CFDA or State ID numbers and reviewed by someone other than the preparer.
3. Be capable of preparing a complete set of year end financial statements for the auditor to test. Currently, the majority of our clients have us prepare the financial statement document. This includes drafting the individual fund statements, making conversion entries, drafting the government-wide statements, and preparing footnote disclosures. City staff would need to be capable of presenting the auditor with a set of complete financial statements in such a condition that the auditor is not able to identify any material changes as a result of the audit.

Cause: Due to staffing and financial limitations, the City chooses to contract with the auditors to assist with some year end audit entries, prepare the annual financial statements, and assist with the schedules of expenditures of federal and state awards.

Effect: The financial statements and schedules of expenditures of federal and state awards may not contain all of the required disclosures and may be materially misstated.

CITY OF БЕЛОIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2011

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

Finding 11-1 Material Weakness – Internal Control Over Financial Reporting (cont.)

Recommendation: We recommend that the City consider preparing its annual financial statements. It should also have someone other than the original preparer review the schedules of expenditures of federal and state awards.

Management's Response: Given our current staffing complement, it would be extremely difficult for the City to prepare its annual financial statements without the addition of professional staff within the finance department. For efficiency, cost effectiveness and convenience, the City has chosen to include in its annual financial audit engagement, that the auditor prepare the City's financial statements. With significant limitations placed on the City from a budget perspective, there is no immediate plan to deviate from this practice.

The City will implement procedures so that the schedules of expenditures of federal and state awards will be reviewed by someone other than the preparer

Finding 11-2 Material Weakness – Internal Control Improvements

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

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

CONTROLS OVER ACCOUNTS PAYABLE/DISBURSEMENTS

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

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

2. Additional controls regarding check printing and processing should be developed for those instances when your normal controls cannot be followed. Access to check printing should be restricted from the person processing accounts payable.

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

3. During our testing of 38 random expenditures we noticed instances occurring that did not indicate the appropriate level of internal controls, including:
 - a. one instance of a purchase that requires three written requests for quotes and the City maintaining evidence of only two requests, and
 - b. one purchase requiring a formal bid process where no evidence of such a process is available.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2011

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

Finding 11-2 Material Weakness – Internal Control Improvements (cont.)

CONTROLS OVER ACCOUNTS PAYABLE/DISBURSEMENTS (cont.)

Management's Response: In some instances it may not be possible to obtain quotations from as many as three separate vendors due to the specialty of the items being procured. In the event this should happen, the file will be documented to disclose the lack of available vendors. The City has a sole source procedure established in its purchasing policy, and this method will be implemented if three or more vendors are not available.

The purchasing policy does provide for formal bidding for certain purchases and this will be reviewed with City staff to ensure future compliance with the policy.

CONTROLS OVER RECEIVABLES/REVENUE

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

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

CONTROLS OVER INFORMATION TECHNOLOGY

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

Management's Response: The City has established procedures for setting up new employees in the system, changing settings for existing employees, and eliminating access for terminated employees.

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

Management's Response: The Information Systems Division annually reviews the network user access rights (NTFS permissions) which are verified by the Information Systems Division Director.

3. Security monitoring should be performed for access violations at the application and database levels and related threat events. In addition, there should be a procedure to resolve or escalate any security violations. This should be done formally on a regular basis and a process should be in place to escalate these issues.

Management's Response: The review of access violations at the application and database levels occurs annually and is verified by the Information Systems Division Director.

4. A formal change management procedure should be in place for all program changes, system changes, and maintenance. Additionally, a form should be used to authorize, facilitate and document all changes. These forms should remain on file throughout the systems life.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the Year Ended December 31, 2011

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

Finding 11-2 Material Weakness – Internal Control Improvements (cont.)

CONTROLS OVER INFORMATION TECHNOLOGY (cont.)

Management's Response: The City will develop and implement a change management policy including forms to document and log all program and system changes and maintenance. This documentation will remain on file for the life of the system.

5. Access to move programs to production should be restricted to a limited number of IT professionals or handled by an outside third party vendor. Currently, the entire IT staff and the software company have this access which does not allow for segregation of duties. As there is no active review of logs and changes to production, there is the potential for an unauthorized change or update to be installed without the proper review and approval.

Management's Response: Access to the system including its hardware and software applications is limited and not all IT staff and third party vendors have total access. Third party vendors can only access the network if permitted and approved, by IT staff. The IT staff is developing a third party access policy to document and log all third party vendor work that occurs on the network.

Cause: Due to staffing and financial limitations, certain controls are not easily implemented by the City.

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.

CONTROLS OVER SPECIAL ASSESSMENTS

1. During the year, the finance department discovered certain special assessments that were issued in previous years but the details of which were not communicated for them for inclusion in the general ledger. Despite the fact that these assessments are not recorded in the comprehensive annual financial report because they are subject to certain events that may or may not occur in the future, the City should develop controls to identify new assessments and property included in the general ledger.

Management's Response: The City has recorded these special assessments in its general ledger so that they can be tracked and billed when appropriate and will record new special assessments in its general ledger at the time they are levied.

ENTITY LEVEL CONTROLS

1. There is no formal risk assessment process taking place at the City. This should be done on a regular basis to identify areas of higher risk for misappropriation of assets or fraud.

Management's Response: The City will work with the auditors to develop a risk assessment process that can be implemented for the purpose identifying areas of high risk in an effort to minimize the potential for misappropriation of assets or fraud.

CITY OF BELOIT

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2011

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

No findings were reported.

SECTION IV – OTHER ISSUES

1. Does the auditor's report or the notes to the financial statements include disclosure with regard to substantial doubt as to the auditee's ability to continue as a going concern? yes X no
2. Does the audit report show audit issues (i.e., material non-compliance, non-material non-compliance, questioned costs, material weakness, significant deficiency, management letter comment, excess revenue or excess reserve) related to grants/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
- | | | |
|-------------------------------|-------------------|-----------------|
| Department of Transportation | <u> </u> yes | <u> X </u> no |
| Department of Health Services | <u> </u> yes | <u> X </u> no |
| Department of Administration | <u> </u> yes | <u> X </u> no |
3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? X yes no
4. Name and signature of partner Thomas A. Scheidegger
Thomas A. Scheidegger, CPA, Partner
5. Date of report June 29, 2012