

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.

## PRELIMINARY OFFICIAL STATEMENT DATED JUNE 5, 2018

Subject to compliance by the City with certain covenants, in the opinion of Chapman and Cutler, LLP, Chicago, Illinois, Bond Counsel, under present law, interest on the Notes is excludable from gross income of the owners thereof for federal income tax purposes and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but such interest is taken into account in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. See "TAX EXEMPTION" herein for a more complete discussion.

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

**New Issue**

**Rating Application Made: Moody's Investors Service**

### CITY OF OSHKOSH, WISCONSIN (Winnebago County)

## \$5,960,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2018B

**BID OPENING:** June 12, 2018, 10:00 A.M., C.T.

**CONSIDERATION:** June 12, 2018, 6:00 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$5,960,000\* General Obligation Promissory Notes, Series 2018B (the "Notes") of the City of Oshkosh, Wisconsin (the "City") are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for the public purpose of financing sidewalk improvements, traffic improvements, property improvements and major equipment replacement. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount. Delivery is subject to receipt of an approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois.

**DATE OF NOTES:** June 28, 2018

**MATURITY:** December 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2019	\$580,000	2022	\$650,000	2025	\$690,000
2020	635,000	2023	665,000	2026	705,000
2021	640,000	2024	675,000	2027	720,000

**MATURITY ADJUSTMENTS:** \* The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BONDS:** See "Term Bond Option" herein.

**INTEREST:** June 1, 2019 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Notes maturing December 1, 2025 and thereafter are subject to call for prior redemption on December 1, 2024 and any date thereafter, at a price of par plus accrued interest.

**MINIMUM BID:** \$5,900,400.

**MAXIMUM BID:** \$6,317,600.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$119,200 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** To be named by Issuer.

**BOND COUNSEL:** Chapman and Cutler LLP.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

**BOOK-ENTRY-ONLY:** See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).



## REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Syndicate Manager or Syndicate Members. Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers & Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers & Associates, Inc., payable entirely by the City, is contingent upon the sale of the issue.

## COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

**Preliminary Official Statement:** This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Notes to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

**Review Period:** This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers & Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

**Final Official Statement:** Copies of the Final Official Statement will be delivered to the underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

**Continuing Disclosure:** Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the Notes are exempt or required to comply with the Rule.

## CLOSING CERTIFICATES

Upon delivery of the Notes, the underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Notes and all times subsequent thereto up to and including the time of the delivery of the Notes, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Notes; (3) a certificate evidencing the due execution of the Notes, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Notes, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Notes have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Notes in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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## **COMMON COUNCIL**

		<u>Term Expires</u>
Steve Cummings	Mayor	April 2019
Lori Palmeri	Deputy Mayor	April 2020
Debra Allison-Aasby	Council Member	April 2019
Steve Herman	Council Member	April 2020
Jake Krause	Council Member	April 2019
Matt Mugerauer	Council Member	April 2020
Thomas Pech Jr.	Council Member	April 2019

## **ADMINISTRATION**

Mark Rohloff, City Manager  
Pamela Ubrig, City Clerk  
Trena Larson, Finance Director

## **PROFESSIONAL SERVICES**

Lynn Lorensen, City Attorney, Oshkosh, Wisconsin

Chapman and Cutler LLP, Bond Counsel, Chicago, Illinois

Ehlers & Associates, Inc., Municipal Advisors, Waukesha, Wisconsin  
(Other offices located in Roseville, Minnesota, Chicago, Illinois and Denver, Colorado)

## INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Oshkosh, Wisconsin (the "City") and the issuance of its \$5,960,000\* General Obligation Promissory Notes, Series 2018B (the "Notes"). Any descriptions or summaries of the Notes, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Notes to be included in the resolution authorizing the sale of the Notes ("Award Resolution") to be adopted by the Common Council on June 12, 2018.

Inquiries may be directed to Ehlers & Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Waukesha, Wisconsin, (262) 785-1520, the City's Municipal Advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sale link and following the directions at the top of the site.

## THE NOTES

### GENERAL

The Notes will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of June 28, 2018. The Notes will mature on December 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on June 1 and December 1 of each year, commencing June 1, 2019, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2020 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Notes of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Notes will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Notes are held under the book-entry system, beneficial ownership interests in the Notes may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Notes shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Notes shall be payable as provided in the Award Resolution.

### OPTIONAL REDEMPTION

At the option of the City, the Notes maturing on or after December 1, 2025 shall be subject to prior redemption on December 1, 2024 and on any date thereafter, at a price of par plus accrued interest.

Prepayment may be in whole or in part of the Notes subject to prepayment. If prepayment is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for prepayment, the City or Bond Registrar will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

\*Preliminary, subject to change.

Notice of such call shall be given by mailing a notice not more than 60 days and not less than 30 days prior to the date fixed for prepayment to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Unless moneys sufficient to pay the prepayment price of the Notes to be redeemed are received by the Paying Agent prior to the giving of a notice of prepayment, such notice may, at the option of the City, state that said prepayment will be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for prepayment. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Notes, and the Bond Registrar will give notice, in the same manner in which the notice of prepayment has been given, that such moneys were not so received and that such Notes will not be redeemed. Otherwise, prior to any prepayment date, the City will deposit with the Paying Agent an amount of money sufficient to pay the prepayment price of all the Notes or portions of Notes which are to be redeemed on the date.

Subject to the provisions for a conditional prepayment described above, notice of prepayment having been given and described above and in the Authorizing Resolution, the Notes or portions of Notes so to be redeemed will, on the prepayment date, become due and payable at the prepayment price therein specified, and from and after such date (unless the City shall default in the payment of the prepayment price) such Notes or portions of Notes shall cease to bear interest. Upon surrender of such Notes for prepayment in accordance with said notice, such Notes will be paid by the Paying Agent at the prepayment price.

**AUTHORITY; PURPOSE**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for the public purpose of financing sidewalk improvements, traffic improvements, property improvements and major equipment replacement.

**ESTIMATED SOURCES AND USES\***

<b>Sources</b>		
Par Amount of Bonds	\$5,960,000	
Est. Int Earnings	<u>20,577</u>	
<b>Total Sources</b>		<b>\$5,980,577</b>
<b>Uses</b>		
Total Underwriter's Discount	\$59,600	
Costs of Issuance	38,650	
Deposit to Project Construction Fund	5,879,000	
Rounding Amount	<u>3,327</u>	
<b>Total Uses</b>		<b>\$5,980,577</b>

\*Preliminary, subject to change.

**SECURITY**

For the prompt payment of the Notes with interest thereon and for the levy of taxes sufficient for this purpose, the full faith, credit and resources of the City will be irrevocably pledged. The City will levy a direct, annual, irrevocable tax on all taxable property in the City sufficient to pay the interest on the Notes when it becomes due

and also to pay and discharge the principal on the Notes at maturity, in compliance with Article XI, Section 3 of the Wisconsin Constitution. Such tax may, under current law, be levied without limitation as to rate or amount.

## **CONCURRENT FINANCING**

By means of separate Preliminary Official Statements, the City will be issuing \$5,615,000\* General Obligation Corporate Purpose Bonds, Series 2018A and \$10,510,000\* Storm Water Utility Revenue Bonds, Series 2018C (the "Concurrent Obligations" or the "Series 2018A Bonds and 2018C Bonds") on June 28, 2018.

\*Preliminary, subject to change.

## **RATING**

General obligation debt of the City, with the exception of any outstanding credit enhanced issues, is currently rated "Aa3" by Moody's Investors Service ("Moody's").

The City has requested a rating on this issue from Moody's, and bidders will be notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from Moody's. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Notes.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Notes, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Notes any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

## **CONTINUING DISCLOSURE**

In order to assist the Underwriters in complying with SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities Exchange Act of 1934 (hereinafter the "Rule"), the City shall covenant to take certain actions pursuant to a Resolution adopted by the Common Council by entering into a Continuing Disclosure Undertaking (the "Disclosure Undertaking") for the benefit of holders, including beneficial holders. The Disclosure Undertaking requires the City to provide electronically or in the manner otherwise prescribed certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule. The details and terms of the Disclosure Undertaking for this issue are set forth in Appendix D to be executed and delivered by the City at the time of delivery of the Notes. Such Disclosure Undertaking will be in substantially the form attached hereto.

Except to the extent the following is deemed to be material, in the previous five years the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City did not timely file notice of certain bond insurer rating changes during the previous five years. Also in the interest of full disclosure, the City notes the following: Prior continuing disclosure undertakings entered into by the City included language stating that the Audited Financial Statements would be submitted to EMMA within thirty (30) days after availability to the Issuer. Although the City did not always comply with this requirement, the Annual Financial Information and Audited

Financial Statements were timely filed within the required twelve (12) month timeframe as provided for in each undertaking. The City has reviewed its continuing disclosure responsibilities to help ensure compliance in the future.

A failure by the City to comply with any Disclosure Undertaking will not constitute an event of default on this issue or any issue outstanding. However, such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

The City will file its continuing disclosure information using the Electronic Municipal Market Access ("EMMA") system or any system that may be prescribed in the future. Investors will be able to access continuing disclosure information filed with the MSRB at [www.emma.msrb.org](http://www.emma.msrb.org). Ehlers is currently engaged as disclosure dissemination agent for the City.

## **LEGAL OPINION**

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Chapman and Cutler LLP, Bond Counsel to the City, and will be available at the time of delivery of the Notes. Such legal opinion will be issued on the basis of existing law and will state that the Notes are the lawful and enforceable obligations of the City in accordance with their terms, except that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

## **STATEMENT REGARDING COUNSEL PARTICIPATION**

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B).

## **TAX EXEMPTION**

Federal tax law contains a number of requirements and restrictions which apply to the Notes, including investment restrictions, periodic payments of arbitrage profits to the United States, requirements regarding the proper use of note proceeds and the facilities financed therewith, and certain other matters. The City has covenanted to comply with all requirements that must be satisfied in order for the interest on the Notes to be excludable from gross income for federal income tax purposes. Failure to comply with certain of such covenants could cause interest on the Notes to become includible in gross income for federal income tax purposes retroactively to the date of issuance of the Notes.

Subject to the City's compliance with the above-referenced covenants, under present law, in the opinion of Bond Counsel, interest on the Notes is excludable from the gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, but interest on the Notes is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations.

In rendering its opinion, Bond Counsel will rely upon certifications of the City with respect to certain material facts within the City's knowledge. Bond Counsel's opinion represents its legal judgment based upon its review of the law and the facts that it deems relevant to render such opinion and is not a guarantee of a result.

The Internal Revenue Code of 1986, as amended (the "Code"), includes provisions for an alternative minimum tax ("AMT") for corporations in addition to the regular corporate tax in certain cases. The AMT, if any, depends upon



the corporation's alternative minimum taxable income ("*AMTI*"), which is the corporation's taxable income with certain adjustments. One of the adjustment items used in computing the AMTI of a corporation (with certain exceptions) is an amount equal to 75% of the excess of such corporation's "adjusted current earnings" over an amount equal to its AMTI (before such adjustment item and the alternative tax net operating loss deduction). "Adjusted current earnings" would include certain tax-exempt interest, including interest on the Notes. The AMT for corporations is repealed for taxable years beginning after December 31, 2017.

Ownership of the Notes may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, corporations subject to the branch profits tax, financial institutions, certain insurance companies, certain S corporations, individual recipients of Social Security or Railroad Retirement benefits and taxpayers who may be deemed to have incurred (or continued) indebtedness to purchase or carry tax-exempt obligations. Prospective purchasers of the Notes should consult their tax advisors as to applicability of any such collateral consequences.

The issue price for original issue discount (as further discussed below) and market discount purposes (the "*OID Issue Price*") for each maturity of the Notes is the price at which a substantial amount of such maturity of the Notes is first sold to the public (excluding bond houses and brokers and similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The OID Issue Price of a maturity of the Notes may be different from the price set forth, or the price corresponding to the yield set forth, on the cover page hereof.

If the OID Issue Price of a maturity of the Notes is less than the principal amount payable at maturity, the difference between the OID Issue Price of each such maturity, if any, of the Notes (the "*OID Notes*") and the principal amount payable at maturity is original issue discount.

For an investor who purchases an OID Note in the initial public offering at the OID Issue Price for such maturity and who holds such OID Note to its stated maturity, subject to the condition that the City complies with the covenants discussed above, (a) the full amount of original issue discount with respect to such OID Note constitutes interest which is excludable from the gross income of the owner thereof for federal income tax purposes; (b) such owner will not realize taxable capital gain or market discount upon payment of such OID Note at its stated maturity; (c) such original issue discount is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Code, but is taken into account in computing an adjustment used in determining the alternative minimum tax for certain corporations under the Code, as described above; and (d) the accretion of original issue discount in each year may result in an alternative minimum tax liability for corporations or certain other collateral federal income tax consequences in each year even though a corresponding cash payment may not be received until a later year. Owners of OID Notes should consult their own tax advisors with respect to the state and local tax consequences of original issue discount on such OID Notes.

Owners of Notes who dispose of Notes prior to the stated maturity (whether by sale, redemption or otherwise), purchase Notes in the initial public offering, but at a price different from the OID Issue Price or purchase Notes subsequent to the initial public offering should consult their own tax advisors.

If a Note is purchased at any time for a price that is less than the Note's stated redemption price at maturity or, in the case of an OID Note, its OID Issue Price plus accreted original issue discount (the "*Revised Issue Price*"), the purchaser will be treated as having purchased a Note with market discount subject to the market discount rules of the Code (unless a statutory *de minimis* rule applies). Accrued market discount is treated as taxable ordinary income and is recognized when a Note is disposed of (to the extent such accrued discount does not exceed gain realized) or, at the purchaser's election, as it accrues. Such treatment would apply to any purchaser who purchases an OID Note for a price that is less than its Revised Issue Price even if the purchase price exceeds par. The applicability of the market discount rules may adversely affect the liquidity or secondary market price of such Note. Purchasers should consult their own tax advisors regarding the potential implications of market discount with respect to the Notes.

An investor may purchase a Note at a price in excess of its stated principal amount. Such excess is characterized for federal income tax purposes as “note premium” and must be amortized by an investor on a constant yield basis over the remaining term of the Note in a manner that takes into account potential call dates and call prices. An investor cannot deduct amortized note premium relating to a tax-exempt note. The amortized note premium is treated as a reduction in the tax-exempt interest received. As note premium is amortized, it reduces the investor’s basis in the Note. Investors who purchase a Note at a premium should consult their own tax advisors regarding the amortization of note premium and its effect on the Note’s basis for purposes of computing gain or loss in connection with the sale, exchange, redemption or early retirement of the Note.

There are or may be pending in the Congress of the United States legislative proposals, including some that carry retroactive effective dates, that, if enacted, could alter or amend the federal tax matters referred to above or affect the market value of the Notes. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, it would apply to bonds or notes issued prior to enactment. Prospective purchasers of the Notes should consult their own tax advisors regarding any pending or proposed federal tax legislation. Bond Counsel expresses no opinion regarding any pending or proposed federal tax legislation.

The Internal Revenue Service (the “Service”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether or not the Service will commence an audit of the Notes. If an audit is commenced, under current procedures the Service may treat the City as a taxpayer and the Noteholders may have no right to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the Notes until the audit is concluded, regardless of the ultimate outcome.

Payments of interest on, and proceeds of the sale, redemption or maturity of, tax-exempt obligations, including the Notes, are in certain cases required to be reported to the Service. Additionally, backup withholding may apply to any such payments to any Note owner who fails to provide an accurate Form W-9 Request for Taxpayer Identification Number and Certification, or a substantially identical form, or to any Note owner who is notified by the Service of a failure to report any interest or dividends required to be shown on federal income tax returns. The reporting and backup withholding requirements do not affect the excludability of such interest from gross income for federal tax purposes.

## **CERTAIN LEGAL MATTERS**

Certain legal matters incident to the authorization, issuance and sale of the Notes are subject to the approving legal opinion of Chapman and Cutler LLP, Chicago, Illinois, as Bond Counsel, who has been retained by, and acts as, Bond Counsel to the City. Bond Counsel has not been retained or consulted on disclosure matters and has not undertaken to review or verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Notes and assumes no responsibility for the statements or information contained in or incorporated by reference in this Official Statement, except that in its capacity as Bond Counsel, Chapman and Cutler LLP has, at the request of the City, supplied the information under the heading “TAX EXEMPTION” and the form of the legal opinion set forth in Appendix B. This information was supplied and review undertaken solely at the request and for the benefit of the City and did not include any obligation to establish or confirm factual matters set forth herein.

## **NON-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the City in connection with the issuance of the Notes. The Municipal Advisor cannot participate in the underwriting of the Notes. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a Municipal Advisor.

## **MUNICIPAL ADVISOR AFFILIATED COMPANIES**

Bond Trust Services Corporation ("BTSC") and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

## **INDEPENDENT AUDITORS**

The basic financial statements of the City for the fiscal year ended December 31, 2016 have been audited by Schenck, Green Bay, Wisconsin, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has been engaged to perform and has performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The City is currently waiting to review draft financials. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

## **RISK FACTORS**

Following is a description of possible risks to holders of the Notes without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

**Taxes:** The Notes are general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

**State Actions:** Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the state may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

**Future Changes in Law:** Various State and federal laws, regulations and constitutional provisions apply to the City and to the Notes. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

**Ratings; Interest Rates:** In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Notes for resale prior to maturity.

**Tax Exemption:** If the federal government taxes all or a portion of the interest on municipal bonds or notes or if the State government increases its tax on interest on bonds and notes, directly or indirectly, or if there is a change in federal or state tax policy, then the value of these Notes may fall for purposes of resale. Noncompliance by the City with the covenants in the Award Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Notes in gross income of the recipient for United States income tax purposes, retroactive to the date of issuance.

**Continuing Disclosure:** A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Notes. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Notes in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Notes and their market price.

**Book-Entry-Only System:** The timely credit of payments for principal and interest on the Notes to the accounts of the Beneficial Owners of the Notes may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Notes.

**Depository Risk:** Wisconsin Statutes direct the local treasurer to immediately deposit upon receipt thereof, the funds of the municipality in a public depository designated by the governing body. A public depository means a federal or state credit union, federal or state savings and loan association, state bank, savings and trust company, mutual savings bank or national bank in Wisconsin or the local government pooled investment fund operated by the State Investment Board. It is not uncommon for a municipality to have deposits exceeding limits of federal and state insurance programs. Failure of a depository could result in loss of public funds or a delay in obtaining them. Such a loss or delay could interrupt a timely payment of municipal debt.

**Economy:** A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Notes in the secondary market.

**Secondary Market for the Notes:** No assurance can be given that a secondary market will develop for the purchase and sale of the Notes or, if a secondary market exists, that such Notes can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Notes at the request of the owners thereof. Prices of the Notes as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Notes. Such market value could be substantially different from the original purchase price.

**Bankruptcy:** The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Notes will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

# VALUATIONS

## WISCONSIN PROPERTY VALUATIONS; PROPERTY TAXES

### Equalized Value

Section 70.57, Wisconsin Statutes, requires the Department of Revenue to annually determine the equalized value (also referred to as full equalized value or aggregate full value) of all taxable property in each county and taxation district. The equalized value is an independent estimate of value used to equate individual local assessment policies so that property taxes are uniform throughout the various subdivisions in the State. Equalized value is calculated based on the history of comparable sales and information about value changes or taxing status provided by the local assessor. A comparison of the State-determined equalized value and the local assessed value, expressed as a percentage, is known as the assessment ratio or level of assessment. The Department of Revenue notifies each county and taxing jurisdiction of its equalized value on August 15; school districts are notified on October 1. The equalized value of each county is the sum of the valuations of all cities, villages, and towns within its boundaries. Taxing jurisdictions lying in more than one municipality, such as counties, school districts, or special taxing districts, use the equalized value of the underlying units in calculating and levying their respective levies. Equalized values are also used to apportion state aids and calculate municipal general obligation debt limits.

### Assessed Value

The "assessed value" of taxable property in a municipality is determined by the local assessor, except for manufacturing properties which are valued by the State. Each city, village or town retains its own local assessor, who must be certified by the State Department of Revenue. Assessed value is used by these municipalities to determine tax levy mill rates and to apportion levies among individual property owners. Each taxing district must assess property at full value at least once in every five-year period. The State requires that the assessed values must be within 10% of State equalized values at least once every four years. The local assessor values property as of January 1 each year and submits those values to each municipality by the second Monday in June. The assessor also reports any value changes taking place since the previous year, to the Department of Revenue, by the second Monday in June.

## CURRENT PROPERTY VALUATIONS

2017 Equalized Value	\$3,931,778,200
2017 Equalized Value Reduced by Tax Increment Valuation	\$3,654,458,400
2017 Assessed Value	\$3,858,285,700

## 2017 EQUALIZED VALUE BY CLASSIFICATION

	<b>2017 Equalized Value</b>	<b>Percent of Total Equalized Value</b>
Residential	\$ 2,281,361,600	58.024%
Commercial	1,285,047,500	32.684%
Manufacturing	229,082,500	5.826%
Agricultural	127,300	0.003%
Undeveloped	383,900	0.010%
Forest	208,800	0.005%
Other	240,200	0.006%
Personal Property	<u>135,326,400</u>	<u>3.442%</u>
Total	<u><u>\$ 3,931,778,200</u></u>	<u><u>100.000%</u></u>

## TREND OF VALUATIONS

<b>Year</b>	<b>Assessed Value</b>	<b>Equalized Value<sup>1</sup></b>	<b>Percent Increase/Decrease in Equalized Value</b>
2013	\$3,760,872,300	\$3,759,269,500	-0.09%
2014	3,775,050,200	3,748,827,600	-0.28%
2015	3,748,747,500	3,743,645,000	-0.14%
2016	3,772,639,900	3,776,225,300	0.87%
2017	3,858,285,700	3,931,778,200	4.12%

**Source:** Wisconsin Department of Revenue, Bureau of Equalization and Local Government Services Bureau.

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<sup>1</sup> Includes tax increment valuation.

## LARGER TAXPAYERS

<b>Taxpayer</b>	<b>Type of Business/Property</b>	<b>2017 Equalized Value<sup>1</sup></b>	<b>Percent of City's Total Equalized Value</b>
Dumke & Associates	Commercial Developer	\$ 71,483,285	1.82%
Midwest Realty	Apartments/Developer	62,324,996	1.59%
Curwood Bemis	Manufacturing	51,994,903	1.32%
Individual	Commercial	46,043,151	1.17%
Oshkosh Corp.	Manufacture Trucks	41,379,680	1.05%
Bergstrom	Auto dealership	35,933,479	0.91%
Individual	Apartments/Commercial	34,968,338	0.89%
Individual	Apartments	34,080,543	0.87%
BFO Factory Shoppes	Retail	33,242,783	0.85%
Aurora Medical	Health Care	30,204,491	0.77%
<b>Total</b>		<b>\$441,655,649</b>	<b>11.23%</b>
City's Total 2017 Equalized Value <sup>2</sup>		\$3,931,778,200	

**Source:** The City.

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<sup>1</sup> Calculated by dividing the 2017 Assessed Values by the 2017 Aggregate Ratio of assessment for the City.

<sup>2</sup> Includes tax increment valuation.

## DEBT

### DIRECT DEBT<sup>1</sup>

#### General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Notes and the Concurrent Obligations, as defined herein)*	<u><u>\$ 145,158,606</u></u>
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#### Revenue Debt (see schedules following)

Total revenue debt secured by water revenues	<u><u>\$ 50,455,208</u></u>
Total revenue debt secured by sewer revenues	<u><u>\$ 56,802,571</u></u>
Total revenue debt secured by storm water revenues*	<u><u>\$ 74,585,000</u></u>
Total revenue debt secured by room tax revenues	<u><u>\$ 1,475,000</u></u>

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Notes.



**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt**  
**(As of June 28, 2018)**

Dated Amount	State Trust Fund Loan		Taxable Corporate Purpose Bonds Series 2009-A (BAB)		Taxable Promissory Notes Series 2009-B (BAB)		Taxable Promissory Notes Series 2010B (BAB)		Refunding Bonds Series 2010C		Taxable Refunding Bonds Series 2010D	
	5/31/2005	5/1/2009	5/1/2009	5/1/2009	9/2/2010	8/26/2010	8/26/2010	8/26/2010	8/26/2010	8/26/2010	8/26/2010	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	\$200,000		\$16,740,000		\$2,945,000		\$4,150,000		\$12,620,000		\$8,420,000	
Maturity	3/15		12/1		12/1		8/1		12/1/2011, final 6/1/24		12/1	
Fiscal Year Ending												
2018			880,000	275,123	315,000	14,175	525,000	35,391	1,080,000	75,263	920,000	71,010
2019	11,294	4,597	875,000	467,525			545,000	38,233	885,000	93,825	800,000	84,060
2020	11,848	4,044	875,000	424,869			555,000	19,703	910,000	67,275	830,000	56,060
2021	12,451	3,440	875,000	381,119					945,000	38,838	650,000	25,350
2022	13,074	2,818	875,000	335,181					80,000	8,125		
2023	13,728	2,164	870,000	289,244					85,000	5,525		
2024	14,410	1,482	870,000	241,394					85,000	1,381		
2025	15,145	757	865,000	193,544								
2026			865,000	145,969								
2027			865,000	98,394								
2028			865,000	49,738								
2029												
2030												
2031												
2032												
2033												
2034												
2035												
2036												
	91,949	19,303	9,580,000	2,902,098	315,000	14,175	1,625,000	93,326	4,070,000	290,231	3,200,000	236,480

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**CITY OF OSHKOSH, WISCONSIN**  
 Schedule of Bonded Indebtedness  
 General Obligation Debt  
 (As of June 28, 2018)

Dated Amount	Refunding Bonds Series 2011A		Taxable Refunding Bonds Series 2011B		Corporate Purpose Bonds Series 2011C		Promissory Notes Series 2011D		Taxable Refunding Bonds Series 2012A		G.O. Corp. Purp. Bonds Series 2012B		G.O. Notes Series 2012C	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
	\$8,490,000		\$6,350,000		\$9,965,000		\$2,895,000		\$5,595,000		\$12,480,000		\$3,660,000	
Maturity	12/1		3/15		12/1, final 6/1/31		12/1/2011, Final 6/1		12/1		12/1		12/1	
Fiscal Year Ending														
2018	830,000	81,525	49,255		515,000	131,491	300,000	18,154	560,000	36,205	590,000	141,900	400,000	20,500
2019	860,000	113,250	86,065		520,000	232,081	305,000	22,208	575,000	55,610	605,000	248,400	410,000	25,000
2020	885,000	87,450	685,000	59,578	535,000	216,481	315,000	15,040	330,000	45,548	625,000	230,250	415,000	16,800
2021	910,000	60,900	490,000	35,000	545,000	200,431	325,000	3,819	315,000	38,948	640,000	211,500	425,000	8,500
2022	895,000	31,325	305,000	17,755	565,000	184,081			315,000	32,018	660,000	192,300		
2023			235,000	5,523	580,000	166,425			215,000	24,458	675,000	179,100		
2024					600,000	147,575			225,000	18,975	695,000	165,600		
2025					615,000	127,325			230,000	12,900	715,000	144,750		
2026					460,000	105,800			100,000	6,000	725,000	123,300		
2027					475,000	87,400			100,000	3,000	755,000	101,550		
2028					490,000	68,400			100,000		775,000	78,900		
2029					390,000	48,800					600,000	55,650		
2030					405,000	33,200					620,000	37,650		
2031					425,000	8,500					635,000	19,050		
2032														
2033														
2034														
2035														
2036														
	4,380,000	374,450	2,370,000	253,175	7,120,000	1,757,991	1,245,000	59,220	2,965,000	273,660	9,315,000	1,929,900	1,650,000	70,800

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**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt**  
**(As of June 28, 2018)**

Fiscal Year Ending	State Trust Fund Loan		State Trust Fund Loan		State Trust Fund Loan		G.O. Bonds Series 2013B		G.O. Notes Series 2013C		G.O. Bonds Series 2014B	
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018												
2019	228,376	2/8/2013	228,376	26,177	64,593	9,384	295,593	42,939	380,000	133,150	165,000	15,800
2020	234,602	19,951	234,602	19,951	66,348	7,628	303,626	34,905	385,000	251,100	170,000	25,000
2021	241,108	13,445	241,108	13,445	68,194	5,783	312,071	26,460	395,000	243,400	175,000	21,600
2022	247,807	6,815	247,807	6,815	70,069	3,907	320,653	17,878	405,000	231,550	175,000	16,350
2023					72,017	1,980	329,471	9,060	420,000	219,400	180,000	11,100
2024									435,000	206,800	190,000	5,700
2025									445,000	193,750		
2026									460,000	180,400		
2027									470,000	166,025		
2028									490,000	150,750		
2029									505,000	133,600		
2030									525,000	113,400		
2031									545,000	92,400		
2032									565,000	70,600		
2033									590,000	48,000		
2034									610,000	24,400		
2035												
2036												
	951,893	66,388	341,221	28,682	1,561,414	406,367	7,625,000	2,458,725	1,055,000	95,550	12,590,000	2,068,091

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**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt**  
**(As of June 28, 2018)**

Fiscal Year Ending	G.O. Notes Series 2014C		State Trust Fund Loan		G.O. Bonds Series 2015A		G.O. Notes Series 2015B		State Trust Fund Loan		G.O. Bonds Series 2016A		G.O. Notes Series 2016B	
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018	280,000	12/1	280,000	20,450	1,470,000	271,406	445,000	46,150	65,170	17,383	1,085,000	134,291	460,000	60,400
2019	285,000	12/1	134,009	30,719	1,495,000	484,013	450,000	74,500	67,083	15,471	1,140,000	181,781	470,000	102,400
2020	290,000	12/1	138,628	26,100	1,545,000	454,113	460,000	65,500	69,138	13,416	610,000	136,181	490,000	83,600
2021	295,000	12/1	143,551	21,177	1,570,000	407,763	470,000	56,300	71,212	11,342	185,000	111,781	510,000	64,000
2022	305,000	12/1	148,576	16,152	1,635,000	360,663	480,000	44,550	73,349	9,205	205,000	104,381	530,000	43,600
2023	310,000	12/1	153,776	10,952	1,675,000	311,613	495,000	30,150	75,530	7,024	210,000	96,181	540,000	33,000
2024			159,143	5,585	1,725,000	261,363	510,000	15,300	77,815	4,739	220,000	87,781	550,000	22,200
2025					1,285,000	209,613			80,149	2,404	225,000	78,981	560,000	11,200
2026					1,340,000	171,063					240,000	74,481		
2027					770,000	117,463					245,000	69,381		
2028					420,000	94,363					245,000	63,869		
2029					430,000	81,238					250,000	58,050		
2030					360,000	67,263					265,000	50,550		
2031					375,000	55,113					270,000	42,600		
2032					380,000	41,988					280,000	34,500		
2033					395,000	28,688					280,000	26,100		
2034					410,000	14,863					290,000	17,700		
2035											300,000	9,000		
2036														
	1,765,000	110,850	877,682	110,685	17,280,000	3,432,581	3,310,000	332,450	579,447	80,984	6,545,000	1,377,591	4,110,000	420,400

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**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt**  
**(As of June 28, 2018)**

Dated Amount	Taxable G.O. Bonds		G.O. Bonds 2)		G.O. Bonds Series 2017A		G.O. Notes Series 2017B		G.O. Bonds Series 2018A		G.O. Notes Series 2018B		Total Principal*	Total Interest*	Principal & Interest*	Principal Outstanding*	Principal %Paid	Year
	Series 2016C	Series 2016H	Series 2017A	Series 2017B	Series 2018A	Series 2018B	Series 2016C	Series 2016H	Series 2017A	Series 2017B	Series 2018A	Series 2018B						
7/6/2016	\$9,850,000	10/6/2016	\$6,890,000	7/6/2017	\$5,440,000	7/6/2017	\$5,830,000	6/28/2018	\$5,615,000*	6/28/2018	\$5,960,000*	13,710,000	2,237,478	15,947,478	131,448,606	9.44%	2018	
Maturity	4/1	8/1	12/1	12/1	12/1	12/1	12/1	12/1	12/1	12/1	12/1	15,964,035	4,253,540	20,207,575	115,494,571	20.44%	2019	
Fiscal Year Ending												15,647,136	3,648,581	19,295,716	99,847,435	31.21%	2020	
2018												14,586,514	3,148,547	17,735,061	85,260,922	41.26%	2021	
2019												12,451,391	2,699,865	15,151,256	72,809,531	49.84%	2022	
2020												11,427,340	2,308,705	13,736,045	61,382,191	57.71%	2023	
2021												10,099,082	1,950,533	12,049,615	51,283,109	64.67%	2024	
2022												9,097,960	1,633,628	10,731,586	42,185,149	70.94%	2025	
2023												6,580,000	1,111,467	7,691,467	27,815,000	80.84%	2026	
2024												5,225,000	893,893	6,418,893	22,290,000	84.64%	2028	
2025												4,295,000	701,627	4,996,627	17,995,000	87.60%	2029	
2026												4,365,000	569,391	4,934,391	13,630,000	90.61%	2030	
2027												3,925,000	424,400	4,349,400	9,705,000	93.31%	2031	
2028												2,960,000	303,539	3,263,539	6,745,000	95.35%	2032	
2029												3,075,000	205,523	3,280,523	3,670,000	97.47%	2033	
2030												2,080,000	103,519	2,183,519	1,590,000	98.90%	2034	
2031												795,000	51,013	846,013	795,000	99.45%	2035	
2032												285,000	25,979	310,979	285,000	99.80%	2036	
2033												0	9,377	9,377	0	100.00%		
2034												145,158,606	27,610,293	171,973,899				
2035												5,960,000	842,527	6,802,527				
2036												5,830,000	762,028	6,592,028				
												5,615,000	1,773,805	7,388,805				
												9,310,000	2,461,819	11,771,819				
												6,485,000	1,243,372	7,728,372				
												5,440,000	1,573,069	7,013,069				

\*Preliminary, subject to change.

**CITY OF OSHKOSH, WISCONSIN**  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Water System Revenues  
(As of June 28, 2018)

Fiscal Year Ending	Safe Drinking Water Loan #4874-99		Safe Drinking Water Loan #4874-98		Safe Drinking Water Loan #4874-02		Water Revenue Bonds Series 2011F		Water Revenue Bonds Series 2012F		Water Revenue Bonds Series 2013E	
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2018			13,693	8,942		50,230		70,719		60,009		56,413
2019			13,693	14,983	381,510	95,950	425,000	136,125	280,000	115,819	245,000	107,925
2020			922,095	210,912	390,533	86,820	435,000	124,288	290,000	107,269	265,000	97,925
2021				216,712	398,769	77,475	450,000	111,013	310,000	98,419	265,000	87,525
2022				222,671	408,223	67,909	240,000	100,663	310,000	89,269	275,000	76,725
2023					418,901	58,116	250,000	93,000	260,000	81,694	265,000	65,525
2024					428,809	48,092	255,000	84,634	265,000	75,456	135,000	57,800
2025					438,950	37,831	285,000	75,694	275,000	68,534	135,000	53,581
2026					448,331	27,327	275,000	66,072	280,000	61,075	140,000	48,850
2027					459,958	16,574	285,000	55,744	290,000	52,875	145,000	43,684
2028					470,836	5,568	295,000	44,500	300,000	44,025	150,000	37,956
2029							310,000	32,400	310,000	34,875	160,000	31,656
2030							320,000	19,800	320,000	25,425	165,000	25,156
2031							335,000	6,700	340,000	5,313	170,000	18,456
2032											180,000	11,344
2033											185,000	3,816
2034												
2035												
2036												
2037												
			922,095	27,386	650,294	36,090	4,247,819	571,890	4,140,000	1,021,350	2,895,000	824,338

**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**Revenue Debt Secured by Water System Revenues**  
**(As of June 28, 2018)**

Dated Amount	Water Revenue Bonds Series 2014E		Water Revenue Bonds Series 2015E		Water Revenue Bonds Series 2016F		Water Revenue Refunding Bonds Series 2016G		Water Revenue Bonds Series 2017C		Total Principal	Total Interest	Principal & Interest	Principal Outstanding	Principal %Paid	Year
	11/19/2014 \$3,795,000	9/15/2015 \$6,660,000	7/20/2016 \$6,835,000	10/6/2016 \$11,690,000	7/6/2017 \$8,880,000	1/1	1/1	1/1	1/1							
<b>Fiscal Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>						
2018		44,747		104,606		77,200		147,688		158,428	0	792,674	792,674	50,455,208	0.00%	2018
2019	270,000	86,794	255,000	205,388	285,000	151,550	990,000	287,950	375,000	307,481	4,639,516	1,523,657	6,163,173	45,815,692	9.20%	2019
2020	270,000	81,394	260,000	197,663	290,000	145,800	1,020,000	260,125	390,000	290,306	3,817,244	1,400,692	5,217,936	41,998,447	16.76%	2020
2021	280,000	74,494	270,000	188,363	295,000	139,950	1,070,000	218,325	410,000	274,306	3,962,440	1,272,930	5,235,370	38,036,008	24.61%	2021
2022	280,000	65,944	285,000	177,263	300,000	132,500	1,130,000	174,325	425,000	257,606	3,664,223	1,142,202	4,806,426	34,371,784	31.88%	2022
2023	285,000	57,169	295,000	165,663	310,000	123,350	945,000	132,825	445,000	240,206	3,503,901	1,017,547	4,521,449	30,867,883	38.82%	2023
2024	305,000	46,169	305,000	153,663	320,000	113,900	990,000	94,125	465,000	222,006	3,468,609	897,845	4,366,653	27,398,074	45.70%	2024
2025	115,000	41,869	320,000	141,963	330,000	105,800	1,030,000	64,025	485,000	203,006	3,393,950	792,302	4,186,252	24,005,124	52.42%	2025
2026	115,000	37,844	330,000	129,763	335,000	99,150	1,055,000	43,175	505,000	183,206	3,484,331	696,461	4,180,792	20,520,783	59.33%	2026
2027	120,000	33,144	345,000	116,263	345,000	92,350	355,000	29,075	520,000	162,706	2,864,958	602,415	3,467,373	17,655,836	65.01%	2027
2028	125,000	28,869	360,000	102,163	350,000	85,400	370,000	21,594	380,000	144,706	2,805,836	514,780	3,320,616	14,850,000	70.57%	2028
2029	130,000	25,044	370,000	87,563	355,000	78,128	385,000	13,331	400,000	129,106	2,420,000	432,103	2,852,103	12,430,000	75.36%	2029
2030	135,000	20,984	385,000	74,388	365,000	70,250	400,000	4,500	415,000	112,806	2,505,000	353,309	2,858,309	9,925,000	80.33%	2030
2031	140,000	16,600	400,000	62,363	375,000	61,691	400,000		430,000	98,056	2,170,000	279,491	2,449,491	7,755,000	84.63%	2031
2032	140,000	12,050	410,000	49,706	380,000	52,488	400,000		440,000	85,005	1,890,000	215,906	2,105,906	5,665,000	88.38%	2032
2033	145,000	7,419	425,000	36,394	390,000	42,619	390,000		455,000	71,297	1,600,000	161,544	1,761,544	4,265,000	91.55%	2033
2034	150,000	2,531	440,000	22,338	400,000	31,500	400,000		470,000	56,550	1,460,000	112,919	1,572,919	2,805,000	94.44%	2034
2035			450,000	7,594	420,000	19,200	420,000		485,000	41,031	1,355,000	67,825	1,422,825	1,450,000	97.13%	2035
2036					430,000	6,450	430,000		500,000	25,025	930,000	31,475	961,475	520,000	98.97%	2036
2037									520,000	8,450	520,000	8,450	528,450	0	100.00%	2037
	3,025,000	685,063	5,905,000	2,023,100	6,275,000	1,629,275	9,740,000	1,491,063	8,515,000	3,071,294	50,455,208	12,316,529	62,771,737			

**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**Revenue Debt Secured by Sewer System Revenues**  
**(As of June 28, 2018)**

Fiscal Year Ending	Clean Water Fund Loan #4130-04		Clean Water Fund Loan #4130-05		Taxable Sewer Revenue Bonds Series 2010G (BAB)		Sewer Revenue Bonds Series 2011E		Sewer Revenue Bonds Series 2012E		Sewer Revenue Bonds Series 2013D	
	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity	Dated Amount	Maturity
2018	7/28/1999	5/1	5/11/2004	5/1	10/14/2010	5/1	11/16/2011	5/1	11/15/2012	5/1	12/11/2013	5/1
2019	\$3,169,210		\$3,381,648		\$4,890,000		\$8,290,000		\$6,270,000		\$4,175,000	
2020	2,665		14,346		75,594		535,000		325,000		205,000	
2021	2,665		26,440		147,228		156,875		118,675		118,175	
2022			187,953		220,000		555,000		340,000		210,000	
2023			192,457		225,000		555,000		340,000		210,000	
2024			197,068		235,000		570,000		345,000		220,000	
2025			201,790		245,000		270,000		360,000		225,000	
2026			206,625		255,000		275,000		275,000		230,000	
2027			211,575		270,000		285,000		280,000		180,000	
2028					280,000		295,000		290,000		185,000	
2029					295,000		305,000		295,000		195,000	
2030					310,000		320,000		310,000		200,000	
2031					325,000		330,000		310,000		205,000	
2032					345,000		345,000		320,000		215,000	
2033					365,000		360,000		330,000		225,000	
2034							375,000		350,000		235,000	
2035									15,600		245,000	
2036									5,250		255,000	
2037												
			201,920		3,370,000		4,820,000		4,470,000		3,230,000	
			5,331		1,125,740		1,153,100		939,360		1,029,519	
			102,400									

-continued on the next page-



**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**Revenue Debt Secured by Sewer System Revenues**  
**(As of June 28, 2018)**

Clean Water Fund Loan #4130-14**	Sewer Revenue Bonds Series 2014D			Sewer Revenue Bonds Series 2015D			Sewer Revenue Bonds Series 2016D			Sewer Revenue Bonds Series 2017D			Total Principal	Total Interest	Principal & Interest	Principal Outstanding	Principal %Paid	Year
	5/1/14/2014 \$5,617,816	11/19/2014 \$5,980,000	9/15/2015 \$6,695,000	7/6/2016 \$10,045,000	7/20/2017 \$15,075,000	5/1	5/1	5/1	5/1	5/1	5/1	5/1						
Principal	64,814	295,000	300,000	490,000	555,000	108,497	105,931	490,000	555,000	273,309	0	923,800	56,802,571	0.00%	2018			
Interest	126,316	146,000	207,363	212,094	538,294	538,294	207,363	538,294	538,294	538,294	3,567,195	5,367,293	53,235,376	6.28%	2019			
	258,945	300,000	305,000	505,000	580,000	518,369	196,763	505,000	580,000	518,369	3,471,402	5,170,645	49,763,974	12.39%	2020			
	265,743	310,000	320,000	510,000	605,000	491,644	184,263	510,000	605,000	491,644	3,577,811	5,163,985	46,186,163	18.69%	2021			
	272,718	315,000	335,000	525,000	635,000	460,644	171,163	525,000	635,000	460,644	3,384,508	4,856,047	42,801,655	24.65%	2022			
	279,877	330,000	345,000	535,000	670,000	428,019	157,563	535,000	670,000	428,019	3,401,502	4,761,510	39,400,154	30.64%	2023			
	287,224	340,000	360,000	545,000	700,000	393,769	143,463	545,000	700,000	393,769	3,458,799	4,700,207	35,941,354	36.73%	2024			
	294,764	345,000	375,000	565,000	735,000	357,894	129,700	565,000	735,000	357,894	3,274,764	4,397,039	32,666,591	42.49%	2025			
	302,501	260,000	300,000	570,000	775,000	324,019	117,138	570,000	775,000	324,019	3,297,501	4,306,631	29,369,090	48.30%	2026			
	310,442	275,000	310,000	440,000	800,000	292,519	104,938	440,000	800,000	292,519	3,275,442	895,670	26,093,648	54.06%	2027			
	318,591	280,000	325,000	450,000	820,000	261,619	92,238	450,000	820,000	261,619	3,288,591	780,928	22,805,057	59.85%	2028			
	326,954	290,000	335,000	460,000	840,000	235,169	79,038	460,000	840,000	235,169	3,406,954	667,023	19,398,103	65.85%	2029			
	335,536	300,000	350,000	470,000	860,000	211,694	67,088	470,000	860,000	211,694	3,530,536	552,674	15,867,567	72.07%	2030			
	344,344	310,000	360,000	480,000	880,000	186,956	56,213	480,000	880,000	186,956	3,264,344	443,648	12,603,222	77.81%	2031			
	353,383	320,000	370,000	495,000	900,000	160,413	44,806	495,000	900,000	160,413	2,978,383	346,203	9,624,839	83.06%	2032			
	362,660	330,000	380,000	505,000	920,000	131,916	32,850	505,000	920,000	131,916	2,707,660	256,786	6,917,179	87.82%	2033			
	372,179	340,000	395,000	520,000	940,000	103,575	20,256	520,000	940,000	103,575	2,532,179	175,104	4,385,000	92.28%	2034			
			410,000	540,000	960,000	75,469	6,919	540,000	960,000	75,469	1,880,000	107,138	2,505,000	95.59%	2035			
				555,000	990,000	45,938		555,000	990,000	45,938	1,515,000	54,263	990,000	98.26%	2036			
						15,469				15,469	990,000	1,005,469	0	100.00%	2037			
	4,938,183	1,173,003	4,850,000	1,343,300	5,875,000	1,917,688	5,875,000	9,160,000	2,212,425	14,690,000	5,506,694	16,508,579	73,311,150					

\*\* As of May 5, 2017, only \$5,617,816 had been drawn on this CWF Loan

**CITY OF OSHKOSH, WISCONSIN**  
Schedule of Bonded Indebtedness  
Revenue Debt Secured by Storm Water System Revenues  
(As of June 28, 2018)

Fiscal Year Ending 1/11	Series 2012D		Series 2013A		Series 2014A		Series 2015C		Series 2016E		Series 2016I		Series 2017E		Series 2018C		Total Principal*	Total Interest*	Principal & Interest*	Principal Outstanding*	Principal % Paid	Year
	Dated Amount	Maturity	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest						
2018																	0	1,067,456	1,067,456	74,585,000	0.00%	2018
2019			305,000	74,038	650,000	224,263	335,000	125,656	215,000	59,778	870,000	196,625	335,000	180,938	295,000	421,921	3,650,000	2,905,196	6,155,196	70,895,000	4.89%	2019
2020			315,000	143,900	670,000	438,775	350,000	247,125	220,000	117,406	910,000	380,200	350,000	356,850	415,000	306,276	3,900,000	2,281,638	6,181,638	67,035,000	10.12%	2020
2021			325,000	134,200	690,000	418,975	365,000	235,938	225,000	113,056	950,000	353,500	360,000	346,575	420,000	296,985	4,035,000	2,157,647	6,192,647	63,000,000	15.53%	2021
2022			335,000	114,700	710,000	377,575	375,000	206,838	230,000	102,906	955,000	291,450	375,000	321,150	430,000	286,995	4,180,000	2,018,732	6,198,732	58,820,000	21.14%	2022
2023			345,000	105,794	730,000	355,975	395,000	191,438	240,000	95,856	1,050,000	250,550	390,000	302,025	445,000	276,116	4,345,000	1,865,273	6,210,273	54,475,000	26.96%	2023
2024			350,000	97,756	755,000	333,228	405,000	177,463	245,000	88,581	1,115,000	207,250	410,000	282,025	455,000	264,369	4,520,000	1,707,491	6,227,491	49,955,000	33.02%	2024
2025			360,000	89,100	780,000	308,269	420,000	165,068	250,000	82,406	1,155,000	173,400	435,000	280,900	465,000	251,900	4,685,000	1,555,782	6,240,782	45,270,000	39.30%	2025
2026			370,000	79,744	805,000	281,019	430,000	152,338	255,000	77,356	1,215,000	149,700	455,000	238,650	480,000	238,548	4,855,000	1,414,773	6,269,773	40,715,000	46.41%	2026
2027			380,000	69,188	840,000	250,131	445,000	138,934	260,000	72,206	1,275,000	123,206	480,000	215,275	495,000	224,310	4,740,000	1,271,294	6,011,294	35,975,000	51.77%	2027
2028			390,000	57,638	870,000	215,931	460,000	124,506	265,000	66,956	1,310,000	93,306	500,000	172,875	510,000	209,283	4,875,000	1,121,764	6,006,764	31,090,000	58.32%	2028
2029			405,000	45,713	910,000	180,331	475,000	109,016	270,000	61,438	1,375,000	57,125	520,000	151,675	525,000	193,550	5,075,000	983,290	6,038,290	26,015,000	65.12%	2029
2030			415,000	33,413	945,000	143,231	490,000	92,425	280,000	55,244	1,460,000	18,250	540,000	128,675	540,000	177,066	5,285,000	796,013	6,081,013	20,730,000	72.21%	2030
2031			430,000	20,469	985,000	104,631	510,000	74,825	285,000	48,356			560,000	109,700	575,000	141,436	5,465,000	642,521	6,107,521	16,765,000	77.52%	2031
2032			440,000	6,875	1,065,000	64,431	530,000	55,400	300,000	32,925			600,000	91,925	595,000	122,304	5,650,000	502,563	6,152,563	12,860,000	83.03%	2032
2033							570,000	11,400	310,000	24,150			600,000	73,238	615,000	141,436	5,820,000	364,619	6,184,619	8,870,000	88.11%	2033
2034									320,000	14,700			620,000	53,550	640,000	81,036	6,000,000	248,860	3,068,860	6,050,000	91.89%	2034
2035									330,000	4,950			640,000	32,825	660,000	58,988	6,160,000	162,061	2,492,061	3,720,000	95.01%	2035
2036													680,000	11,050	690,000	36,000	6,340,000	47,050	1,746,743	2,070,000	97.22%	2036
2037																	705,000	12,126	717,126	705,000	98.05%	2037
2038																				0	100.00%	2038
			5,165,000	1,198,725	12,430,000	4,117,505	7,105,000	2,363,925	4,795,000	1,267,800	13,860,000	2,620,163	9,495,000	3,860,100	10,510,000	3,861,054	74,585,000	22,743,734	95,258,734			

\*Preliminary, subject to change.

**CITY OF OSHKOSH, WISCONSIN**  
**Schedule of Bonded Indebtedness**  
**Revenue Debt Secured by Room Tax Revenues**  
**(As of June 28, 2018)**

**STL Loan**

Dated Amount	8/21/2017 \$1,500,000	Maturity	3/15	Fiscal Year Ending 11/1	Principal	Interest	Total Principal	Total Interest	Principal & Interest	Principal Outstanding	Principal %Paid	Year
2018							0	0	0	1,475,000	0.00%	2018
2019	25,000	66,375	25,000	66,375	91,375	1,450,000	1.69%	2019				
2020	25,000	65,429	25,000	65,429	90,429	1,425,000	3.39%	2020				
2021	177,715	64,125	177,715	64,125	241,840	1,247,285	15.44%	2021				
2022	185,712	56,128	185,712	56,128	241,840	1,061,573	28.03%	2022				
2023	194,069	47,771	194,069	47,771	241,840	867,504	41.19%	2023				
2024	202,695	39,145	202,695	39,145	241,840	664,809	54.93%	2024				
2025	211,923	29,916	211,923	29,916	241,840	452,886	69.30%	2025				
2026	221,460	20,380	221,460	20,380	241,840	231,426	84.31%	2026				
2027	231,426	10,414	231,426	10,414	241,840	0	100.00%	2027				
	1,475,000	399,682	1,475,000	399,682	1,874,682							

## DEBT LIMIT

The constitutional and statutory general obligation debt limit for Wisconsin municipalities, including towns, cities, villages, and counties (Article XI, Section 3 of the Wisconsin Constitution and Section 67.03, Wisconsin Statutes) is 5% of the current equalized value.

Equalized Value	\$ 3,931,778,200
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 196,588,910
Less: General Obligation Debt (includes the Notes and the Concurrent Obligations)*	<u>(145,158,606)</u>
Unused Debt Limit*	<u><u>\$ 51,430,304</u></u>

\*Preliminary, subject to change.

## OVERLAPPING DEBT<sup>1</sup>

Taxing District	2017 Equalized Value	% In City	Total G.O. Debt <sup>2</sup>	City's Proportionate Share
Winnebago County	\$ 12,909,954,800	30.4554%	\$ 25,965,229	\$ 7,907,814
Fox Valley Technical College District	37,795,272,487	10.4028%	83,270,000	8,662,412
Oshkosh School District	5,329,433,536	73.7747%	56,119,909	41,402,295
Winneconne Community School District	1,077,412,308	0.0002%	15,120,000	30
Algoma Sanitary District	858,260,690	18.6424%	9,784,968	<u>1,824,153</u>
City's Share of Total Overlapping Debt				<u><u>\$ 59,796,704</u></u>

<sup>1</sup> Overlapping debt is as of the dated date of the Notes. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

<sup>2</sup> Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

## DEBT RATIOS

	<b>G.O. Debt</b>	<b>Debt/Equalized Value \$3,931,778,200</b>	<b>Debt/ Per Capita 66,636<sup>1</sup></b>
Total General Obligation Debt (includes the Obligations and the Concurrent Obligations)*	\$ 145,158,606	3.69%	\$ 2,178.38
City's Share of Total Overlapping Debt	<u>59,796,704</u>	<u>1.52%</u>	<u>897.36</u>
Total*	\$ 204,955,310	5.21%	\$ 3,075.74

\*Preliminary, subject to change.

## DEBT PAYMENT HISTORY

The City has no record of default in the payment of principal and interest on its debt.

## FUTURE FINANCING

Aside from the Concurrent Obligations, the City has no current plans for additional financing in the next 12 months.

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<sup>1</sup> Estimated 2017 population.

## TAX LEVIES AND COLLECTIONS

### TAX LEVIES AND COLLECTIONS

Tax Year	Levy for City Purposes Only	% Collected	Levy/Equalized Value Reduced by Tax Increment Valuation in Dollars per \$1,000
2013/14	\$32,031,000	100%	\$9.28
2014/15	33,334,300	100%	9.63
2015/16	34,286,700	100%	9.80
2016/17	36,297,992	100%	10.34
2017/18	37,861,700	[ In process ]	10.56

Property tax statements are distributed to taxpayers by the town, village, and city clerks in December of the levy year. Current state law requires counties to pay 100% of the real property taxes levied to cities, villages, towns, school districts and other taxing entities on or about August 20 of the collection year.

Personal property taxes, special assessments, special charges and special taxes must be paid to the town, city or village treasurer in full by January 31, unless the municipality, by ordinance, permits special assessments to be paid in installments. Real property taxes must be paid in full by January 31 or in two equal installments by January 31 and July 31. Alternatively, municipalities may adopt a payment plan which permits real property taxes to be paid in three or more equal installments, provided that the first installment is paid by January 31, one-half of the taxes are paid by April 30 and the remainder is paid by July 31. Amounts paid on or before January 31 are paid to the town, city or village treasurer. Amounts paid after January 31, are paid to the county treasurer unless the municipality has authorized payment in three or more installments in which case payment is made to the town, city or village treasurer. On or before January 15 and February 20 the town, city or village treasurer settles with other taxing jurisdictions for all collections through December and January, respectively. In municipalities which have authorized the payment of real property taxes in three or more installments, the town, city or village treasurer settles with the other taxing jurisdictions on January 15, February 20 and on the fifteenth day of each month following the month in which an installment payment is required. On or before August 20, the county treasurer must settle in full with the underlying taxing districts for all real property taxes and special taxes. Any county board may authorize its county treasurer to also settle in full with the underlying taxing districts for all special assessments and special charges. The county may then recover any tax delinquencies by enforcing the lien on the property and retain any penalties or interest on the delinquencies for which it has settled. Uncollected personal property taxes owed by an entity that has ceased operations or filed a petition for bankruptcy, or are due on personal property that has been removed from the next assessment roll are collected from each taxing entity in the year following the levy year.

## PROPERTY TAX RATES

Full value rates for property taxes expressed in dollars per \$1,000 of equalized value (excluding tax increment valuation) that have been collected in recent years have been as follows:

Year Levied/ Year Collected	Schools <sup>1</sup>	County	Local	Other <sup>2</sup>	Total
2013/14	\$11.13	\$5.57	\$9.28	\$0.20	\$26.18
2014/15	10.93	5.59	9.63	0.20	26.35
2015/16	10.71	5.44	9.80	0.19	26.14
2016/17	11.24	5.41	10.34	0.19	27.18
2017/18	10.68	5.27	10.56	0.00	26.51

**Source:** Property Tax Rates were extracted from Statement of Taxes prepared by the Wisconsin Department of Revenue, Division of State and Local Finance.

## LEVY LIMITS

Section 66.0602 of the Wisconsin Statutes, imposes a limit on property tax levies by cities, villages, towns and counties. No city, village, town or county is permitted to increase its tax levy by a percentage that exceeds its valuation factor (which is defined as a percentage equal to the greater of either the percentage change in the political subdivision's January 1 equalized value due to new construction less improvements removed between the previous year and the current or zero percent). The base amount in any year to which the levy limit applies is the actual levy for the immediately preceding year. In 2018, and in each year thereafter, the base amount is the actual levy for the immediately preceding year plus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes (an amount equal to the property taxes formerly levied on certain items of personal property), and the levy limit is the base amount multiplied by the valuation factor, minus the amount of the payment from the State under Section 79.096 of the Wisconsin Statutes. This levy limitation is an overall limit, applying to levies for operations as well as for other purposes.

A political subdivision that did not levy its full allowable levy in the prior year can carry forward the difference between the allowable levy and the actual levy, up to a maximum of 1.5% of the prior year's actual levy. The use of the carry forward levy adjustment needs to be approved by a majority vote of the political subdivision's governing body (except in the case of towns) if the amount of carry forward levy adjustment is less than or equal to 0.5% and by a super majority vote of the political subdivision's governing body (three-quarters vote if the governing body is comprised of five or more members, two-thirds vote if the governing body is comprised of fewer than five members) (except in the case of towns) if the amount of the carry forward levy adjustment is greater than 0.5% up to the maximum increase of 1.5%. For towns, the use of the carry forward levy adjustment needs to be approved by a majority vote of the annual town meeting or special town meeting after the town board has adopted a resolution in

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<sup>1</sup> The Schools tax rate reflects the composite rate of all local school districts and technical college district.

<sup>2</sup> Includes the state reforestation tax which is apportioned to each county on the basis of its full value. Counties, in turn, apportion the tax to the tax districts within their borders on the basis of full value. It also includes taxes levied for special purpose districts such as metropolitan sewerage districts, sanitary districts, and public inland lake protection districts. Tax increment values are not included. State property taxes were eliminated in the State's 2017 - 2019 budget act.

favor of the adjustment by a majority vote if the amount of carry forward levy adjustment is less than or equal to 0.5% or by two-thirds vote or more if the amount of carry forward levy adjustment is greater than 0.5% up to the maximum of 1.5%.

Beginning with levies imposed in 2015, if a political subdivision does not make an adjustment in its levy as described in the above paragraph in the current year, the political subdivision may increase its levy by the aggregate amount of the differences between the political subdivision's valuation factor in the previous year and the actual percent increase in a political subdivision's levy attributable to the political subdivision's valuation factor in the previous year, for the five years before the current year, less any amount of such aggregate amount already claimed as an adjustment in any of the previous five years. The calculation of the aggregate amount available for such adjustment may not include any year before 2014, and the maximum adjustment allowed may not exceed 5%. The use of the adjustment described in this paragraph requires approval by a two-thirds vote of the political subdivision's governing body, and the adjustment may only be used if the political subdivision's level of outstanding general obligation debt in the current year is less than or equal to the political subdivision's level of outstanding general obligation debt in the previous year.

Special provisions are made with respect to property taxes levied to pay general obligation debt service. Those are described below. In addition, the statute provides for certain other exclusions from and adjustments to the tax levy limit. Among the items excluded from the limit are amounts levied for any revenue shortfall for debt service on a revenue bond issued under Section 66.0621. Among the adjustments permitted is an adjustment applicable when a tax increment district terminates, which allows an amount equal to the prior year's allowable levy multiplied by 50% of the political subdivision's percentage growth due to the district's termination.

With respect to general obligation debt service, the following provisions are made:

(a) If a political subdivision's levy for the payment of general obligation debt service, including debt service on debt issued or reissued to fund or refund outstanding obligations of the political subdivision and interest on outstanding obligations of the political subdivision, on debt originally issued before July 1, 2005, is less in the current year than in the previous year, the political subdivision is required to reduce its levy limit in the current year by the amount of the difference between the previous year's levy and the current year's levy.

(b) For obligations authorized before July 1, 2005, if the amount of debt service in the preceding year is less than the amount of debt service needed in the current year, the levy limit is increased by the difference between the two amounts. This adjustment is based on scheduled debt service rather than the amount actually levied for debt service (after taking into account offsetting revenues such as sales tax revenues, special assessments, utility revenues, tax increment revenues or surplus funds). Therefore, the levy limit could negatively impact political subdivisions that experience a reduction in offsetting revenues.

(c) The levy limits do not apply to property taxes levied to pay debt service on general obligation debt authorized on or after July 1, 2005.

The Obligations were authorized after July 1, 2005 and therefore the levy limits do not apply to taxes levied to pay debt service on the Obligations.



## THE ISSUER

### CITY GOVERNMENT

The City was incorporated in 1853 and is governed by a Mayor and a six-member Common Council. All Council Members are elected to two-year terms. The appointed City Manager, Finance Director and Clerk are responsible for administrative details and financial records.

### EMPLOYEES; PENSIONS

The City employs a staff of 537 full-time, 22 part-time, and 240 seasonal employees. All eligible employees in the City are covered under the Wisconsin Retirement System ("WRS") established under Chapter 40 of the Wisconsin Statutes ("Chapter 40"). The WRS is a cost-sharing multiple-employer defined benefit pension plan. The Department of Employee Trust Funds ("ETF") administers the WRS. Required contributions to the WRS are determined by the ETF Board pursuant to an annual actuarial valuation in accordance with Chapter 40 and the ETF's funding policies. The ETF Board has stated that its funding policy is to (i) ensure funds are adequate to pay benefits; (ii) maintain stable and predictable contribution rates for employers and employees; and (iii) maintain inter-generational equity to ensure the cost of the benefits is paid for by the generation that receives the benefits.

City employees are required to contribute half of the actuarially determined contributions, and the City may not pay the employees' required contribution. The total retirement plan contributions (including both the City's and the employees' contributions) for the fiscal year ended December 31, 2014 were \$5,603,347. During the fiscal year ended December 31, 2015 ("Fiscal Year 2015") and the fiscal year ended December 31, 2016 ("Fiscal Year 2016"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$3,187,776 and \$3,014,493 respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for Fiscal Year 2016.

GASB 68 requires calculation of a net pension liability for the pension plan. The net pension liability is calculated as the difference between the pension plan's total pension liability and the pension plan's fiduciary net position. The pension plan's total pension liability is the present value of the amounts needed to pay pension benefits earned by each participant in the pension plan based on the service provided as of the date of the actuarial valuation. In other words, it is a measure of the present value of benefits owed as of a particular date based on what has been earned only up to that date, without taking into account any benefits earned after that date. The pension plan's fiduciary net position is the market value of plan assets formally set aside in a trust and restricted to paying pension plan benefits. If the pension plan's total pension liability exceeds the pension plan's fiduciary net position, then a net pension liability results. If the pension plan's fiduciary net position exceeds the pension plan's total pension liability, then a net pension asset results.

As of December 31, 2015, the total pension liability of the WRS was calculated as \$90.1 billion and the fiduciary net position of the WRS was calculated as \$88.5 billion, resulting in a net pension liability of \$1.6 billion.

Under GASB 68, each participating employer in a cost-sharing pension plan must report the employer's proportionate share of the net pension liability or net pension asset of the pension plan. Accordingly, for Fiscal Year 2016, the City reported an asset of \$5,144,203, for its proportionate share of the net pension asset of the WRS. The net pension liability was measured as of December 31, 2015 based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. The City's proportion was 0.31657015% of the aggregate WRS net pension asset as of December 31, 2015.

The calculation of the total pension liability and fiduciary net position are subject to a number of actuarial assumptions, which may change in future actuarial valuations. Such changes may have a significant impact on the calculation of net pension liability of the WRS, which may also cause the ETF Board to change the contribution requirements for employers and employees. For more detailed information regarding the WRS and such actuarial assumptions, see "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

**Recognized and Certified Bargaining Units**

All eligible City personnel are covered by the Municipal Employment Relations Act ("MERA") of the Wisconsin Statutes. Pursuant to that law, employees have rights to organize and collectively bargain with municipal employers. MERA was amended by 2011 Wisconsin Act 10 (the "Act") and by 2011 Wisconsin Act 32, which altered the collective bargaining rights of public employees in Wisconsin.

As a result of the 2011 amendments to MERA, the City is prohibited from bargaining collectively with municipal employees, other than public safety and transit employees, with respect to any factor or condition of employment except total base wages. Even then, the City is limited to increasing total base wages beyond any increase in the consumer price index since 180 days before the expiration of the previous collective bargaining agreement (unless City were to seek approval for a higher increase through a referendum). Ultimately, the City can unilaterally implement the wages for a collective bargaining unit.

Under the changes to MERA, impasse resolution procedures were removed from the law for municipal employees of the type employed by the City, including binding interest arbitration. Strikes by any municipal employee or labor organization are expressly prohibited. As a practical matter, it is anticipated that strikes will be rare. Furthermore, if strikes do occur, they may be enjoined by the courts. Additionally, because the only legal subject of bargaining is the base wage rates, all bargaining over items such as just cause, benefits, and terms of conditions of employment are prohibited and cannot be included in a collective bargaining agreement. Impasse resolution for public safety employees and transit employees is subject to final and binding arbitration procedures, which do not include a right to strike. Interest arbitration is available for transit employees if certain conditions are met.

The following bargaining units represent employees of the City:

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Oshkosh Fire Department Local 3116 IAFF	December 31, 2020
Oshkosh Professional Police Officers Association	December 31, 2020
Oshkosh Police Supervisors Association	December 31, 2020
Oshkosh Fire Department Chief Officers	December 31, 2020
Transit Employees - AFSCME Group	December 31, 2020

**OTHER POST EMPLOYMENT BENEFITS**

The City’s annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. Please contact the City for further details on their OPEB liability.

## **LITIGATION**

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Obligations or otherwise questioning the validity of the Obligations.

## **MUNICIPAL BANKRUPTCY**

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Wisconsin law contains no express authority for municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code.

Nevertheless, there can be no assurance (a) that State law will not change in the future, while the Obligations are outstanding, in a way that would allow the City to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code; or (b) even absent such a change in State law, that an executive order or other executive action could not effectively authorize the City to file for relief under Chapter 9. If, in the future, the City were to file a bankruptcy case under Chapter 9, the relevant bankruptcy court would need to consider whether the City could properly do so, which would involve questions regarding State law authority as well as other questions such as whether the City is a municipality for bankruptcy purposes. If the relevant bankruptcy court concluded that the City could properly file a bankruptcy case, and that determination was not reversed, vacated, or otherwise substantially altered on appeal, then the rights of holders of the Obligations could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Obligations, and there could ultimately be no assurance that holders of the Obligations would be paid in full or in part on the Obligations. Further, under such circumstances, there could be no assurance that the Obligations would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Obligations could be viewed as having no priority (a) over claims of other creditors of the City; (b) to any particular assets of the City, or (c) to revenues otherwise designated for payment to holders of the Obligations.

Moreover, if the City were determined not to be a "municipality" for the purposes of the Bankruptcy Code, no representations can be made regarding whether it would still be eligible for voluntary or involuntary relief under Chapters of the Bankruptcy Code other than Chapter 9 or under similar federal or state law or equitable proceeding regarding insolvency or providing for protection from creditors. In any such case, there can be no assurance that the consequences described above for the holders of the Obligations would not occur.

**FUNDS ON HAND** (as of February 28, 2018)

<b>Fund</b>	<b>Total Cash and Investments</b>
Operating Funds	\$ 20,060,231
Pension Funds	699,101
Trust Funds	10,838,102
Other Funds	108,761
Utility Funds	15,040,451
Total Funds on Hand	<u>\$ 46,746,645</u>

## ENTERPRISE FUNDS

Cash flows for the City's enterprise funds have been as follows as of December 31 each year:

	2014	2015	2016
<b>Water</b>			
Total Operating Revenues	\$ 13,380,404	\$ 13,880,943	\$ 14,445,317
Less: Operating Expenses	<u>(8,915,182)</u>	<u>(8,744,840)</u>	<u>(8,822,154)</u>
Operating Income	\$ 4,465,222	\$ 5,136,103	\$ 5,623,163
Plus: Depreciation	2,939,212	3,041,395	3,106,445
Interest Income	28,020	(10,198)	93,769
BAB Credit	<u>69,708</u>	<u>63,763</u>	<u>58,813</u>
Revenues Available for Debt Service	<u>\$ 7,502,162</u>	<u>\$ 8,231,063</u>	<u>\$ 8,882,190</u>
<b>Sewer</b>			
Total Operating Revenues	\$ 11,753,286	\$ 11,505,240	\$ 12,601,254
Less: Operating Expenses	<u>(8,847,112)</u>	<u>(9,037,595)</u>	<u>(9,244,087)</u>
Operating Income	\$ 2,906,174	\$ 2,467,645	\$ 3,357,167
Plus: Depreciation	2,962,483	3,081,289	3,246,437
Interest Income	35,094	5,253	107,394
BAB Credit	<u>60,167</u>	<u>55,034</u>	<u>87,566</u>
Revenues Available for Debt Service	<u>\$ 5,963,918</u>	<u>\$ 5,609,221</u>	<u>\$ 6,798,564</u>
<b>Storm Water</b>			
Total Operating Revenues	\$ 7,232,454	\$ 8,008,241	\$ 8,762,387
Less: Operating Expenses	<u>(3,610,283)</u>	<u>(3,617,005)</u>	<u>(3,963,940)</u>
Operating Income	\$ 3,622,171	\$ 4,391,236	\$ 4,798,447
Plus: Depreciation	1,504,491	1,621,555	1,776,023
Interest Income	34,199	(8,096)	86,835
BAB Credit	<u>264,612</u>	<u>240,563</u>	<u>320,958</u>
Revenues Available for Debt Service	<u>\$ 5,425,473</u>	<u>\$ 6,245,258</u>	<u>\$ 6,982,263</u>

## SUMMARY GENERAL FUND INFORMATION

Following are summaries of the revenues and expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete audited financial statements are available upon request. See Appendix A for the City's 2016 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2014 Audited	2015 Audited	2016 Audited	2017 Unaudited <sup>1</sup>	2018 Adopted Budget <sup>2</sup>
<b>Revenues</b>					
Taxes and special assessments	\$ 6,920,896	\$ 7,461,861	\$ 16,464,319	\$ 17,841,272	\$18,710,800
Intergovernmental	15,251,609	15,406,743	15,752,591	16,010,265	16,298,100
Licenses and permits	1,629,992	1,816,885	854,176	444,916	376,900
Fines and forfeitures	718,839	697,647	686,098	861,958	803,800
Public charges for services	3,684,544	3,541,432	2,948,359	4,078,128	3,999,000
Intergovernmental charges for services	3,371,926	3,427,847	4,432,013	4,367,808	3,382,700
Miscellaneous general revenues	778,728	703,513	779,651	162,756	651,300
<b>Total Revenues</b>	<b>\$ 32,356,534</b>	<b>\$ 33,055,928</b>	<b>\$ 41,917,207</b>	<b>\$ 43,767,103</b>	<b>\$44,222,600</b>
<b>Expenditures</b>					
Current:					
General government	\$ 6,004,044	\$ 6,104,307	\$ 6,360,784	\$ 6,384,676	\$ 6,194,100
Public safety	24,457,789	25,388,813	25,736,807	25,869,004	26,711,100
Public works	6,133,067	5,881,397	5,758,707	5,909,088	6,227,400
Parks and recreation	1,981,403	2,077,704	2,000,798	2,058,140	2,146,100
Transportation	678,097	692,914	677,920	723,738	752,800
Community development	2,029,316	2,060,530	1,314,384	1,317,310	1,891,400
Unclassified	613,892	836,971	636,998	1,295,193	1,299,700
Debt Service	92,390	8,065	6,405	11,592	0
<b>Total Expenditures</b>	<b>\$ 41,989,998</b>	<b>\$ 43,050,701</b>	<b>\$ 42,492,803</b>	<b>\$ 43,568,741</b>	<b>\$45,222,600</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$ (9,633,464)</b>	<b>\$ (9,994,773)</b>	<b>\$ (575,596)</b>	<b>\$ 198,362</b>	<b>\$ (1,000,000)</b>
<b>Other Financing Sources (Uses)</b>					
Proceeds from capital lease	0	0	0	0	0
Proceeds of long-term debt	84,878	0	0	0	0
Operating transfers in	9,978,180	9,754,955	1,000,000	1,000,000	1,000,000
Operating transfers out	0	0	0	(283,725)	0
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 10,063,058</b>	<b>\$ 9,754,955</b>	<b>\$ 1,000,000</b>	<b>\$ 716,275</b>	<b>\$ 1,000,000</b>
<b>Excess of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>\$ 429,594</b>	<b>\$ (239,818)</b>	<b>\$ 424,404</b>	<b>\$914,637</b>	<b>\$ 0</b>
General Fund Balance January 1	8,847,799	9,277,393	9,037,575	9,461,979	\$10,376,616
General Fund Balance December 31	\$ 9,277,393	\$ 9,037,575	\$ 9,461,979	\$ 10,376,616	\$10,376,616
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	513,914	497,448	1,032,437		
Restricted	0	0	0		
Committed	0	0	0		
Assigned	44,977	0	1,835		
Unassigned	8,718,502	8,540,127	8,427,707		
<b>Total</b>	<b>\$ 9,277,393</b>	<b>\$ 9,037,575</b>	<b>\$ 9,461,979</b>		

<sup>1</sup> Unaudited data is as of December 31, 2017.

<sup>2</sup> The 2018 budget was adopted on November 28, 2017.

## GENERAL INFORMATION

### LOCATION

The City of Oshkosh, with a 2010 U.S. Census population of 66,083 and a current estimated population of 66,636, comprises an area of 24.24 square miles and is located approximately 15 miles north of Fond du Lac, 15 miles south of Appleton on the western shores of Lake Winnebago.

### LARGER EMPLOYERS<sup>1</sup>

Larger employers in the City include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
Oshkosh Corporation	Specialized Trucks	2,800
Bemis	Packaging	2,300
UW-Oshkosh	College	1,327
Oshkosh Area School District	Elementary and secondary education	1,290
US Bank	Financial institution	1,144
Winnebago County	Government	1,018
Aurora Medical Center	Healthcare	870
4 Imprint	Advertising specialties	729
Winnebago Mental Health Institute	Healthcare	702
Affinity	Healthcare	688

**Source:** *ReferenceUSA, written and telephone survey (May 2018), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

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<sup>1</sup> This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above. Some employers do not respond to inquiries for employment data.

## BUILDING PERMITS

	2014	2015	2016	2017	2018 <sup>1</sup>
<u>New Single Family Homes</u>					
No. of building permits	15	17	15	31	6
Valuation	\$3,411,675	\$2,928,868	\$2,669,086	\$6,404,550	\$1,385,000
<u>New Multiple Family Buildings</u>					
No. of building permits	11	20	9	15	0
Valuation	\$12,152,000	\$11,662,849	\$15,991,435	\$19,201,000	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	10	9	10	13	0
Valuation	\$4,545,578	\$7,767,043	\$5,978,983	\$23,911,735	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	2,140	1,974	2,265	2,544	341
Valuation	\$82,576,784	\$67,144,705	\$78,369,742	\$106,623,646	\$8,050,011

**Source:** The City.

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<sup>1</sup> As of March 31, 2018.



## U.S. CENSUS DATA

### Population Trend: City of Oshkosh

2000 U.S. Census	62,916
2010 U.S. Census	66,083
2017 Estimated Population	66,636
Percent of Change 2000 - 2010	+ 5.03%

### Income and Age Statistics

	City of Oshkosh	Winnebago County	State of Wisconsin	United States
2016 per capita income	\$22,598	\$28,446	\$29,253	\$29,829
2016 median household income	\$43,960	\$53,501	\$54,610	\$55,322
2016 median family income	\$62,103	\$69,645	\$69,925	\$67,871
2016 median gross rent	\$671	\$693	\$789	\$928
2016 median value owner occupied units	\$116,900	\$144,300	\$167,000	\$184,700
2016 median age	33.6 yrs.	37.9 yrs.	39.1 yrs.	37.7 yrs.

	State of Wisconsin	United States
City % of 2016 per capita income	77.25%	75.76%
City % of 2016 median family income	88.81%	91.50%

### Housing Statistics

	<u>City of Oshkosh</u>		
	2010	2016	Percent of Change
All Housing Units	27,497	28,458	3.49%

**Source:** 2000 and 2010 Census of Population and Housing, and 2016 American Community Survey (Based on a five-year estimate), U.S. Census Bureau ([www.factfinder2.census.gov](http://www.factfinder2.census.gov)).

## EMPLOYMENT/UNEMPLOYMENT DATA

Year	<u>Average Employment</u>		<u>Average Unemployment</u>		
	City of Oshkosh	Winnebago County	City of Oshkosh	Winnebago County	State of Wisconsin
2014	32,955	86,838	5.5%	5.2%	5.4%
2015	33,221	87,644	4.5%	4.2%	4.5%
2016	34,097	90,102	3.8%	3.6%	4.0%
2017	34,603	91,437	3.1%	3.0%	3.3%
2018, April	34,958	92,377	2.4%	2.4%	2.7%

**Source:** Wisconsin Department of Workforce Development.

**FINANCIAL STATEMENTS**

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested the Auditor to perform any additional examination, assessments or evaluation with respect to such financial statements since the date thereof, nor has the City requested that the Auditor consent to the use of such financial statements in this Official Statement. Although the inclusion of the financial statements in this Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Notes, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

# City of Oshkosh

## ANNUAL FINANCIAL REPORT Including Auditor's Report

For the fiscal year ending  
December 31, 2016



**CITY OF OSHKOSH  
December 31, 2016**

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December 31, 2016**

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**December 31, 2016**

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City of Oshkosh  
 215 Church Ave., PO Box 1130  
 Oshkosh, WI 54903-1130

August 17, 2017

Honorable Mayor and Council Members,  
 City of Oshkosh:

The Annual Financial Report of the City of Oshkosh, Wisconsin, for the fiscal year ended December 31, 2016, is submitted herewith. This report was prepared by the City's Department of Finance. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial activities of the City and its various funds and account groups; and that all of the disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activities have been included.

**ACCOUNTING SYSTEM AND BUDGETARY CONTROL**

The City's accounting records for general government operations are maintained on a modified accrual basis, with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other enterprise funds are maintained on an accrual basis.

In developing and modifying the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding:

- 1) the safeguarding of assets against loss from unauthorized use or disposition and
- 2) the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that:

- 1) the cost of a control should not exceed the benefits likely to be derived and
- 2) the evaluation of costs and benefits requires estimates and judgment by management.

All internal control evaluations occur within the above framework. I believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary control is maintained at the department level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of the departmental balances are not released until additional appropriations are made available. Open encumbrances are reported as reservations of fund balance as of December 31, 2016.

THE REPORTING ENTITY AND ITS SERVICES

The City's government consists of a City Manager who is employed by the Mayor and Council of 6 members who are elected at large to a two term-year term.

The City provides a full range of municipal services contemplated by Statute or charter. This includes police, fire, streets and sanitation, social services, parks, public improvements, library and museum, mass transit, planning and zoning, and general administrative services.

The accompanying financial statements include all significant operations of the City.

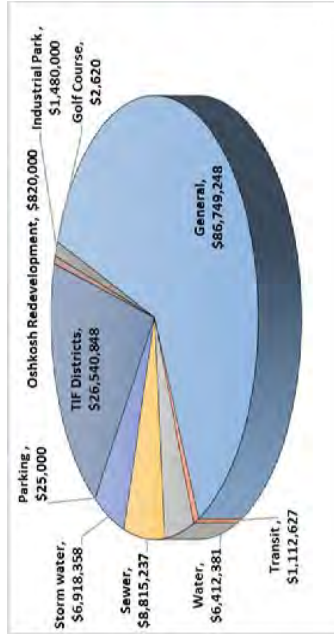
A summary of this year's revenues and expenditures/expenses are included in the Management's Discussion and Analysis section, which is in the financial section of this audit report.

DEBT ADMINISTRATION

The rates of net bonded debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position to municipal management, citizens, and investors. This data for the City of Oshkosh at the end of 2016 was:

	AMOUNT	RATIO OF DEBT TO EQUALIZED VALUE	DEBT PER CAPITA
Direct Bonded Debt	\$138,876,319	3.68%	\$2,082

Outstanding general obligation bonds at December 31, 2016 totaled \$138,876,319. Below is a chart that includes all general obligation debt by activity:



On July 6, 2017, \$5,440,000 of General Obligation Corporate Purpose Bonds, and \$5,830,000 of General Obligation Promissory Notes were sold at a net true interest rate of 2.6637%, and 1.8937% respectively.

Assessed valuation of \$3,772,639,900 represented an increase of 0.64% from the preceding year.

The City's investment rating by Moody's Investors Service as of December 31, 2016 was an Aa3 rating.

CAPITAL PROJECTS FUNDS

The proceeds of general obligation bond issues are accounted for in Capital Projects Funds until improvement projects are completed. At the end of the fiscal year, completed projects are accumulated in the capital asset category for Governmental Activity Funds.

INDEPENDENT AUDIT

The City is required to have an annual audit of its financial statements by independent certified public accountants selected by the City Council. All audit requirements have been complied with and the auditor's opinions have been included in this report. The unmodified opinions expressed by the auditor, on the City's financial statements, is an assertion that there have been no irrevocable restrictions on the scope of the auditors' examination and the auditors have no significant exceptions as to the accounting principles reflected in the financial statements, the consistency of application of accounting principles, and the adequacy of information disclosures in the financial statements.

ACKNOWLEDGMENTS

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Department of Finance. I express my appreciation to all members of the Department who assisted and contributed to its preparation. I also thank the members of the City Council for their interest and support in planning and conducting the financial operations of the City of Oshkosh in a responsible and progressive manner.

Respectfully submitted,

CITY OF OSHKOSH

*Mark A. Rohloff*  
 MARK A. ROHLOFF, City Manager

*Tara J. Wendt*  
 TARA J. WENDT, CPA, Assistant Director of Finance  
 MAR:TJW

CITY OF OSHKOSH  
COUNCIL MEMBERS AND PRINCIPAL OFFICERS

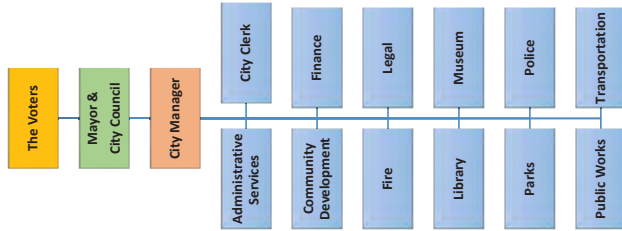
COUNCIL MEMBERS

Name	Title
Steve Cummings	Mayor
Steven Herrman	Deputy Mayor
Debra Allison-Aasby	Council Member
Lori Palmeri	Council Member
Caroline Panske	Council Member
Tom R. Pech, Jr.	Council Member
Ben Stepanek	Council Member

PRINCIPAL OFFICERS

Name	Title
Mark A. Rohloff	City Manager
Trena Larson	Director of Finance
Tara J. Wendt	Assistant Director of Finance

ORGANIZATIONAL CHART



THE CITY

The City is a political subdivision of the State incorporated in 1853, is the County seat of Winnebago County, and is located on the western shore of Lake Winnebago in the Fox River Valley 173 miles north of the City of Chicago, Illinois, and 275 miles east of the cities of Minneapolis and St. Paul, Minnesota. The corporate limits of the City encompass approximately 24.24 square miles and the population is currently 66,717.

THE CITY COUNCIL

The City Council is the legislative and policy making body of the City and is composed of seven Council Members, who are elected at large for two-year terms. The Mayor presides over Council meetings. The Deputy Mayor presides at Council meetings in the Mayor's absence. The responsibilities of the City Council include: (i) enacting ordinances, resolutions and orders necessary for the proper governing of the City's affairs; (ii) reviewing and adopting the annual budget; (iii) reviewing and deciding on recommendations from various boards and commissions; (iv) establishing policies and measures to promote the general welfare of the City and safety and health of its citizens; and (v) representing the City at official functions with other governmental agencies and organizations. The present members of the City Council and the expiration of their respective terms of office are as follows:

Name	Title	Expiration of Term
Steve Cummings	Mayor	2017
Steven Herrman	Deputy Mayor	2018
Debra Allison-Aasby	Council Member	2017
Lori Palmeri	Council Member	2018
Caroline Panske	Council Member	2018
Tom R. Pech, Jr.	Council Member	2017
Ben Stepanek	Council Member	2017

CITY ADMINISTRATION

Mayor Steve Cummings is currently serving his first, two-year term as Mayor. He served as Deputy Mayor in 2012 and has been a member of the Council for 5 years. He is the Council representative on the Landmarks Commission and a member of the Plan Commission and is a past member of Urban Wildlife Committee. Steve is a Board Member of the Oshkosh Zoological Society, the Winnebago County Historical & Archeological Society and Evergreen Village. Steve co-chairs the steering committee for NeighborWorks Oshkosh and sits on the board of directors and is an officer of Neighborworks Badgerland based in Racine. He chairs the RDA and is a member of the East Central Wisconsin Regional Planning Commission.

Mayor Cummings has lived in Oshkosh his entire life. He graduated from Oshkosh High School and attended the University of Wisconsin - Oshkosh. After serving in the United States Marine Corps., he returned to Oshkosh to pursue a career in advertising and marketing. He was an advertising manager and a director of marketing for Mercury Marine in Fond du Lac for close to 20 years. He resigned from Mercury in 1987 to purchase Geer Murray Advertising in Oshkosh. Many of his clients were Oshkosh based



companies such as Leach Company, the Oshkosh Hilton and C.R. Meyer. In that time, he created marketing communications materials on a pro bono basis for a number of Oshkosh organizations including Oshkosh Public Museum, Oshkosh Area Humane Society, Paine Art Center and Gardens, Oshkosh Boys and Girls Club, Mercy Medical Center Foundation and Oshkosh Convention and Visitors Bureau. He is also a former regional chair for Children's Hospital of Wisconsin. He earned a LEAN Lead Certificate from the Milwaukee School of Engineering and is a 2012 graduate of Leadership Oshkosh. Presently, Steve is a Realtor with First Weber Group.

Both Steve and his wife, Dede, have deep roots in the community being the fifth generation of their respective families to call Oshkosh home. They share a love of history and to that end, have resided in an 1855 Greek revival farmhouse the past 42 years. They have two children, Anne, who lives in California, and Adam, who resides on a small family farm west of Oshkosh once owned by Steve's aunt and uncle. They became grandparents in June of 2014 with the birth of their first grandchild, Oliver. Steve and his two English Springer Spaniels, Bailey and Murphy, are enthusiastic Hosta gardeners. The Cummings family is members of the Oshkosh Yacht Club.

The City Manager, Mark A. Rohloff, is the Chief Executive Officer for the City of Oshkosh and is responsible for planning, organizing, and directing the activities of the municipality by interpreting the City Council determined policy, coordinating departmental efforts, handling citizen inquiry and complaints, screening and preparing agenda materials, and recommending legislation and policy matters. City Manager Rohloff has over 25 years of experience in local government management. Mark's background has included areas as diverse as public works, economic development, public finance, organizational development, and long range planning.

Prior to coming to Oshkosh, Mr. Rohloff was Town Administrator for Grand Chute, Wisconsin; City Administrator Berlin, Wisconsin; Assistant City Manager of Rancho Palos Verdes, California; Senior Budget Analyst for Long Beach, California; and Management Assistant in Fort Collins, Colorado. He received his Bachelors Degree in Urban Affairs and Certificate in Business Administration from Saint Louis University, and has Master of Public Administration from the University of Kansas.

The Director of Finance/Treasurer, Trena Larson, is responsible for the following divisions: Finance, Collections, Accounting, Payroll, Parking, and Water/Sewer/Storm Water Utilities. Assists the City Manager in preparing the City Budget and is responsible for the administration of budgeted funds. Prior to her appointment as Director of Finance/Treasurer, Ms. Larson was the Administrative Coordinator and Finance Director for Adams County. Ms. Larson has a Bachelor of Business Administration degree, with a major in Organizational Management from Viterbo University.

The Assistant Director of Finance, Tara Wendt, is responsible for supervising and participating in all general, utility, and special accounting activities of the City. Prior to her appointment as Assistant Director of Finance, Ms. Wendt was an Audit Manager for Schenck SC. She began her career with Schenck SC in 2004 as a staff accountant where she progressed to Audit Manager specializing in audits of government and not-for-profits. Ms. Wendt has a B.A. with a major in Accounting and a minor in Finance from the University of Wisconsin – Oshkosh. In addition, Tara is a Certified Public Accountant.

#### PRINCIPAL GOVERNMENTAL SERVICES PERFORMED BY THE CITY

Among the services it provides, the city maintains and oversees the capital budget operations of police and fire departments, water and sewerage utilities, parking utility, a public library, a museum, mass transit, planning and zoning, parks and recreation and public works departments. Brief descriptions of these services are set forth below.

**POLICE DEPARTMENT** – The Police Department, which is governed by a five member Police and Fire Commission comprised of citizens appointed to five-year terms by the Mayor, includes 100 sworn officers and 29 full and part-time civilian employees, 10 community service officers, and 18 school crossing guards. The full-time mission of the Oshkosh Police Department is to promote public safety and to enhance the quality of life in our community through innovative policing and community partnerships.

**FIRE DEPARTMENT** – The Fire Department provides fire protection to residents within the City and paramedic ambulance service to the City and surrounding communities. The Fire Department, which is governed by a five member Police and Fire Commission comprised of citizens appointed to five-year terms by the Mayor, maintains six fire stations, which house the department's 22 pieces of fire, safety and rescue equipment. The department has 108 full-time employees.

**PUBLIC LIBRARY** – The Oshkosh Public Library serves approximately 34,000 cardholders from Oshkosh and surrounding towns through the main library, library website, and deposit collections. Over 300,000 items in the collections are checked out over 1,000,000 times in a year and over 400,000 visits are made to the library. Pursuant to ch 43.54 of the Wis State Statutes, a Library Board of Trustees governs the Library.

**MUSEUM** – The Oshkosh Public Museum serves the community through permanent, traveling, and virtual exhibitions, educational services and programs, publications, and research facilities. The Museum is entrusted with the preservation, care, and archival documentation of 250,000 objects, as well as historic photographs, film, and archival materials. The Museum is governed by an eleven member Board which includes the Superintendent of Schools, and School Board President.

**DEPARTMENT OF PARKS** – The Department of Parks develops and maintains the City's 440 acres of park and public areas including recreational facilities, Lakeshore Municipal Golf Course, urban Forestry, Riverside Cemetery, Leach Amphitheater, Pollock Community Water Park, Menominee Park Zoo, multi-purpose trail systems, river walk, round-a-bouts, and Seniors Center.

**MASS TRANSIT** – The Transit System (GO Transit), consists of 16 buses providing service over nine fixed-routes in the City of Oshkosh. An additional intercity route provides service between Oshkosh and Neenah, WI. The intercity route is provided by a contractor. The buses travel over 550,000 miles annually. The transit system also provides four paratransit programs for the community through a service contract. In total, over 1 million rides are provided each year. A seven-member Transit Advisory Board and the Oshkosh Common council govern the activities of GO Transit.



**PARKING UTILITY** – The Parking Utility operates nineteen off-street parking lots, containing 1,679 parking stalls. There are seventeen off-street parking lots in the central business district and two off-street lots in the Oregon Street business area. In 1987, a Business Improvement District was formed in the downtown area. The BID assists in the financing of the downtown lots. A five-member commission provides recommendations for the activities of the utility.

**PUBLIC WORKS DEPARTMENT** – The Public Works Department consists of seven separate divisions as follows:

The Engineering Division is responsible for the design and preparation of drawings and specifications for street construction and maintenance, sidewalks, sanitary sewers, water mains, storm sewers, as well as construction management for these projects.

The Street Division provides for maintenance of public roadways/alleys/parking lots, and storm/sanitary sewers within those streets. Maintenance of storm sewer facilities includes ditching and drainage work.

The Central Garage Division is responsible for repair, maintenance, and service of City vehicles in twelve departments.

The Sanitation Division provides for collection of solid waste material from residential properties which are one to four units in size. Disposal of this solid waste is governed by agreements with the Winnebago County Solid Waste Management Board. The Sanitation Division is also responsible for the City's recycling program.

The Water Utility operates a sixteen million gallon per day water filtration plant put into operation in 1999, operating 24 hours a day, to provide potable water production and distribution for general public use, industrial and fire fighting purposes. The source of water supply is Lake Winnebago. Three underground reservoirs provide 2,500,000 gallons of water storage. Elevated storage consists of two 750,000-gallon tanks, a 1,250,000-gallon tank and a 1,500,000-gallon tank. The Water Distribution Division is in charge of daily and emergency maintenance of all water mains, hydrants, services, and meters.

The Sewer Utility operates a 20 million gallon per day (MGD) Wastewater Treatment Facility that provides secondary treatment and discharges the treated wastewater to the Fox River.

The Storm Water Utility is responsible for managing storm water runoff generated within the City of Oshkosh. In addition to providing flood reduction benefits, the Storm Water Utility is required to comply with the requirements of the Federal Clean Water Act, administered by the Wisconsin Department of Natural Resources. These requirements include reducing the amount of pollution discharging into Lake Winnebago from the storm water generated within the City of Oshkosh.

**DEPARTMENT OF TRANSPORTATION** – The Department of Transportation maintains and installs all signs, pavement markings, lighting systems, fiber optics, and traffic signals for public streets, parks and city buildings.

## CITY EMPLOYEES

The City employs approximately 519 full-time, 86 part-time, and 157 seasonal employees. Of which 13 are officials or administrators, 42 are supervisors/managers, and 202 employees are involved in protective services. Certain groups of employees of the City, including Fire, Police, and Transit are organized into labor unions for purposes of conducting collective bargaining with the City. The contracts are in effect through 2017. All eligible full-time and part-time City employees participate in the Wisconsin Retirement System, with some seasonals also eligible and enrolled. Pursuant to State Law, annual contribution rates are set in June each year by an independent consulting actuary and approved by the Employee Trust Funds Board. The rates based on assumptions concerning mortality, disability, interest rates, retirement age, retirement formula factor and the earnings, age, number of people in each category etc. The City's total contribution to the Retirement Fund was \$3,014,493 for the year ended December 31, 2016.

In addition to the above referenced retirement fund, the State administers a plan for four retired employees of the Police and Fire Departments. These individuals had been covered by a private pension plan prior to the City joining the present plan. The City funds retirement contributions to meet current benefit payments to retired employees. The total cost for the year ended December 31, 2016 was \$43,529.

## INDEPENDENT AUDITORS' REPORT

To the Common Council  
City of Oshkosh  
Oshkosh, Wisconsin

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Oshkosh, Wisconsin ("the City") as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

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

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

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

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Change in Accounting Principle***

As discussed in Note C.1 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 72, *Fair Value Measurement and Application*. As discussed in Note D.5 to the financial statements, the City also adopted new accounting guidance, GASB Statement No. 77, *Tax Abatement Disclosures*. Our opinions are not modified with respect to this matter.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 13 through 22 and the schedules relating to pensions and other post-employment benefits on pages 69 through 72 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

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

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated August 15, 2017, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



Certified Public Accountants  
Green Bay, Wisconsin  
August 15, 2017

**CITY OF OSHKOSH, WISCONSIN**  
Management's Discussion and Analysis  
December 31, 2016

As management of the City of Oshkosh, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2016. The analysis focuses on the City's financial performance as a whole.

**Financial Highlights**

- The assets and deferred outflows of resources of the governmental activities of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2016 and 2015 by \$88,387,744 and \$93,346,174 (*net position*), respectively. Of this amount, \$26,329,710 and \$18,792,902 (*unrestricted net position*), respectively, may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's governmental activities net position decreased by \$4,958,430 and increased \$1,548,804, respectively. Several factors contributed to the overall changes.
- The property tax rate rose 2.4% and 3.0%, respectively, per \$1,000 of property value for the years ended December 31, 2016 and 2015, respectively.
- As of December 31, 2016 and 2015, the City's governmental funds reported combined ending fund balances of \$44,005,326 and \$52,954,373, a decrease of \$8,949,047 for 2016 and a decrease of \$2,925,019 for 2015. Approximately 25% and 24% of this total amount, \$11,118,736 and \$12,955,552 is *available for spending* at the City's discretion (*assigned and unassigned fund balance*), respectively.
- As of December 31, 2016 and 2015, unassigned fund balance for the general fund was \$8,427,707 and \$8,540,127, or approximately 20% and 20% of total general fund expenditures, respectively.
- The City's total general-obligation debt decreased by \$6,534,212 (4.5%) during 2016. The key factor in this decrease was the issuance of \$30,101,300 of general obligation debt and \$36,635,512 of principal payments of general obligation debt.
- The City's total general-obligation debt decreased by \$1,818,427 (1.2%) during 2015. The key factor in this decrease was the issuance of \$24,210,000 of general obligation debt and \$26,028,427 of principal payments of general obligation debt.

**Overview of the Basic Financial Statements**

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

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The government-wide statements are made up of the statement of net position and the statement of activities.

The *statement of net position* presents information on all of the City's assets, liabilities, and deferred outflows and inflows of resources, with the difference being reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

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

**CITY OF OSHKOSH, WISCONSIN**  
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Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include: general government, public safety, public works, health and welfare, parks and recreation, transportation, community development, and TIF districts. The business-type activities of the City include mass transit services, water utility, sewer utility, parking utility, Oshkosh redevelopment project, industrial park, golf course, and storm water utility.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Redevelopment Authority (component unit) for which the City is financially accountable. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

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

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

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

The City maintains 68 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, special assessment improvement and TIF #7 SW Industrial Park capital projects funds which are considered to be major funds. Data from the other 64 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for the general fund, debt service fund, special revenue funds and certain capital project funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

**Proprietary funds.** The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City maintains 9 individual enterprise funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City maintains four individual internal service funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

**CITY OF OSHKOSH, WISCONSIN**  
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Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the transit, water utility, sewer utility, and storm water utility, all of which are considered to be major funds of the City. Data from the other five enterprise funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor enterprise funds is provided in the form of *combining statements* elsewhere in this report. The four internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Required Supplementary Information.** The required supplementary information provides information and disclosures related to the City's other post-employment benefits and pension plan. The required supplementary information can be found immediately following the footnotes.

**Other information.** The combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented as supplementary information immediately following the required supplementary information.

**Government-wide Financial Analysis**

**Net position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$274,341,801 and \$287,367,056 at the close of 2016 and 2015, respectively.

	City of Oshkosh's Net Position		
	Governmental Activities 2016	Business-type Activities 2016	Total 2016
Current and other assets	\$ 110,545,107	\$ 86,251,997	\$ 196,797,104
Capital assets	146,673,166	299,263,145	445,936,311
Total assets	257,218,273	385,515,142	642,733,415
Deferred outflows of resources	25,209,519	4,358,607	29,568,126
Long-term liabilities outstanding	129,507,180	197,220,935	326,728,115
Other liabilities	12,618,566	4,287,596	16,906,162
Total liabilities	142,125,746	201,508,531	343,634,277
Deferred inflows of resources	51,914,302	2,411,161	54,325,463
Net position:			
Net investment in capital assets	39,752,753	120,012,568	159,765,321
Restricted	22,305,281	31,949,679	54,254,960
Unrestricted	26,329,710	33,991,810	60,321,520
Total net position	\$ 88,387,744	\$ 185,954,057	\$ 274,341,801

**CITY OF OSHKOSH, WISCONSIN**  
Management's Discussion and Analysis  
December 31, 2016

	City of Oshkosh's Net Position		
	Governmental Activities 2015	Business-type Activities 2015	Total 2015
Current and other assets	\$ 122,260,957	\$ 77,183,677	\$ 199,444,634
Capital assets	143,635,959	279,006,533	422,642,492
Total assets	265,896,916	356,190,210	622,087,126
Deferred outflows of resources	7,437,155	1,545,196	8,982,351
Long-term liabilities outstanding	127,678,873	177,996,921	305,675,794
Other liabilities	12,490,626	4,877,712	17,368,338
Total liabilities	140,169,499	182,874,633	323,044,132
Deferred inflows of resources	39,818,398	839,891	40,658,289
Net position:			
Net investment in capital assets	36,184,133	123,851,149	160,035,282
Restricted	38,369,139	14,773,848	53,142,987
Unrestricted	18,792,902	35,395,885	54,188,787
Total net position	\$ 93,346,174	\$ 174,020,882	\$ 267,367,056

By far the largest portion of the City's net position (58%) and (60%), respectively, reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.), less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (20%) and (20%), respectively, represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$60,321,520) and (\$54,188,787), respectively, may be used to meet the City's ongoing obligations to citizens and creditors.



**CITY OF OSHKOSH, WISCONSIN**  
Management's Discussion and Analysis  
December 31, 2016

**Change in net position.** Governmental activities decreased the City's net position by \$4,958,430 in 2016 and increased by \$1,548,804 in 2015. Business-type activities increased the City's net position by \$1,933,175 in 2016 and by \$7,878,133 in 2015. Total net position of the City increased in 2016 by \$6,974,745 and in 2015 by \$9,426,937. Key elements of this change are as follows:

City of Oshkosh's Change in Net Position			
	Governmental Activities 2016	Business-type Activities 2016	Total 2016
<b>Revenues:</b>			
Program revenues:	\$ 11,793,567	\$ 40,733,504	\$ 52,527,071
Charges for services	5,931,258	3,001,264	8,932,522
Operating grants and contributions	2,731,515	4,208,145	6,939,660
Capital grants and contributions	39,831,984	843,391	40,675,375
General revenues	13,286,136	-	13,286,136
Property and other taxes	1,846,668	321,692	2,168,360
Grants and contributions not restricted to specific programs	75,421,128	49,107,996	124,529,124
Other	-	-	-
<b>Total revenues</b>	<b>7,798,046</b>	<b>-</b>	<b>7,798,046</b>
<b>Expenses:</b>			
General government	27,967,136	-	27,967,136
Public safety	15,386,290	-	15,386,290
Public works	930,952	-	930,952
Health and welfare	8,785,030	-	8,785,030
Park and recreation	1,092,783	-	1,092,783
Transportation	14,892,738	-	14,892,738
Community development	662,548	-	662,548
Unclassified	3,849,290	-	3,849,290
Interest of long-term debt	-	4,809,392	4,809,392
Transit utility	-	10,892,066	10,892,066
Water utility	-	10,825,702	10,825,702
Sewer utility	-	6,312,063	6,312,063
Storm water utility	-	3,350,343	3,350,343
Other	81,364,813	36,189,566	117,554,379
<b>Total expenses</b>	<b>985,255</b>	<b>(985,255)</b>	<b>-</b>
Transfers	80,379,558	37,174,821	117,554,379
<b>Total expenses and transfers</b>	<b>(4,958,430)</b>	<b>11,933,175</b>	<b>6,974,745</b>
<b>Change in net position</b>	<b>93,346,174</b>	<b>174,020,882</b>	<b>267,367,056</b>
<b>Net position - January 1, 2016</b>	<b>\$ 88,387,744</b>	<b>\$ 185,954,057</b>	<b>\$ 274,341,801</b>

**CITY OF OSHKOSH, WISCONSIN**  
Management's Discussion and Analysis  
December 31, 2015

City of Oshkosh's Change in Net Position			
	Governmental Activities 2015	Business-type Activities 2015	Total 2015
<b>Revenues:</b>			
Program revenues:	\$ 12,088,046	\$ 36,829,536	\$ 48,917,582
Charges for services	6,414,312	2,988,658	9,402,970
Operating grants and contributions	3,898,785	2,282,249	6,181,034
Capital grants and contributions	40,569,018	748,125	41,317,143
General revenues	12,165,208	-	12,165,208
Property and other taxes	528,612	(13,041)	515,571
Grants and contributions not restricted to specific programs	75,663,981	42,835,527	118,499,508
Other	-	-	-
<b>Total revenues</b>	<b>6,877,632</b>	<b>-</b>	<b>6,877,632</b>
<b>Expenses:</b>			
General government	27,496,737	-	27,496,737
Public safety	16,804,792	-	16,804,792
Public works	942,326	-	942,326
Health and welfare	8,886,775	-	8,886,775
Park and recreation	731,434	-	731,434
Transportation	8,546,791	-	8,546,791
Community development	858,234	-	858,234
Unclassified	3,958,629	-	3,958,629
Interest of long-term debt	-	4,737,860	4,737,860
Transit utility	-	10,564,852	10,564,852
Water utility	-	10,526,101	10,526,101
Sewer utility	-	5,808,799	5,808,799
Storm water utility	-	2,331,609	2,331,609
Other	75,103,350	33,969,221	109,072,571
<b>Total expenses</b>	<b>988,173</b>	<b>(988,173)</b>	<b>-</b>
Transfers	74,115,177	34,957,394	109,072,571
<b>Total expenses and transfers</b>	<b>1,548,804</b>	<b>7,878,133</b>	<b>9,426,937</b>
<b>Change in net position</b>	<b>91,797,370</b>	<b>166,142,749</b>	<b>257,940,119</b>
<b>Net position - January 1, 2015</b>	<b>\$ 93,346,174</b>	<b>\$ 174,020,882</b>	<b>\$ 267,367,056</b>

• Property and other taxes decreased by \$641,768 (1.6%) in 2016 and decreased by \$754,315 (1.8%) in 2015.

**Financial Analysis of the City's Funds**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of December 31, 2016 and 2015, the City's governmental funds reported combined ending fund balances of \$44,005,326 and \$52,954,373, a decrease of \$8,949,047 in 2016 and a decrease of \$2,925,019 in 2015. Of the total fund balance, \$(3,966,782) and \$(803,690) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is nonspendable, restricted, committed or assigned to indicate that it is not available for new spending because it has already been committed as follows:

City of Oshkosh's Governmental Fund Balances		2016	2015
Nonspendable		\$ 46,778	\$ 17,259
Inventories and prepaid items		8,022,157	13,302,738
Receivables from other funds		8,068,935	13,319,997
Total nonspendable		\$ 4,891,747	\$ 7,255,154
Restricted for		2,251,808	2,361,472
Construction of assets		6,169,377	5,676,076
Debt service		9,717,845	9,437,194
Special purposes		23,030,777	24,729,896
Trust agreements		1,786,878	1,948,928
Total restricted		\$ 15,083,683	\$ 13,759,242
Committed to		1,835	-
Special purposes		15,085,518	13,759,242
Assigned to		-	-
Construction of assets		-	-
Subsequent year's budget		-	-
Total assigned		\$ -	\$ -

Details of these fund balance categories can be found in Note A-4.k.

The general fund is the chief operating fund of the City. At the end of 2016 and 2015, unassigned fund balance of the general fund was \$8,427,707 and \$8,540,127, respectively, while total fund balance reached \$9,461,979 and \$9,037,575, respectively. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance to total fund expenditures. Unassigned fund balance represents 20% and 22% of total general fund expenditures.

The fund balance of the City's general fund increased by \$424,404 in 2016 and decreased by \$239,818 in 2015.

The debt service fund has a total fund balance of \$760,004 and \$976,051, a decrease of \$216,047 in 2016 and a decrease of \$560,783 in 2015.

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

Unrestricted net position of the proprietary funds at the end of the 2016 and 2015 amounted to \$33,991,810 and \$35,395,885, respectively. Net position increased \$11,933,175 in 2016 and \$7,878,133 in 2015.

Other factors concerning the finances of these funds have already been addressed in the discussion of the City's business-type activities.

**General Fund Budgetary Highlights**

Generally the original budget is rarely modified.

During 2016 actual revenues were less than budgeted revenues by \$300,593, primarily in public charges for services. Actual expenditures were less than budgeted by \$724,997, which left a total budget unspent of \$424,404.

During 2015 actual revenues were less than budgeted revenues by \$54,872, primarily in public charges for services. Actual expenditures were equal to modified budgeted, but this was offset by other financing sources being over budget by \$137,345, leaving a total budget overage of \$192,217.

**Capital Asset and Debt Administration**

**Capital assets.** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2016 and 2015, amounted to \$445,936,311 and \$422,642,492 (net of accumulated depreciation), respectively. This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, public domain infrastructure (highways and bridges) and construction in progress. The City's capital assets increased by \$23,293,819 or 6% for 2016 and increased by \$20,788,795 or 5% for 2015.

Major capital asset acquired or constructed during the years ended 2016 and 2015 include:

- The governmental activities include constructed streets in the amount of \$4,790,034 and \$5,234,912, purchased land in the amount of \$0 and \$0, vehicles in the amount of \$2,834,105 and \$568,437, and building improvements and contents in the amount of \$2,520,940 and \$21,012,441, respectively.
- The business-type activities purchased additional land and improvements in the amount of \$0 and \$1,965,379, and improvements to water, sewer and storm water utilities in the amount of \$23,454,373 and \$22,398,085, respectively.

	City of Oshkosh's Capital Assets		Total 2016
	Governmental Activities 2016	Business-type Activities 2016	
Land	\$ 20,011,147	\$ 13,648,461	\$ 33,659,608
Construction in progress	2,606,129	13,067,339	15,673,468
Buildings and systems	49,647,286	256,764,054	306,411,340
Machinery and equipment	24,786,499	15,783,291	40,569,790
Infrastructure	49,622,105	-	49,622,105
Total	\$ 146,673,166	\$ 299,263,145	\$ 445,936,311

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City of Oshkosh's Capital Assets			
	Governmental Activities 2015	Business-type Activities 2015	Total 2015
Land	\$ 20,011,147	\$ 13,648,460	\$ 33,659,607
Construction in progress	9,748,972	9,598,478	19,347,450
Buildings and systems	50,679,119	244,930,797	295,609,916
Machinery and equipment	22,589,933	10,828,798	33,418,731
Infrastructure	40,606,788	-	40,606,788
<b>Total</b>	<b>\$ 143,635,959</b>	<b>\$ 279,006,533</b>	<b>\$ 422,642,492</b>

**Long-term debt.** At the end of 2016 and 2015, the City had total bonded debt outstanding of \$305,908,488 and \$292,710,805, respectively. Of this amount, \$138,876,319 and \$145,510,531, respectively, comprises debt backed by the full faith and credit of the government. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of Oshkosh's Outstanding Debt			
	Governmental Activities 2016	Business-type Activities 2016	Total 2016
General obligation debt:			
Bonds and notes	\$ 113,290,096	\$ 25,586,223	\$ 138,876,319
Total general obligation debt	113,290,096	25,586,223	138,876,319
Revenue bonds	-	167,032,169	167,032,169
<b>Total</b>	<b>\$ 113,290,096</b>	<b>\$ 192,618,392</b>	<b>\$ 305,908,488</b>

City of Oshkosh's Outstanding Debt			
	Governmental Activities 2015	Business-type Activities 2015	Total 2015
General obligation debt:			
Bonds and notes	\$ 116,700,957	\$ 28,709,574	\$ 145,410,531
Total general obligation debt	116,700,957	28,709,574	145,410,531
Revenue bonds	-	147,300,274	147,300,274
<b>Total</b>	<b>\$ 116,700,957</b>	<b>\$ 176,009,848</b>	<b>\$ 292,710,805</b>

The City's total debt increased by \$13,197,683 (4.5%) in 2016 and by \$17,065,010 (6.2%) in 2015.

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The City maintains an Aa3 rating from Moody's Investors Service for its general obligation debt as of December 31, 2016. The water utility and sewer utility both maintain an Aa3 rating, while the storm water utility maintains an A1 rating from Moody's Investors Service for their respective revenue bonds as of December 31, 2016.

State statutes limit the amount of general obligation debt the City may issue to 5% of its total equalized valuation. The debt limitation for 2016 and 2015 for the City was \$188,811,265 and \$187,182,250, respectively, which is significantly in excess of the City's \$138,876,319 and \$145,410,531 outstanding general obligation debt.

**Economic Factors and Next Year's Budgets and Rates**

- The economic condition and outlook of the City has remained fairly stable based on a relatively healthy mix of manufacturing, tourism, service industry and retail activities which support our tax base.
- Inflationary trends in our region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2017 fiscal year.

**Contacting the City's Financial Management**

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Oshkosh Finance Office, P. O. Box 1130, Oshkosh, Wisconsin 54903-1130.



**CITY OF OSHKOSH, WISCONSIN**  
Statement of Net Position  
December 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Redevelopment Authority
<b>ASSETS</b>				
Cash and investments	\$ 54,143,118	\$ 29,129,055	\$ 83,272,173	\$ 136,943
Receivables				
Accounts, net	2,113,624	12,150,005	14,263,629	-
Taxes	42,607,643	887,524	43,495,167	-
Special assessments	9,761,176	-	9,761,176	-
Loans	3,973,736	-	3,973,736	-
Internal balances	(2,508,734)	2,508,734	-	-
Due from other governments	207,766	357,774	565,540	-
Property held for resale	-	6,653,016	6,653,016	-
Inventories and prepaid items	46,778	2,616,210	2,662,988	-
Deposit with GO HNI	200,000	-	200,000	-
Restricted assets				
Cash and investments	-	31,949,679	31,949,679	-
Capital assets				
Land and construction in progress	22,617,276	26,715,800	49,333,076	17,720,778
Other capital assets, net of accumulated depreciation	124,055,890	272,547,345	396,603,235	-
<b>TOTAL ASSETS</b>	<b>257,218,273</b>	<b>385,515,142</b>	<b>642,733,415</b>	<b>17,857,721</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred charge on refunding	544,262	331,795	876,057	-
Deferred outflows related to pension	24,665,257	4,026,812	28,692,069	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>25,209,519</b>	<b>4,358,607</b>	<b>29,568,126</b>	<b>-</b>
<b>LIABILITIES</b>				
Accounts payable	4,704,432	1,795,586	6,500,018	-
Accrued expenses	1,779,629	1,000,000	2,779,629	-
Accrued interest payable	725,496	1,447,616	2,173,112	-
Due to other governments	3,818,736	-	3,818,736	-
Unearned revenues	76,000	25,994	101,994	-
Deposits	1,514,273	18,400	1,532,673	-
Long-term obligations				
Due within one year	11,658,256	21,453,093	33,111,349	-
Due in more than one year	108,043,958	175,053,553	283,097,511	-
Net pension liability	4,429,914	714,289	5,144,203	-
Other post-employment benefits	5,375,052	-	5,375,052	-
<b>TOTAL LIABILITIES</b>	<b>142,125,746</b>	<b>201,508,531</b>	<b>343,634,277</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property taxes levied for subsequent year	42,537,467	887,524	43,424,991	-
Deferred gain on refunding	54,157	20,426	74,583	-
Deferred inflows related to pension	9,322,678	1,503,211	10,825,889	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>51,914,302</b>	<b>2,411,161</b>	<b>54,325,463</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	39,752,753	120,012,568	159,765,321	17,720,778
Restricted for				
Construction of assets	4,891,747	2,050,446	6,942,193	-
Debt service	1,526,312	29,899,233	31,425,545	-
Special purposes	6,169,377	-	6,169,377	-
Trust agreements	9,717,845	-	9,717,845	-
Unrestricted	26,329,710	33,991,810	60,321,520	136,943
<b>TOTAL NET POSITION</b>	<b>\$ 88,387,744</b>	<b>\$ 185,954,057</b>	<b>\$ 274,341,801</b>	<b>\$ 17,857,721</b>

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

**CITY OF OSHKOSH, WISCONSIN**  
Statement of Activities  
For the Year Ended December 31, 2016

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary government:</b>				
<b>Governmental Activities</b>				
General government	\$ 7,798,046	\$ 1,438,721	\$ -	\$ -
Public safety	27,967,136	3,275,667	484,529	45,775
Public works	15,386,290	4,318,592	3,418,369	2,685,740
Health and welfare	930,952	197,444	146,191	-
Parks and recreation	8,785,030	1,328,326	434,483	-
Transportation	1,092,783	74,052	-	-
Community development	14,892,738	1,160,765	1,447,686	-
Unclassified	662,548	-	-	-
Interest on debt	3,849,290	-	-	-
<b>Total Governmental Activities</b>	<b>81,364,813</b>	<b>11,793,567</b>	<b>5,931,258</b>	<b>2,731,515</b>
<b>Business-type Activities</b>				
Transit utility	4,809,392	1,153,149	2,958,089	-
Water utility	10,892,066	14,445,314	-	971,368
Sewer utility	10,825,702	12,601,254	-	659,933
Storm water utility	6,312,063	8,762,387	43,175	2,553,663
Other	3,350,343	3,771,400	-	23,181
<b>Total Business-type Activities</b>	<b>36,189,566</b>	<b>40,733,504</b>	<b>3,001,264</b>	<b>4,208,145</b>
<b>Total primary government</b>	<b>\$ 117,554,379</b>	<b>\$ 52,527,071</b>	<b>\$ 8,932,522</b>	<b>\$ 6,939,660</b>
<b>Component unit:</b>				
Redevelopment authority	\$ 398,508	\$ -	\$ -	\$ -

General revenues  
Property taxes, levied for general purposes  
Property taxes, levied for debt service  
Property taxes, levied for capital projects  
Other taxes  
State and federal aids not restricted to specific functions  
Investment return  
Gain on sale of capital assets  
Miscellaneous  
Transfers  
Total general revenues and transfers

Change in net position

Net position - January 1

Net position - December 31

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Redevelopment Authority
\$ (6,359,325)	\$ -	\$ (6,359,325)	\$ -
(24,161,165)	-	(24,161,165)	-
(4,963,589)	-	(4,963,589)	-
(587,317)	-	(587,317)	-
(7,022,221)	-	(7,022,221)	-
(1,018,731)	-	(1,018,731)	-
(12,284,287)	-	(12,284,287)	-
(662,548)	-	(662,548)	-
(3,849,290)	-	(3,849,290)	-
<u>(60,908,473)</u>	<u>-</u>	<u>(60,908,473)</u>	<u>-</u>
-	(698,154)	(698,154)	-
-	4,524,616	4,524,616	-
-	2,435,485	2,435,485	-
-	5,047,162	5,047,162	-
-	444,238	444,238	-
<u>-</u>	<u>11,753,347</u>	<u>11,753,347</u>	<u>-</u>
<u>(60,908,473)</u>	<u>11,753,347</u>	<u>(49,155,126)</u>	<u>-</u>
-	-	-	(398,508)
16,540,825	843,391	17,384,216	-
9,851,809	-	9,851,809	-
13,070,856	-	13,070,856	-
368,494	-	368,494	-
13,286,136	-	13,286,136	-
1,351,658	288,022	1,639,680	9
18,075	33,670	51,745	-
476,935	-	476,935	6,108,674
985,255	(985,255)	-	-
<u>55,950,043</u>	<u>179,828</u>	<u>56,129,871</u>	<u>6,108,683</u>
(4,958,430)	11,933,175	6,974,745	5,710,175
<u>93,346,174</u>	<u>174,020,882</u>	<u>267,367,056</u>	<u>12,147,546</u>
<u>\$ 88,387,744</u>	<u>\$ 185,954,057</u>	<u>\$ 274,341,801</u>	<u>\$ 17,857,721</u>

**CITY OF OSHKOSH, WISCONSIN**

Balance Sheet  
Governmental Funds  
December 31, 2016

	General	Debt Service	Special Assessment Improvement	TIF #7 SW Industrial Park
<b>ASSETS</b>				
Cash and investments	\$ 9,978,424	\$ -	\$ -	\$ -
Receivables				
Taxes	17,591,676	10,323,676	-	3,885,410
Special assessments	467,267	-	9,293,909	-
Accounts, net	1,884,441	-	4,091	-
Loans	-	-	-	-
Due from other funds	505,468	3,656,525	-	7,036,498
Due from other governments	207,766	-	-	-
Inventories and prepaid items	46,778	-	-	-
Deposit with GO HNI	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 30,681,820</b>	<b>\$ 13,980,201</b>	<b>\$ 9,298,000</b>	<b>\$ 10,921,908</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 319,663	\$ -	\$ 52	\$ -
Accrued payroll liabilities	2,505,794	-	-	-
Due to other funds	870,104	2,896,521	4,638,361	-
Due to other governments	-	-	-	-
Unearned revenues	-	-	-	-
Deposits	2,780	-	1,312,901	-
<b>Total Liabilities</b>	<b>3,698,341</b>	<b>2,896,521</b>	<b>5,951,314</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>				
Property taxes levied for subsequent year	17,521,500	10,323,676	-	3,885,410
Special assessments	-	-	9,220,515	-
<b>Total Deferred Inflows of Resources</b>	<b>17,521,500</b>	<b>10,323,676</b>	<b>9,220,515</b>	<b>3,885,410</b>
<b>Fund Balances</b>				
<b>Nonspendable</b>				
Inventories and prepaid items	46,778	-	-	-
Receivables from other funds	985,659	-	-	7,036,498
<b>Restricted for</b>				
Construction of assets	-	-	-	-
Debt service	-	760,004	-	-
Special purposes	-	-	-	-
Trust agreements	-	-	-	-
<b>Committed to</b>				
Special purposes	-	-	-	-
<b>Assigned to</b>				
Construction of assets	-	-	-	-
Subsequent year's budget	1,835	-	-	-
Unassigned	8,427,707	-	(5,873,829)	-
<b>Total Fund Balances (Deficit)</b>	<b>9,461,979</b>	<b>760,004</b>	<b>(5,873,829)</b>	<b>7,036,498</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 30,681,820</b>	<b>\$ 13,980,201</b>	<b>\$ 9,298,000</b>	<b>\$ 10,921,908</b>

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

Other Governmental Funds	Total Governmental Funds
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\$ 41,288,809	\$ 51,267,233
10,788,481	42,589,243
-	9,761,176
208,150	2,096,682
3,973,736	3,973,736
1,279,790	12,478,281
-	207,766
-	46,778
200,000	200,000
<u>\$ 57,738,966</u>	<u>\$ 122,620,895</u>

\$ 3,654,454	\$ 3,974,169
-	2,505,794
6,582,029	14,987,015
3,818,736	3,818,736
76,000	76,000
198,592	1,514,273
<u>14,329,811</u>	<u>26,875,987</u>

10,788,481	42,519,067
-	9,220,515
<u>10,788,481</u>	<u>51,739,582</u>

-	46,778
-	8,022,157
4,891,747	4,891,747
1,491,804	2,251,808
6,169,377	6,169,377
9,717,845	9,717,845
1,786,878	1,786,878
15,083,683	15,083,683
-	1,835
(6,520,660)	(3,966,782)
<u>32,620,674</u>	<u>44,005,326</u>

<u>\$ 57,738,966</u>	<u>\$ 122,620,895</u>
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**CITY OF OSHKOSH, WISCONSIN**

Balance Sheet (Continued)

Governmental Funds

December 31, 2016

Reconciliation to the Statement of Net Position

Total Fund Balance - Total Governmental Funds \$ 44,005,326

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds. 146,673,166

Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds. Special assessments account for this difference. 9,220,515

Internal service funds are used by management to charge the costs of certain activities, such as risk management to individual funds. The assets, liabilities and deferred inflows of resources of the internal services funds are included in governmental activities in the statement of net position. 2,888,729

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

Deferred outflows of resources	\$ 24,665,257	
Net pension liability	(4,429,914)	
Deferred inflows of resources	<u>(9,322,678)</u>	10,912,665

Long-term liabilities, including bonds and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. The details of this difference are as follows:

Bonds and notes payable	\$ (113,290,096)	
Premium on debt issued	(2,059,579)	
Deferred charges on debt refundings	544,262	
Deferred gain on debt refundings	(54,157)	
Employee benefits	(9,727,591)	
Accrued interest on long-term obligations	<u>(725,496)</u>	<u>(125,312,657)</u>

Net Position of Governmental Activities \$ 88,387,744

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

**CITY OF OSHKOSH, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2016

	General	Debt Service	Special Assessment Improvement	TIF #7 SW Industrial Park	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	\$ 16,464,319	\$ 9,851,809	\$ -	\$ 3,658,295	\$ 9,704,201	\$ 39,678,624
Special assessments	-	-	1,609,469	-	135,660	1,745,129
Intergovernmental	15,752,591	-	-	105,220	3,161,113	19,018,924
Licenses and permits	854,176	-	-	-	515	854,691
Fines and forfeits	686,098	-	-	-	11,739	697,837
Public charges for services	2,948,359	-	-	-	1,246,247	4,194,606
Intergovernmental charges for services	4,432,013	-	-	-	-	4,432,013
Miscellaneous	779,651	37,637	-	-	3,078,635	3,895,923
<b>Total Revenues</b>	<b>41,917,207</b>	<b>9,889,446</b>	<b>1,609,469</b>	<b>3,763,515</b>	<b>17,338,110</b>	<b>74,517,747</b>
<b>Expenditures</b>						
<b>Current</b>						
General government	6,360,784	-	-	-	-	6,360,784
Public safety	25,736,807	-	-	-	193,528	25,930,335
Public works	5,758,707	-	-	-	3,134,758	8,893,465
Health and welfare	-	-	-	-	897,614	897,614
Parks and recreation	2,000,798	-	-	-	5,287,130	7,287,928
Transportation	677,920	-	-	-	-	677,920
Community development	1,314,384	-	-	8,234	5,865,205	7,187,823
Unclassified	636,998	-	-	-	-	636,998
<b>Debt service</b>						
Principal	-	28,046,331	-	-	5,079,769	33,126,100
Interest and fiscal charges	6,405	3,259,909	-	-	970,173	4,236,487
Capital outlay	-	-	2,845,886	-	17,107,756	19,953,642
<b>Total Expenditures</b>	<b>42,492,803</b>	<b>31,306,240</b>	<b>2,845,886</b>	<b>8,234</b>	<b>38,535,933</b>	<b>115,189,096</b>
<b>Excess of Revenues Over (Under)</b>						
Expenditures	(575,596)	(21,416,794)	(1,236,417)	3,755,281	(21,197,823)	(40,671,349)
<b>Other Financing Sources (Uses)</b>						
Long-term debt issued	-	20,178,939	-	-	9,536,300	29,715,239
Premium on long-term debt issued	-	1,021,808	-	-	-	1,021,808
Transfers in	1,000,000	-	-	-	11,858,979	12,858,979
Transfers out	-	-	-	(11,456,350)	(417,374)	(11,873,724)
<b>Total Other Financing Sources (Uses)</b>	<b>1,000,000</b>	<b>21,200,747</b>	<b>-</b>	<b>(11,456,350)</b>	<b>20,977,905</b>	<b>31,722,302</b>
<b>Net Change in Fund Balances</b>	<b>424,404</b>	<b>(216,047)</b>	<b>(1,236,417)</b>	<b>(7,701,069)</b>	<b>(219,918)</b>	<b>(8,949,047)</b>
<b>Fund Balances (Deficit) - January 1</b>	<b>9,037,575</b>	<b>976,051</b>	<b>(4,637,412)</b>	<b>14,737,567</b>	<b>32,840,592</b>	<b>52,954,373</b>
<b>Fund Balances (Deficit) - December 31</b>	<b>\$ 9,461,979</b>	<b>\$ 760,004</b>	<b>\$ (5,873,829)</b>	<b>\$ 7,036,498</b>	<b>\$ 32,620,674</b>	<b>\$ 44,005,326</b>

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

**CITY OF OSHKOSH, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)  
Governmental Funds  
December 31, 2016

Reconciliation of the Statement of Activities

Net Change in Fund Balances - Total Governmental Funds \$ (8,949,047)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay reported in governmental fund statements	\$ 12,790,947	
Depreciation expense reported in the statement of activities	<u>(9,753,740)</u>	
Amount by which capital outlays are greater than depreciation in current period		3,037,207

Change in the net pension liability (asset) and related deferred outflows/inflows of resources as a result of employer contributions, changes in assumptions and proportionate share and the difference between the expected and actual experience of the pension plan (2,726,578)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the internal service funds is reported with governmental activities. (107,314)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 917,232

Certain employee benefits are reported in the governmental funds when amounts are paid. The statement of activities reports the value of benefits earned during the year. This year the accrual of these benefits decreased by: 93,820

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items, detailed as follows:

Issuance of general obligation debt	\$ (29,715,239)	
Net change in premiums on debt issued	(903,074)	
Deferred charge (gain) on debt refunding	(39,729)	
Principal paid on long-term debt	<u>33,126,100</u>	
Net adjustment		2,468,058

Interest payments on outstanding debt are reported in the governmental funds as an expenditure when paid, in the statement of activities interest is reported as it accrues. This year the accrual of interest increased by: 308,192

Change in Net Position of Governmental Activities \$ (4,958,430)

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



**CITY OF OSHKOSH, WISCONSIN**  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
General Fund  
For the Year Ended December 31, 2016

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 16,422,600	\$ 16,422,600	\$ 16,464,319	\$ 41,719
Intergovernmental	15,677,100	15,677,100	15,752,591	75,491
Licenses and permits	973,400	973,400	854,176	(119,224)
Fines and forfeits	719,400	719,400	686,098	(33,302)
Public charges for services	4,011,800	3,343,500	2,948,359	(395,141)
Intergovernmental charges for services	3,916,800	4,585,100	4,432,013	(153,087)
Miscellaneous	496,700	496,700	779,651	282,951
<b>Total Revenues</b>	<b>42,217,800</b>	<b>42,217,800</b>	<b>41,917,207</b>	<b>(300,593)</b>
<b>Expenditures</b>				
<b>Current</b>				
General government	6,435,400	6,435,400	6,360,784	74,616
Public safety	25,371,500	25,371,500	25,736,807	(365,307)
Public works	6,217,200	6,217,200	5,758,707	458,493
Parks and recreation	2,065,700	2,065,700	2,000,798	64,902
Transportation	718,900	718,900	677,920	40,980
Community development	1,376,000	1,376,000	1,314,384	61,616
Unclassified	1,033,100	1,033,100	636,998	396,102
<b>Debt service</b>				
Interest and fiscal charges	-	-	6,405	(6,405)
<b>Total Expenditures</b>	<b>43,217,800</b>	<b>43,217,800</b>	<b>42,492,803</b>	<b>724,997</b>
<b>Excess of Revenues Under Expenditures</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>	<b>(575,596)</b>	<b>424,404</b>
<b>Other Financing Sources</b>				
Transfers in	1,000,000	1,000,000	1,000,000	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>-</b>	<b>424,404</b>	<b>424,404</b>
<b>Fund Balance - January 1</b>	<b>9,037,575</b>	<b>9,037,575</b>	<b>9,037,575</b>	<b>-</b>
<b>Fund Balance - December 31</b>	<b>\$ 9,037,575</b>	<b>\$ 9,037,575</b>	<b>\$ 9,461,979</b>	<b>\$ 424,404</b>

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

**CITY OF OSHKOSH, WISCONSIN**

Statement of Net Position

Proprietary Funds

December 31, 2016

	Enterprise Funds		
	Transit Utility	Water Utility	Sewer Utility
<b>ASSETS</b>			
Current Assets			
Cash and investments	\$ 2,131,984	\$ 12,407,641	\$ 3,175,708
Receivables			
Accounts	315,081	4,610,462	4,286,694
Taxes	887,524	-	-
Due from other funds	-	1,628,092	9,330,422
Due from other governments	357,774	-	-
Property held for resale	-	-	-
Inventories and prepaid items	589,943	1,180,598	640,703
Total Current Assets	<u>4,282,306</u>	<u>19,826,793</u>	<u>17,433,527</u>
Restricted Assets			
Cash and investments	-	17,655,057	9,563,045
Capital Assets			
Land and construction in progress	367,811	1,506,155	8,845,894
Other capital assets, net of accumulated depreciation	2,636,631	91,949,759	87,753,469
Total Capital Assets, net	<u>3,004,442</u>	<u>93,455,914</u>	<u>96,599,363</u>
<b>TOTAL ASSETS</b>	<u>7,286,748</u>	<u>130,937,764</u>	<u>123,595,935</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	-	120,482	211,313
Pension related deferred outflows	1,011,686	1,164,331	1,234,032
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,011,686</u>	<u>1,284,813</u>	<u>1,445,345</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	158,741	538,850	605,423
Accrued expenses	11,569	1,697,420	325,339
Due to other funds	-	1,447,148	2,637,212
Unearned revenues	3,705	-	-
Special deposits	-	-	13,400
Current portion of long-term obligations	113,366	13,298,243	3,895,750
Total Current Liabilities	<u>287,381</u>	<u>16,981,661</u>	<u>7,477,124</u>
Noncurrent Liabilities			
Employee benefits	157,539	272,295	239,371
Long-term debt	999,261	53,434,440	53,108,007
Net pension liability	181,202	207,869	221,007
Total Noncurrent Liabilities	<u>1,338,002</u>	<u>53,914,604</u>	<u>53,568,385</u>
<b>TOTAL LIABILITIES</b>	<u>1,625,383</u>	<u>70,896,265</u>	<u>61,045,509</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property taxes levied for subsequent year	887,524	-	-
Deferred gain on refunding	-	5,966	14,460
Pension related deferred inflows	381,336	437,457	465,106
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<u>1,268,860</u>	<u>443,423</u>	<u>479,566</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,381,815	35,182,747	45,398,841
Restricted			
Debt service	-	17,515,995	7,651,661
Capital improvements	-	139,062	1,911,384
Unrestricted	<u>3,022,376</u>	<u>8,045,085</u>	<u>8,554,319</u>
<b>TOTAL NET POSITION</b>	<u>\$ 5,404,191</u>	<u>\$ 60,882,889</u>	<u>\$ 63,516,205</u>

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

Enterprise Funds (Continued)			Internal Service Funds
Storm Water Utility	Nonmajor Enterprise Funds	Total	
\$ 10,509,107	\$ 904,615	\$ 29,129,055	\$ 2,875,885
2,824,956	112,812	12,150,005	16,942
-	-	887,524	18,400
194,658	-	11,153,172	-
-	-	357,774	-
-	6,653,016	6,653,016	-
179,654	25,312	2,616,210	-
<u>13,708,375</u>	<u>7,695,755</u>	<u>62,946,756</u>	<u>2,911,227</u>
4,731,577	-	31,949,679	-
10,100,667	5,895,273	26,715,800	-
81,965,921	8,241,565	272,547,345	-
<u>92,066,588</u>	<u>14,136,838</u>	<u>299,263,145</u>	-
110,506,540	21,832,593	394,159,580	2,911,227
-	-	331,795	-
465,611	151,152	4,026,812	-
<u>465,611</u>	<u>151,152</u>	<u>4,358,607</u>	-
221,860	270,712	1,795,586	4,098
404,054	9,234	2,447,616	-
1,229,382	3,330,696	8,644,438	-
-	22,289	25,994	-
-	5,000	18,400	-
3,583,114	562,620	21,453,093	-
<u>5,438,410</u>	<u>4,200,551</u>	<u>34,385,127</u>	<u>4,098</u>
70,227	68,886	808,318	-
64,938,527	1,765,000	174,245,235	-
82,843	21,368	714,289	-
<u>65,091,597</u>	<u>1,855,254</u>	<u>175,767,842</u>	-
70,530,007	6,055,805	210,152,969	4,098
-	-	887,524	18,400
-	-	20,426	-
174,342	44,970	1,503,211	-
<u>174,342</u>	<u>44,970</u>	<u>2,411,161</u>	<u>18,400</u>
23,734,947	13,314,218	120,012,568	-
4,731,577	-	29,899,233	-
-	-	2,050,446	-
11,801,278	2,568,752	33,991,810	2,888,729
<u>\$ 40,267,802</u>	<u>\$ 15,882,970</u>	<u>\$ 185,954,057</u>	<u>\$ 2,888,729</u>

**CITY OF OSHKOSH, WISCONSIN**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2016

	Enterprise Funds		
	Transit Utility	Water Utility	Sewer Utility
Operating Revenues			
Public charges for services	\$ 895,072	\$ 14,295,390	\$ 12,585,530
Intergovernmental charges for services	-	-	-
Taxes	-	-	-
Fines, forfeitures and penalties	-	-	-
Other revenues	258,077	149,924	15,724
Total Operating Revenues	<u>1,153,149</u>	<u>14,445,314</u>	<u>12,601,254</u>
Operating Expenses			
Operating and maintenance	4,340,735	5,540,506	5,815,792
Depreciation and amortization	403,713	3,106,445	3,246,437
Taxes	-	143,730	148,085
Claims and administration	-	-	-
Total Operating Expenses	<u>4,744,448</u>	<u>8,790,681</u>	<u>9,210,314</u>
Operating Income (Loss)	<u>(3,591,299)</u>	<u>5,654,633</u>	<u>3,390,940</u>
Nonoperating Revenues (Expenses)			
Taxes	843,391	-	-
Intergovernmental revenues	2,958,089	-	-
Investment return	-	93,769	107,394
Gain on disposal of capital assets	-	-	-
Interest and fiscal charges	(64,944)	(2,101,385)	(1,615,388)
Total Nonoperating Revenues (Expenses)	<u>3,736,536</u>	<u>(2,007,616)</u>	<u>(1,507,994)</u>
Income (Loss) Before Transfers and Contributed Capital	145,237	3,647,017	1,882,946
Transfers in	-	-	-
Transfers out	-	(1,000,000)	-
Contributed capital	-	971,368	659,933
Change in Net Position	145,237	3,618,385	2,542,879
Net Position - January 1	<u>5,258,954</u>	<u>57,264,504</u>	<u>60,973,326</u>
Net Position - December 31	<u>\$ 5,404,191</u>	<u>\$ 60,882,889</u>	<u>\$ 63,516,205</u>

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

Enterprise Funds (Continued)			Internal Service Funds
Storm Water Utility	Nonmajor Enterprise Funds	Total	
\$ 8,747,443	\$ 1,678,878	\$ 38,202,313	\$ -
-	-	-	63,775
-	1,778,012	1,778,012	-
-	33,633	33,633	-
14,944	280,877	719,546	436,468
<u>8,762,387</u>	<u>3,771,400</u>	<u>40,733,504</u>	<u>500,243</u>
2,117,352	2,965,867	20,780,252	-
1,776,023	308,384	8,841,002	-
60,485	-	352,300	-
-	-	-	634,662
<u>3,953,860</u>	<u>3,274,251</u>	<u>29,973,554</u>	<u>634,662</u>
<u>4,808,527</u>	<u>497,149</u>	<u>10,759,950</u>	<u>(134,419)</u>
-	-	843,391	17,700
43,175	-	3,001,264	-
86,840	19	288,022	9,405
-	33,670	33,670	-
<u>(2,358,203)</u>	<u>(76,092)</u>	<u>(6,216,012)</u>	<u>-</u>
<u>(2,228,188)</u>	<u>(42,403)</u>	<u>(2,049,665)</u>	<u>27,105</u>
2,580,339	454,746	8,710,285	(107,314)
-	14,745	14,745	-
-	-	(1,000,000)	-
<u>2,553,663</u>	<u>23,181</u>	<u>4,208,145</u>	<u>-</u>
5,134,002	492,672	11,933,175	(107,314)
<u>35,133,800</u>	<u>15,390,298</u>	<u>174,020,882</u>	<u>2,996,043</u>
<u>\$ 40,267,802</u>	<u>\$ 15,882,970</u>	<u>\$ 185,954,057</u>	<u>\$ 2,888,729</u>

**CITY OF OSHKOSH, WISCONSIN**  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2016

	Enterprise Funds		
	Transit Utility	Water Utility	Sewer Utility
<b>Cash Flows from Operating Activities</b>			
Cash received from customers	\$ 1,170,788	\$ 14,250,018	\$ 12,384,462
Cash payments to suppliers	(1,695,860)	(2,651,894)	(1,758,740)
Cash payments to employees	(2,475,981)	(2,730,113)	(4,126,466)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>(3,001,053)</b>	<b>8,868,011</b>	<b>6,499,256</b>
<b>Cash Flows from Non-Capital Financing Activities</b>			
Property taxes received	843,391	-	-
Transfer from other funds	-	-	-
Transfer to other funds	-	(1,000,000)	-
Employee advances repaid	-	15,154	-
Operating grants received	2,822,698	-	-
<b>Net Cash Provided (Used) by Non-Capital Financing Activities</b>	<b>3,666,089</b>	<b>(984,846)</b>	<b>-</b>
<b>Cash Flows from Capital and Related Financing Activities</b>			
Acquisition of capital assets	(486,067)	(4,438,143)	(12,132,114)
Proceeds from sale of land held for resale	-	-	-
Principal payments on revenue bonds	-	(9,089,578)	(2,278,072)
Principal paid on general obligation debt	(63,186)	(1,033,100)	(1,135,194)
Interest payments on debt	(70,516)	(1,856,947)	(1,509,872)
Revenue bonds issued	-	18,525,000	10,674,545
General obligation debt issued	359,981	14,815	11,265
Premium received on debt issued	-	828,195	198,544
Debt issuance costs	-	(273,903)	(79,070)
Cash received from (paid to) other funds	-	651,016	(6,856,842)
Capital contributions	-	-	174,520
<b>Net Cash Provided (Used) by Capital and Related Financing Activities</b>	<b>(259,788)</b>	<b>3,327,355</b>	<b>(12,932,290)</b>
<b>Cash Flows from Investing Activities</b>			
Investment return	-	93,769	107,394
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	<b>405,248</b>	<b>11,304,289</b>	<b>(6,325,640)</b>
Cash and Cash Equivalents - January 1	1,726,736	18,758,409	19,064,393
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 2,131,984</b>	<b>\$ 30,062,698</b>	<b>\$ 12,738,753</b>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating income (loss)	\$ (3,591,299)	\$ 5,654,633	\$ 3,390,940
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	403,713	3,106,445	3,246,437
Depreciation charged operating accounts	-	116,036	-
Changes in pension assets, liabilities, and related deferred outflows and deferred inflows	122,368	137,382	156,664
Changes in assets and liabilities			
Accounts receivable	15,624	(195,296)	(216,792)
Inventories and prepaids	6,633	84,282	(27,191)
Accounts payable and accrued expenses	26,861	(77,580)	(100,449)
Employee benefits	13,032	42,109	49,647
Unearned revenues and deposits	2,015	-	-
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (3,001,053)</b>	<b>\$ 8,868,011</b>	<b>\$ 6,499,256</b>
<b>Noncash activities</b>			
Contributed capital assets	-	971,368	485,413

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

Enterprise Funds (Continued)			Internal Service Funds
Storm Water Utility	Other Proprietary Funds	Total	
\$ 8,663,377	\$ 4,023,677	\$ 40,492,322	\$ 526,783
(1,314,049)	(1,729,898)	(9,150,441)	(1,443,620)
(1,171,906)	(1,132,203)	(11,636,669)	-
<u>6,177,422</u>	<u>1,161,576</u>	<u>19,705,212</u>	<u>(916,837)</u>
-	-	843,391	17,700
-	14,745	14,745	-
-	-	(1,000,000)	-
-	-	15,154	-
43,175	-	2,865,873	-
<u>43,175</u>	<u>14,745</u>	<u>2,739,163</u>	<u>17,700</u>
(9,996,109)	(65,053)	(27,117,486)	-
-	45,283	45,283	-
(18,570,000)	-	(29,937,650)	-
(714,566)	(563,366)	(3,509,412)	-
(2,331,111)	(78,762)	(5,847,208)	-
20,470,000	-	49,669,545	-
-	-	386,061	-
826,270	-	1,853,009	-
(134,882)	-	(487,855)	-
(494,027)	28,274	(6,671,579)	-
1,937,461	-	2,111,981	-
<u>(9,006,964)</u>	<u>(633,624)</u>	<u>(19,505,311)</u>	<u>-</u>
86,840	19	288,022	9,405
(2,699,527)	542,716	3,227,086	(889,732)
17,940,211	361,899	57,851,648	3,765,617
<u>\$ 15,240,684</u>	<u>\$ 904,615</u>	<u>\$ 61,078,734</u>	<u>\$ 2,875,885</u>
\$ 4,808,527	\$ 497,149	\$ 10,759,950	\$ (134,419)
1,776,023	308,384	8,841,002	-
-	-	116,036	-
56,598	(16,262)	456,750	-
(98,208)	252,277	(242,395)	26,540
(942)	1,432	64,214	-
(398,860)	55,911	(494,117)	(808,958)
34,284	40,396	179,468	-
-	22,289	24,304	-
<u>\$ 6,177,422</u>	<u>\$ 1,161,576</u>	<u>\$ 19,705,212</u>	<u>\$ (916,837)</u>
<u>\$ 616,202</u>	<u>\$ 23,181</u>	<u>\$ 2,096,164</u>	<u>\$ -</u>

**CITY OF OSHKOSH, WISCONSIN**

Statement of Net Position

Fiduciary Funds

December 31, 2016

	Agency Funds	
	Property Taxes	Hospital Bioterrorism
<b>ASSETS</b>		
Cash and cash equivalents	\$ 38,001,381	\$ 4,202
Taxes receivable	21,165,390	-
Accounts receivable	5,612	-
Total assets	<u>\$ 59,172,383</u>	<u>\$ 4,202</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 20,874	\$ -
Due to other governments	59,151,509	4,202
Total liabilities	<u>\$ 59,172,383</u>	<u>\$ 4,202</u>

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



**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

1. **Reporting Entity**

The City of Oshkosh is a municipal corporation governed by an elected seven member council.

In accordance with GAAP, the basic financial statements are required to include the City (the primary government) and any separate component units that have a significant operational or financial relationship with the City. The City has identified the following component unit that is required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

Discretely presented component unit:

The component unit column in the basic financial statements include the financial data of the City's component unit, the Redevelopment Authority of the City of Oshkosh. It is reported in a separate column to emphasize that it is legally separate from the City. The Redevelopment Authority's fiscal year end is December 31. Separate financial statements are not issued for the Redevelopment Authority.

Certain other significant governmental entities, which provide service within the City, are governed by separate boards or commissions and are not accountable to the City. Consequently, financial information for the following entities is not included within the scope of the City's reporting entity and is not included in the City's financial statements.

- School District of Oshkosh Area
- Fox Valley VTAE District
- Housing Authority of the City of Oshkosh

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

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The City reports the following major governmental funds:

GENERAL FUND

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

DEBT SERVICE FUND

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

SPECIAL ASSESSMENT IMPROVEMENTS CAPITAL PROJECTS FUND

This fund accounts for the cost of capital projects and the special assessments and subsequent assessment collections related to those projects.

TIF # 7 SW INDUSTRIAL PARK

This fund accounts for the cost of capital improvements and subsequent tax increment generated from the increase in value within the boundaries of the TIF.

The City reports the following major enterprise funds:

TRANSIT UTILITY FUND

This fund accounts for the operations of a bus transit system for the City of Oshkosh. Financing is provided through user fees, federal and state grants, and general property taxes.

WATER UTILITY FUND

This fund accounts for the construction, operation and maintenance of the City owned water facilities.

SEWER UTILITY FUND

This fund accounts for the construction, operation and maintenance of the City owned sewerage facilities.

STORM WATER UTILITY FUND

This fund accounts for the construction, operation and maintenance of the City owned storm water facilities.

The City also reports the following fund types:

INTERNAL SERVICE FUNDS

These funds account for the financing of goods and services provide by one department to other City departments or to other governments on a cost reimbursement basis.

AGENCY FUND

This fund accounts for the current year tax levy collectible in the subsequent year for the City and in a custodial capacity as an agent on behalf of others.

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

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

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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

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

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

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

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

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

c. Interfund Receivables and Payables

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

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

d. Inventories

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

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

e. Prepaid Items

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

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

f. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$1,500 or higher and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

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

	Years	
	Governmental Activities	Business-Type Activities
Assets		
Buildings, systems and land improvements	30 - 80	25 - 88
Machinery and equipment	1 - 25	10 - 25
Infrastructure	20 - 35	40 - 150

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

9. Compensated Absences  
The City's policy allows employees to earn one day of sick pay per month of service, accumulating to varying maximum amounts. The City's employees also are granted vacation in varying amounts based on length of service. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

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

- In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category, and the first is property taxes. This amount will be recognized as an inflow of resources in the subsequent year for which it was levied. The second is related to the City's proportionate share of the Wisconsin Retirement System pension plan and is deferred and amortized over the expected remaining service lives of the pension plan participants. The third is the deferred gain on refunding resulting from the difference in the carrying value of refunding debt and its reacquisition price. The City also has an additional type of item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source, special assessments. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available.

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

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- k. Net Position and Fund Equity  
Governmental Fund Financial Statements  
The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:
- ! Nonspendable fund balance - Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to be maintained intact.
  - ! Restricted fund balance - Amounts that are constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
  - ! Committed fund balance - Amounts that are constrained to specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
  - ! Assigned fund balance - Amounts that are constrained for specific purposes by action of City management. Residual amounts in any governmental fund, other than the General Fund, are reported as assigned.
  - ! Unassigned fund balance - Amounts that are available for any purpose. Unassigned amounts are reported only in the General Fund, unless the fund has a deficit fund balance.

The City Council establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance or resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund (such as for special incentives). Assigned fund balance is established by the City Council through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes).

Government-wide and Proprietary Fund Statements

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

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Use of Restricted Resources

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the City's policy is to first apply the expense toward restricted resources and then toward unrestricted resources. In governmental funds, the City's policy is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classification – committed and then assigned fund balances before using unassigned fund balances.

Estimates

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

**NOTE B - STEWARDSHIP AND COMPLIANCE**

Budgets and Budgetary Accounting

The City adopted budgets for the General Fund, certain Special Revenue Funds and the Debt Service Fund. These budgets are adopted in accordance with state statutes and are prepared on a basis consistent with generally accepted accounting principles. The budgetary data presented on the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual reflects the original approved budgets of the above funds and subsequent revision authorized by the City's Common Council. Flexible, annual budgets are approved for Proprietary Funds to provide for financial management. Long-term budgets are adopted for Capital Projects Funds.

The following procedures are used in establishing the budgetary data reflected in the financial statements:

- ! In early October, the Finance Director and City Manager submit to the Common Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- ! A public hearing is conducted in the Council Chambers to obtain taxpayer comments.
- ! At the second council meeting in November, the budget is legally enacted through passage of a resolution.
- ! The Finance Director is authorized to transfer budget amounts within departments upon City Manager approval; however, any revisions that alter the total expenditures of any fund must be approved by the Common Council.
- ! Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds (except for Business Improvement District, Cable TV Franchise, Historical Marker, Public Works Special, and Community Traffic Safety) and the Debt Service Fund.
- ! Budgetary expenditure control is exercised at the department level.
- ! Budgeted amounts are as authorized in the original budget resolution and subsequent revisions authorized by the Common Council.
- ! All appropriations lapse at year end.

**NOTE B - STEWARDSHIP AND COMPLIANCE (Continued)**

The City did not have any major violation of legal or contractual provisions for the fiscal year ended December 31, 2016.

Deficit Fund Equity

The following funds had deficit fund equity as of December 31, 2016:

Fund	Equity
Special Revenue Funds	
Cemetery	\$ 9,862
Leach Amphitheater	36,638
Public Works Special Fund	8,071
Garbage Disposal	19,750
Community Traffic Safety Grant	395
Capital Projects Funds	
Special Assessment Improvement	5,873,829
Street Tree	11,377
TIF #13 Marion Road/Pearl Ave.	633
TIF #18 SW Industrial #3	2,062,553
TIF #20 South Side Fox River	287,225
TIF #23 SW Industrial Park	1,014,028
TIF #25 City Center Hotel	1,788,362
TIF #26 Aviation Business Park	1,138,996
TIF #27 North Main Street	87,506
TIF #28 Beach Building Redevelopment	19,242
TIF #29 Morgan District	10,982
TIF #30 Washington Building	15,058
TIF #31 Buckstaff Redevelopment	9,982

The City anticipates funding the above deficits from future revenues and tax levies of the funds.

**NOTE C - DETAILED NOTES ON ALL FUNDS**

Cash and Investments

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

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

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

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

The carrying amount of the City's cash and investments totaled \$153,427,435 on December 31, 2016 as summarized below:

Petty cash funds	\$ 10,035
Deposits with financial institutions	119,278,206
Investments	
Federal Farm Credit	5,277,959
Federal Home Loan Bank	4,623,533
Federal Home Loan Mortgage Corporation	2,922,719
Federal National Mortgage Association	2,078,120
Money market mutual funds	10,140,110
Municipal bonds	455,410
Mutual funds	3,597,672
Oshkosh Community Foundation	3,441,291
Corporate stocks and bonds	1,568,709
Wisconsin local government pool	33,671
	\$ 153,427,435

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	\$ 83,272,173
Cash and investments	31,949,679
Restricted cash and investments	200,000
Deposit with GO HNI	
Fiduciary Funds Statement of Net Position	
Agency fund	38,005,583
	\$ 153,427,435

Fair Value Measurements

The City implemented GASB Statement No. 72, *Fair Value Measurement and Application*, for the year ending December 31, 2016. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2016:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
Federal Farm Credit	-	5,277,959	-
Federal Home Loan Bank	-	4,623,533	-
Federal Home Loan Mortgage	-	2,922,719	-
Federal National Mortgage Assn.	-	2,078,120	-
Mutual funds	13,737,782	-	-
Municipal bonds	-	455,410	-
Negotiable certificates of deposit	-	776,640	-
Oshkosh Community Foundation	-	-	3,441,291
Corporate stocks and bonds	-	1,568,709	-
Total investments by fair value level	\$ 13,737,782	\$ 17,703,090	\$ 3,441,291

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Deposit with Greater Oshkosh Healthy Neighborhood Incorporated (GO HNI):

On September 27, 2016, the City entered into an agreement with Verve Credit Union (Verve) and GO HNI to provide cash collateral in the form of a \$200,000 certificate of deposit (CD) in support of GO HNI's acquisition and rehabilitation of properties within the city. Under the agreement with Verve, GO HNI's real estate development activities will draw on a line of credit for the acquisition, rehabilitation and renovations as projects require. Verve required cash collateral for the line of credit, which GO HNI was unable to provide one on its own at the time of the agreement. Verve will pay the City a 0.8% interest rate on a 24 month (CD). Verve will loan GO HNI funding through the line of credit at a rate of 2.8%.

These funds are recorded in the Health Neighborhood Initiative Capital Projects Fund as a deposit with GO HNI, as Verve initially recorded the CD under the EIN of GO HNI, not the City of Oshkosh. This will be corrected in 2017.

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

Custodial Credit Risk

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

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

As of December 31, 2016, \$96,247,577 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$96,247,577 was collateralized with securities held by the pledging financial institution's agent but not in the City's name.

Credit Risk

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



NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investment Type	Amount	Exempt From Disclosure	Ratings as of Year End			
			AAA	Aa	Aa	Not Rated
Federal Farm Credit	\$ 5,277,959	-	\$ 5,277,959	-	-	\$ -
Federal Home Loan Bank	4,623,533	-	4,623,533	-	-	-
Federal Home Loan Mortgage	2,922,719	-	2,922,719	-	-	-
Federal National Mortgage Assn.	2,078,120	-	2,078,120	-	-	-
Money market mutual funds	10,140,110	-	-	-	-	10,140,110
Municipal bonds	455,410	-	199,458	255,952	-	-
Mutual funds	3,597,672	-	-	-	-	3,597,672
Oshkosh Community Foundation	3,441,291	-	-	-	-	3,441,291
Corporate stocks and bonds	1,568,709	-	-	-	-	1,568,709
Wisconsin local government investment pool	33,671	-	-	-	-	33,671
	\$ 34,139,194	\$ -	\$ 15,101,789	\$ 255,952	\$ -	\$ 18,781,453

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Amount	12 months or Less	Remaining Maturity (in Months)			
			13 to 24 Months	25 to 60 Months	More Than 60 Months	
Federal Farm Credit	\$ 5,277,959	\$ -	\$ 1,714,291	\$ 3,563,668	\$ -	
Federal Home Loan Bank	4,623,533	450,220	1,195,392	2,977,921	-	
Federal Home Loan Mortgage	2,922,719	883,991	613,801	1,424,927	-	
Federal National Mortgage Assn.	2,078,120	-	149,420	1,928,700	-	
Money market mutual funds	10,140,110	10,140,110	-	-	-	
Municipal bonds	455,410	-	87,483	300,814	67,113	
Mutual funds	3,597,672	3,597,672	-	-	-	
Negotiable certificates of deposit	776,640	-	776,640	-	-	
Oshkosh Community Foundation	3,441,291	3,441,291	-	-	-	
Corporate stocks and bonds	1,568,709	1,568,709	-	-	-	
Wisconsin local government investment pool	33,671	33,671	-	-	-	
Totals	\$ 34,915,834	\$ 20,115,664	\$ 4,537,027	\$ 10,196,030	\$ 67,113	

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments in Federal Farm Credit, Federal Home Loan Bank, Federal Home Loan Mortgage and Federal National Mortgage Association securities are highly sensitive to interest rate fluctuations.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Investment in Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin local government investment pool of \$33,671 at year-end. The Wisconsin local government investment pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2016, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

The Redevelopment Authority, as a component unit of the City of Oshkosh, also maintains a separate cash account as detailed below.

Demand Deposits

At December 31, 2016, the carrying amount of the Authority's deposits was \$136,943 and is held as part of the City's pooled cash.

Restricted Assets

Restricted assets on December 31, 2016 totaled \$31,949,679 and consisted entirely of cash and investments for the following purposes.

Water Utility	\$ 6,466,796
Debt proceeds restricted for capital outlay	11,049,199
Bond redemption fund	139,062
Depreciation fund	17,655,057
Sewer Utility	7,651,661
Bond redemption fund	1,911,384
Replacement fund	9,563,045
Storm Water Utility	4,731,577
Bond redemption fund	
Total Restricted Assets	\$ 31,949,679

2.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

3. **Property Taxes**  
Property taxes are recorded in the year levied as receivables and deferred inflows of resources in the respective funds. They are recognized in the appropriate funds as revenues in the succeeding year when services financed by the levy are provided. In addition to property taxes for the municipality, taxes are collected for and remitted to the State and County governments as well as the local and vocational school districts. The receivables and liabilities for these taxes are recorded in an Agency Fund. Taxes for all State and local governmental units billed in the current year for the succeeding year are reflected as due to other governments on the accompanying balance sheet. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar - 2016 tax roll:

Lien date and levy date	December 31, 2016
Tax bills mailed	On or after December 1, 2016
Payment in full, or:	
First installment due	January 31, 2017
Second installment due	March 31, 2017
Third installment due	May 31, 2017
Fourth installment due	July 31, 2017
Personal property taxes in full	January 31, 2017
Tax settlements:	
Initial settlement	January 15, 2017
Second, third and fourth settlement	August 20, 2017
Final settlement	
Tax deed by County --	October 1, 2020
2016 delinquent real estate taxes	

**Property Tax Levy Limit**  
Wisconsin State Statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2016 and 2017 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2016 budget was 0.33%. The actual limit for the City for the 2017 budget was 1.22%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin Statutes allow the limit to be increased for debt service authorized prior to July 1, 2005 and in certain other situations.

4. **Capital Assets**  
Capital asset activity for the year ended December 31, 2016 was as follows:

	Beginning Balance	Primary Government		Ending Balance
		Increases	Decreases	
Governmental activities:				
Capital assets not being depreciated	\$ 20,011,147	\$ -	\$ -	\$ 20,011,147
Land	9,748,972	2,021,298	9,164,141	2,606,129
Construction in progress	29,760,119	2,021,298	9,164,141	22,617,276
Total capital assets not being depreciated				
Capital assets being depreciated				
Buildings, systems and land improvements	66,617,097	341,209	-	66,958,306
Infrastructure	76,183,698	14,237,536	4,909,193	85,512,041
Machinery and equipment	56,053,300	5,355,045	2,138,404	59,269,941
Total assets being depreciated	198,854,095	19,933,790	7,047,597	211,740,288
Less accumulated depreciation for:				
Buildings, systems and land improvements	15,937,978	1,373,042	-	17,311,020
Infrastructure	35,576,910	5,222,219	4,909,193	35,889,936
Machinery and equipment	33,463,367	3,158,479	2,138,404	34,483,442
Total accumulated depreciation	84,978,255	9,753,740	7,047,597	87,684,398
Total capital assets being depreciated, net	113,875,840	10,180,050	-	124,055,890
Governmental activities capital assets, net	\$ 143,635,959	\$ 12,201,348	\$ 9,164,141	\$ 146,673,166
Less long-term debt, deferred outflows/inflows, and premium on debt outstanding				106,920,413
Net investment in capital assets				\$ 39,752,753
Depreciation expense was charged to functions of the primary government as follows:				
Governmental activities:				
General government		\$ 399,027		
Public safety		1,218,156		
Public works		5,843,978		
Parks and recreation		1,333,520		
Community development		859,059		
Total depreciation expense - governmental activities		\$ 9,753,740		

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

	Primary Government		Ending Balance
	Beginning Balance	Increases	
Business-type activities:			
Capital assets not being depreciated			
Land	\$ 13,648,461	\$ -	\$ 13,648,461
Construction in progress	9,592,477	25,402,514	21,927,652
Total capital assets not being depreciated	23,240,938	25,402,514	21,927,652
Capital assets being depreciated			
Buildings, systems, land improvements	325,026,169	19,330,955	2,122,640
Machinery and equipment	46,425,829	6,413,833	167,775
Total assets being depreciated	371,451,998	25,744,788	2,290,415
Less accumulated depreciation for:			
Buildings, systems, land improvements	80,734,956	6,858,114	2,122,640
Machinery and equipment	34,957,447	2,098,924	167,775
Total accumulated depreciation	115,692,403	8,957,038	2,290,415
Total capital assets being depreciated, net	255,759,595	16,787,750	-
Business-type activities capital assets, net	\$ 279,000,533	\$ 42,190,264	\$ 21,927,652
Less long-term debt, deferred outflows/inflows, and premium on debt outstanding			173,250,577
Net investment in capital assets			\$ 120,012,568

Depreciation expense was charged to functions of the primary government as follows:

Business-type activities:	
Transit utility	\$ 403,713
Water utility	3,106,445
Water utility charged to other operating accounts	116,036
Sewer utility	3,246,437
Storm water utility	1,776,023
Other	308,384
Total depreciation expense - business-type activities	\$ 8,957,038

5. Notes receivable  
Notes receivable of \$3,973,736 in the Community Development Block Grant, Rental Rehabilitation Loan Program, and Local Revolving Loan Program special revenue funds represents noninterest bearing loans made to City residents as part of the City's participation in the Community Block Grant Program for residential rehabilitation. These notes are payable to the City at the time the property is sold or at the time the property is no longer occupied by the owner and is due to the funding agency upon termination of the program.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

6. Long-term Obligations  
The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2016:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
General obligation bonds and notes	\$ 116,700,957	\$ 29,715,239	\$ 33,126,100	\$ 113,290,096	\$ 11,497,405
Premium on debt issued	1,156,505	1,021,808	118,734	2,059,579	160,851
Total bonds and notes payable	117,857,462	30,737,047	33,244,834	115,349,675	11,658,256
Other liabilities					
Unused vacation and sick leave credits	4,673,902	546,875	868,238	4,352,539	-
Total governmental activities long-term obligations	\$ 122,531,364	\$ 31,283,922	\$ 34,113,072	\$ 119,702,214	\$ 11,658,256
Business-type activities:					
Bonds payable					
General obligation debt	\$ 815,832	\$ 359,981	\$ 63,186	\$ 1,112,627	\$ 113,366
Transit utility	7,430,666	14,815	1,033,100	6,412,381	892,617
Sewer utility	9,939,166	11,265	1,135,194	8,815,237	1,060,890
Storm water utility	7,632,924	-	714,566	6,918,358	719,505
Parking utility	27,652	-	2,652	25,000	-
Oshkosh Redevelopment	1,010,000	-	190,000	820,000	195,000
Industrial Park	1,845,000	-	365,000	1,480,000	365,000
Golf course	8,334	-	5,714	2,620	2,620
Total general obligation debt	28,709,574	388,061	3,509,412	25,586,223	3,348,988
Premium on debt issued	1,358,224	1,853,009	131,287	3,079,936	217,587
Revenue bonds					
Water utility	49,746,077	18,525,000	9,089,578	59,181,499	12,323,086
Sewer utility	39,189,197	10,674,545	2,278,072	47,585,670	2,793,422
Storm water utility	58,365,000	20,470,000	18,570,000	60,265,000	2,770,000
Total revenue bonds	147,300,274	49,669,545	29,937,650	167,032,169	17,886,508
Total bonds and notes payable	177,368,072	51,908,615	33,578,359	195,698,328	21,453,093
Other liabilities					
Unused vacation and sick leave credits	628,849	183,705	4,236	808,318	-
Total business-type activities long-term obligations	\$ 177,996,921	\$ 52,092,320	\$ 33,582,595	\$ 196,506,646	\$ 21,453,093

Total interest paid during the year on long-term debt totaled \$9,774,685.



NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

General Obligation Debt  
General obligation debt currently outstanding is detailed as follows:

Type	Date of Issue	Interest Rate	Principal Payable	Interest Payable	Original Amount	Balance Outstanding December 31, 2016
Refunding bonds:	8/25/10	2.00 - 3.25	12/1/11 - 6/1/24	6/1 - 12/1	\$ 12,620,000	\$ 5,140,000
	8/26/10	0.75 - 3.90	12/1/11 - 21	6/1 - 12/1	8,420,000	4,075,000
	3/16/11	2.00 - 3.50	12/1/12 - 22	6/1 - 12/1	8,490,000	5,185,000
	3/16/11	2.00 - 4.70	12/1/12 - 23	6/1 - 12/1	6,350,000	3,610,000
	6/28/12	0.40 - 3.00	12/1/13 - 27	6/1 - 12/1	5,595,000	3,515,000
	7/6/16	2.25-3.00	12/1/17-34	6/1 - 12/1	9,850,000	9,850,000
	10/6/16	3.00-4.00	12/1/17-30	6/1 - 12/1	6,890,000	6,890,000
Corporate purpose bonds:	3/1/08	4.00 - 4.75	12/1/09 - 27	6/1 - 12/1	5,105,000	250,000
	5/1/09	2.00 - 5.75	12/1/09 - 28	6/1 - 12/1	16,740,000	10,460,000
	11/1/11	2.00 - 4.00	6/1/12 - 31	6/1 - 12/1	9,965,000	7,625,000
	11/1/12	2.00 - 3.00	12/1/13 - 31	6/1 - 12/1	12,480,000	9,885,000
	12/4/13	2.00 - 4.00	12/1/13 - 33	6/1 - 12/1	9,080,000	8,000,000
	11/5/14	2.00 - 3.00	12/1/15 - 33	6/1 - 12/1	14,455,000	13,755,000
	7/15/15	2.00 - 4.00	12/1/16 - 34	6/1 - 12/1	18,750,000	18,470,000
	6/14/16	2.00 - 4.00	12/1/17-35	6/1 - 12/1	7,950,000	7,950,000
Promissory notes:	5/31/05	5.00	3/15/07 - 25	3/15	200,000	112,950
	3/1/08	3.25 - 4.50	12/1/08 - 17	6/1 - 12/1	1,565,000	205,000
	5/1/09	2.00 - 4.50	12/1/10 - 18	6/1 - 12/1	2,945,000	640,000
	9/2/10	0.80 - 3.55	8/1/11 - 20	2/1 - 8/1	4,150,000	2,150,000
	11/1/11	2.35	6/1/12 - 21	6/1 - 12/1	2,895,000	1,535,000
	11/1/12	2.00	12/1/13 - 21	6/1 - 12/1	3,660,000	2,045,000
	3/8/13	2.75	3/15/14-22	3/15	2,000,000	1,390,467
	4/3/13	2.75	3/15/14-23	3/15	640,000	465,266
	11/19/13	2.75	3/15/14-23	3/15	2,644,100	2,129,077
	12/4/13	2.00-3.00	12/1/14-23	6/1-12/1	1,690,000	1,215,000
	11/5/14	2.00	12/1/15 - 23	6/1 - 12/1	2,615,000	2,040,000
	2/17/15	3.50	3/15/16-24	3/15	1,250,000	1,132,259
	7/15/15	2.00-3.00	12/1/16-24	6/1 - 12/1	4,210,000	3,745,000
	7/19/16	3.00	3/15/17-26	3/15	711,300	711,300
	6/14/16	2.00-4.00	12/1/17-25	6/1 - 12/1	4,700,000	4,700,000
Less amounts related to Enterprise Funds						138,876,319
						25,586,223
						\$ 113,290,096

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Annual principal and interest maturities of the outstanding general obligation debt on December 31, 2016 are detailed below:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Build America Bonds Credit		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 11,497,405	\$ 3,586,246	\$ 3,348,998	\$ 964,455	\$ (225,745)	\$ -	\$ 14,846,403	\$ 4,314,956
2018	11,137,594	3,091,080	3,373,721	817,463	(202,148)	-	14,311,315	3,706,394
2019	11,042,649	2,774,507	3,171,387	710,117	(177,015)	-	13,821,036	3,307,609
2020	10,895,749	2,447,141	2,926,387	605,616	(155,600)	-	13,622,136	2,897,157
2021	10,224,126	2,106,142	2,502,387	501,007	(133,392)	-	12,726,513	2,473,757
2022-2026	33,110,805	6,753,814	7,790,117	1,371,435	(421,865)	-	40,890,922	7,703,384
2027-2031	19,051,768	2,740,707	1,973,226	231,637	(51,846)	-	21,024,994	2,920,486
2032-2035	6,390,000	373,714	510,000	23,850	-	-	6,840,000	397,684
	\$ 113,290,096	\$ 23,873,351	\$ 25,586,223	\$ 5,215,580	\$ (1,367,612)	\$ -	\$ 138,876,319	\$ 27,721,319

Enterprise Funds - Revenue Bonds

The City has issued Revenue Bonds as detailed on the next page. These bonds are considered special obligations of the City payable solely from net customer revenues of the respective Utility's operations and do not constitute debt which the faith and credit or taxing powers of the City are pledged. In accordance with the resolutions which authorized the issuance of the debt issues, the City agreed to, among other things, faithfully and punctually perform all duties with reference to the respective Utilities required by the Constitution and Statutes of the State of Wisconsin, including the making and collecting of reasonable and sufficient rates lawfully established for services rendered by the respective Utilities, and to segregate the revenues of the respective Utilities and apply them to the respective funds described in the authorizing Resolution. In addition, the borrowing resolution included restrictive investment provisions requiring fully insured or collateralized investments.

CITY OF OSHKOSH, WISCONSIN  
Notes to Basic Financial Statements  
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Type	Year of Issue	Interest Rate	Principal payable	Interest payable	Original amount	Balance outstanding December 31, 2016
Water Safe Drinking Revenue Bond	1998	2.64	5/01/99 - 19	5/1 & 11/1	\$ 11,913,672	\$ 1,549,301
Sewerage System Revenue Clean Water	1999	2.64	5/01/00 - 19	5/1 & 11/1	3,025,930	590,311
Water Safe Drinking Revenue Bond	2000	2.97	5/01/01 - 19	5/1 & 11/1	13,636,364	2,687,263
Water Safe Drinking Revenue Bond	2001	2.75	5/01/02 - 21	5/1 & 11/1	3,483,913	1,055,334
Water Utility Revenue Bonds	2004	2.396	5/01/05 - 24	5/1 & 11/1	1,989,231	1,560,283
Water Utility Refunding Bond	2006	4.0 - 4.5	1/01/07 - 26	1/1 & 7/1	12,705,000	7,735,000
Water Safe Drinking Revenue Bond	2008	2.365	5/01/10 - 28	5/1 & 11/1	1,344,824	4,984,600
Sewerage System Revenue Bonds	2010	0.85 - 5.15	5/01/11 - 30	5/1 & 11/1	4,890,000	3,785,000
Sewerage System Revenue Bonds	2011	2.0 - 4.0	5/01/12 - 31	5/1 & 11/1	8,290,000	5,860,000
Water Utility Revenue Bonds	2011	0.85 - 5.15	1/01/13 - 31	1/1 & 7/1	6,510,000	4,960,000
Storm Water Revenue Bond	2012	3.00 - 3.12	5/01/13 - 32	5/1 & 11/1	20,800,000	5,745,000
Sewerage System Revenue Bonds	2012	2.25 - 3.00	5/01/13 - 32	5/1 & 11/1	8,290,000	5,105,000
Water Utility Revenue Bonds	2012	2.25 - 3.125	1/01/14 - 32	1/1 & 7/1	5,430,000	4,680,000
Storm Water Revenue Bond	2013	3.00 - 4.125	1/01/14 - 33	5/1 & 11/1	15,220,000	13,670,000
Sewerage System Revenue Bonds	2013	2.00 - 4.125	1/01/14 - 33	5/1 & 11/1	4,175,000	3,615,000
Water Utility Revenue Bonds	2013	2.00 - 4.125	1/01/15 - 33	1/1 & 7/1	3,785,000	3,355,000
Storm Water Revenue Bond	2014	2.00 - 4.00	5/1/15 - 34	5/1 & 11/1	8,300,000	7,760,000
Sewerage System Revenue Bonds	2014	2.00 - 4.00	5/1/15 - 34	5/1 & 11/1	5,980,000	5,425,000
Water Utility Revenue Bonds	2014	2.00 - 4.00	1/1/16 - 34	1/1 & 7/1	3,795,000	3,545,000

CITY OF OSHKOSH, WISCONSIN  
Notes to Basic Financial Statements  
December 31, 2016

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Type	Year of Issue	Interest Rate	Principal payable	Interest payable	Original amount	Balance outstanding December 31, 2016
Sewerage System Revenue Clean Water	2014	2.625	5/01/15 - 34	5/1 & 11/1	4,726,801	5,150,077
Storm Water Utility Revenue Clean Water	2015	3.00-4.00	5/01/16 - 35	5/1 & 11/1	13,115,000	12,620,000
Sewerage System Revenue Clean Water	2015	2.00-4.00	5/01/16 - 35	5/1 & 11/1	6,695,000	6,450,000
Water System Revenue Clean Water	2015	3.00-4.00	1/1/16 - 35	1/1 & 7/1	6,660,000	6,385,000
Sewerage System Revenue Bonds	2016	2.00-3.00	5/1/17 - 36	5/1 & 11/1	10,045,000	10,045,000
Storm Water Revenue Bond	2016	2.00-3.00	5/1/17 - 36	5/1 & 11/1	5,175,000	5,175,000
Water Utility Revenue Bonds	2016	2.00-3.00	1/1/17 - 36	1/1 & 7/1	6,835,000	6,555,000
Water Utility Refunding Revenue Bonds	2016	2.00-4.00	1/1/17 - 30	1/1 & 7/1	11,690,000	11,690,000
Storm Water Refunding Revenue Bonds	2016	2.00-4.00	5/1/17 - 30	5/1 & 11/1	15,295,000	15,295,000
						\$ 167,032,169
						\$ 209,020,682

Annual principal and interest maturities of the outstanding revenue bonds on December 31, 2016 are detailed below:

Year Ended December 31,	Business-type Activities			Total
	Principal	Interest	Build America Bonds Credit	
2017	\$ 17,886,508	\$ 4,883,693	\$ (65,969)	\$ 22,714,202
2018	10,761,953	4,480,642	(64,000)	15,188,595
2019	10,283,985	4,198,034	(51,530)	14,430,489
2020	9,440,586	3,914,015	(48,647)	13,305,954
2021	9,766,847	3,612,207	(45,588)	13,333,466
2022-2026	46,364,805	13,496,827	(172,437)	59,689,195
2027-2031	42,094,152	6,642,189	(49,349)	48,686,992
2032-2036	20,433,333	1,238,456	-	21,671,789
	\$ 167,032,169	\$ 42,466,063	\$ (477,550)	\$ 209,020,682

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

Utility Revenues Pledged

The City has pledged future water, sewer, and storm water customer revenues, net of specified operating expense, to repay the water, sewer, and storm water revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the water, sewer, and storm water utilities. The bonds are payable solely from water, sewer, and storm water net revenues and are payable through 2036. The total principal and interest remaining to be paid on the water bonds is \$70,579,915. Principal and interest paid for the current year and total water customer net revenues were \$10,776,229 and \$8,854,847, respectively. The total principal and interest remaining to be paid on the sewer bonds is \$60,209,631. Principal and interest paid for the current year and total sewer customer net revenues were \$3,522,416 and \$6,744,771, respectively. The total principal and interest remaining to be paid on the storm water bonds is \$78,231,136. Principal and interest paid for the current year and total customer net revenues were \$20,772,163 and \$6,671,390, respectively.

Build America Bonds

The general obligation debt issued on May 1, 2009 and September 2, 2010 and revenue bonds issued on October 5, 2010 and October 14, 2010 qualifies as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The City is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the City to file a claim form annually.

For the governmental activities, the other long-term liabilities are generally liquidated by the general fund.

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2016 is as follows:

Equalized valuation	\$ 3,776,225,300
Margin of indebtedness:	
5% of equalized valuation	\$ 188,811,265
Less outstanding general obligation debt	\$ 138,876,319
Deduct Debt Service Funds available for debt retirement	760,004
Margin of indebtedness	<u>\$ 50,694,950</u>

Advance Refunding

In prior years the City advance refunded General Obligation Bonds.

As of December 31, 2016, \$12,875,000 of General Obligation Bonds are now considered defeased.

Current Refunding

On June 16, 2016, the City issued debt to current refund \$4,170,000 of General Obligation Bonds, Series 2005D. As a result, the bonds are considered to be defeased and the liability has been removed from Statement of Net Position. This current refunding has been undertaken to reduce total debt service payments by \$213,811 and to obtain an economic gain (difference between the present value of the debt services payments of the refunded and refunding debt) of \$185,628.

On July 6, 2016, the City issued debt to current refund \$9,677,802 outstanding on the 2014 State Trust Fund Loan. As a result, the debt is considered to be defeased and the liability has been removed from the Statement of Net Position. This current refunding has been undertaken to reduce total debt service payments by \$1,735,096 and to obtain an economic gain (difference between the present value of the debt services payments of the refunded and refunding debt) of \$1,411,344.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

On October 4, 2016, the City issued debt to current refund \$7,145,000 of General Obligation Bonds, Series 2010A. As a result, the bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. This current refunding has been undertaken to reduce total debt service payments by \$498,956 and to obtain an economic gain (difference between the present value of the debt services payments of the refunded and refunding debt) of \$390,324.

On October 6, 2016, the City issued debt to current refund \$7,410,000 of Water System Revenue Bonds, Series 2006E and \$4,280,000 of Water System Revenue Bonds, Series 2010F. As a result, the bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. This current refunding has been undertaken to reduce total debt service payments by \$982,239 and to obtain an economic gain (difference between the present value of the debt services payments of the refunded and refunding debt) of \$819,236.

On October 19, 2016, the City issued debt to current refund \$15,295,000 of Storm Water Utility Revenue Bonds, Series 2010E. As a result, the bonds are considered to be defeased and the liability has been removed from the Statement of Net Position. This current refunding has been undertaken to reduce total debt service payments by \$1,299,092 and to obtain an economic gain (difference between the present value of the debt services payments of the refunded and refunding debt) of \$760,447.

Conduit Debt

The City has approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRBs are secured by mortgages or revenue agreements on the associated projects and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The amount of IRBs outstanding at the end of the year is maintained by the individual private business enterprises and the lending institutions.

7. Pension Plan

a. Plan Description

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

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

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

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

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

The WRS also provides death and disability benefits for employees.

b. Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2006	0.8%	3%
2007	3.0	10
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2

c. Contributions

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

During the reporting period, the WRS recognized \$3,014,493 in contributions from the City.

Contribution rates as of December 31, 2016 are:

Employee Category	Employee	Employer
General	6.6%	6.6%
Executives & Elected Officials	6.6%	6.6%
Protective with Social Security	6.6%	9.4%
Protective without Social Security	6.6%	13.2%

**NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)**

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

At December 31, 2016, the City reported a liability of \$5,144,203 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014 rolled forward to December 31, 2015. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2015, the City's proportion was 0.31657015%, which was a decrease of 0.00185471% from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense of \$6,226,746.

At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 870,253	\$ 10,825,889
Changes in assumptions	3,599,108	-
Net differences between projected and actual earnings on pension plan investments	21,061,842	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	87,170	-
Employer contributions subsequent to the measurement date	3,073,696	-
<b>Total</b>	<b>\$ 28,692,069</b>	<b>\$ 10,825,889</b>

The \$3,073,696 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended December 31,	Deferred Outflows of Resources	Deferred Inflows of Resources
2016	\$ 6,653,560	\$ 2,619,885
2017	6,653,560	2,619,885
2018	6,653,560	2,619,885
2019	5,541,899	2,619,885
2020	115,794	346,349
	<b>\$ 25,618,373</b>	<b>\$ 10,825,889</b>

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

e. Actuarial Assumption

The total pension liability in the December 31, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2014
Measurement Date of Net Pension Liability:	December 31, 2015
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*	2.1%

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

Actuarial assumptions are based upon an experience study conducted in 2012 using experience from 2009 - 2011. The total pension liability for December 31, 2015 is based upon a roll-forward of the liability calculated from the December 31, 2014 actuarial valuation.

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

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
U.S. Equities	27%	23%	7.6%	4.7%
International Equities	24.5%	22%	8.5%	5.6%
Fixed Income	27.5%	37%	4.4%	1.6%
Inflation Sensitive Assets	10%	20%	4.2%	1.4%
Real Estate	7%	7%	6.5%	3.6%
Private Equity/Debt	7%	7%	9.4%	6.5%
Multi-Asset	4%	4%	6.7%	3.8%
Total Core Fund	107%	120%	7.4%	4.5%
<u>Variable Fund Asset Class</u>				
U.S. Equities	70%	70%	7.6%	4.7%
International Equities	30%	30%	8.5%	5.6%
Total Variable Fund	100%	100%	7.9%	5.0%

**Single Discount Rate.** A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.57%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

1% Decrease to Discount Rate (6.2%)	Current Discount Rate (7.2%)	1% Increase to Discount Rate (8.2%)
\$ 36,081,542	\$ 5,144,203	\$ (19,018,409)

City's proportionate share of the net pension liability (asset)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <http://efit.wi.gov/publications/cafr.htm>.

f. Payable to the WRS

At December 31, 2016 the City of Oshkosh reported a payable of \$635,254 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2016.

NOTE D - OTHER INFORMATION

1. Other Post-Retirement Benefits

- a. Police-Fire Pension Fund  
The City currently provides contributions to the Wisconsin Retirement Fund for employees formerly covered under the City sponsored and administered Police - Fire pension fund. In accordance with the statute terminating the pension funds, the City chose a "pay-as-you-go" basis for pension contributions in which payments are made to the Wisconsin Retirement Fund as the benefits become due and payable to the participants of the terminated plan. The total expense for 2016 was approximately \$43,529. The total estimated future cost to the City of this plan as of December 31, 2016 is not determinable.
- b. Health Care  
Plan Description - The City provides health care insurance coverage for employees who retire until they reach the age of 65. The retired employee contributes 100% of the premium for family coverage or 100% of the premium for single coverage. There are 563 active and 45 retired employees in the plan.

Annual OPEB Cost and Net OPEB Obligation - The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC), and the amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed thirty years. The following table shows the components of the City's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City's net OPEB obligation.

Component	Amount
Annual required contribution	\$ 515,090
Interest on net OPEB	154,425
Adjustment to annual required contribution	(254,972)
Annual OPEB cost (expense)	414,543
Contributions made	(187,000)
Change in net OPEB obligation	227,543
OPEB obligation - January 1	5,147,509
OPEB obligation - December 31	\$ 5,375,052

The annual required contribution for the current year was determined as part of the December 31, 2016 actuarial valuation using the unit credit actuarial cost method. The actuarial assumptions included (a) 3.0% discount rate, and (b) medical trend rate with initial rate at 5.5% and ultimate rate at 4.4%.

The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with a long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized of projected net retiree medical costs (and net administrative costs). The remaining amortization period at December 31, 2016 is 30 years, and the remaining amount is \$5,008,022.

NOTE C - DETAILED NOTES ON ALL FUNDS (Continued)

8. Interfund Balances and Activity

Interfund receivables and payables at December 31, 2016 were as follows:

	Due from Other Funds	Due to Other Funds
General fund	\$ 505,468	\$ 870,104
Debt service fund	3,656,525	2,896,521
Special assessment improvement capital projects	7,036,498	4,638,361
TIF #7 SW Industrial Park	-	-
Nonmajor Governmental Funds	179,790	48,641
Special revenue funds	1,100,000	6,153,598
Capital projects funds	-	379,790
Permanent fund	-	-
Total governmental activities	12,478,281	14,987,015
Water utility fund	1,628,092	1,447,148
Sewer utility fund	9,330,422	2,637,212
Storm water utility	194,658	1,229,382
Nonmajor Enterprise Funds	-	3,330,696
Total business-type activities	11,153,172	8,644,438
Totals	\$ 23,631,453	\$ 23,631,453

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

Transfers within the reporting entity are substantially for the purposes of subsidizing operating functions, funding capital acquisitions or maintaining debt service on a routine basis. Resources are accumulated in a fund to support and simplify the administration of various projects.

The government-wide statement of activities eliminates as reported within the segregated governmental and business-type activities columns. Only transfers between the two columns appear in this statement.

The following schedule reports transfers within the reporting entity:

Transfers from	Transfer to			Total
	Governmental Activities	Business-type Activities		
	General	Nonmajor	Nonmajor	
Governmental activities:				
TIF #7 SW Industrial Park	\$ -	\$ 11,456,350	\$ -	\$ 11,456,350
Nonmajor governmental funds	-	402,629	14,745	417,374
Business-type activities:				
Water utility enterprise fund	1,000,000	-	-	1,000,000
Total transfers to:	\$ 1,000,000	\$ 11,858,979	\$ 14,745	\$ 12,873,724



**NOTE D - OTHER INFORMATION (Continued)**

*Trend Information* - The City's annual OPEB cost, the percentage of the annual OPEB cost contributed to the plan, and the net OPEB obligation for 2016 is as follows:

Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
12/31/2014	\$ 487,162	43.86%	\$ 4,868,160
12/31/2015	504,120	37.09%	5,147,509
12/31/2016	414,543	45.11%	5,375,052

*Funded Status and Funding Progress* - As of December 31, 2016, the most recent actuarial valuation date, the City's unfunded actuarial accrued liability (UAAL) was \$5,008,022.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future, such as assumptions about future terminations, mortality, and healthcare cost trends. Actuarially determined amounts are subject to continual revision as actuarial results are compared with past experience and new estimates are made about the future.

The City will not directly pay out the benefit amount since the retirees pay their entire premium. The benefit that the retirees receive are included within the City's annual premiums.

*Actuarial Methods and Assumptions* - Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. Additional information as of the latest actuarial valuation follows:

Valuation date	December 31, 2016
Actuarial cost method	Unit Credit
Amortization method	Level
Remaining amortization period	30 years
Actuarial assumptions -	
Investment rate of return	initial - 3.0%
Medical trend rate	ultimate - 5.5%
	4.0%

**NOTE D - OTHER INFORMATION (Continued)**

2. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage.

3. Contingencies

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

4. Self-insured medical care coverage plan

The City maintained a self-insured medical care coverage plan for its employees through December 31, 2015. In 2016, the City began purchasing health insurance coverage from an outside carrier. The City has established the Hospital Insurance Fund (an Internal Service Fund) to account for the financing of its uninsured risk of loss.

The Hospital Insurance Fund has an established reserve of \$1,926,805 at December 31, 2016 and is reported as the net position balance of the Internal Service Fund. This reserve will be used to finance any future claims of the previous self-insurance plan. The claims liability of \$0, reported in the fund at December 31, 2016, is based on the requirements of Governmental Accounting Standard Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the funds' claims liability amount in 2016 were:

Year Ended	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
12/31/2016	\$ 800,000	\$ 11,747	\$ 811,747	\$ -
12/31/2015	\$ 800,000	\$ 9,604,962	\$ 9,604,962	\$ 800,000

NOTE D - OTHER INFORMATION (Continued)

5. Tax Abatements  
The City has created 31 tax incremental financing districts (the "Districts") in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law* and has adopted GASB Statement No. 77, *Tax Abatement Disclosures* for the year ended December 31, 2016. As part of the project plan for the Districts, the City entered into agreements with two developers for the creation of tax base within the Districts. The agreements require the City to make annual repayments of property taxes collected within the Districts to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2016, the City abated property taxes totaling \$475,993 under this program which include the following tax abatement agreements:  
! A property tax abatement of \$280,043 to a developer within Tax Incremental District No. 14.  
! A property tax abatement of \$215,949 to a developer within Tax Incremental District No. 24.

6. Upcoming Accounting Pronouncements  
In June 2015, the GASB issued a new standard addressing accounting and financial reporting for post-employment benefits other than pensions (OPEB). GASB Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other Than Pensions*, addresses accounting and reporting by employer governments that provide OPEB benefits to their employees. The City will, after adoption of GASB No. 75, recognize on the face of the financial statements its net OPEB liability. GASB No. 75 is effective for fiscal years beginning after June 15, 2017. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

7. Subsequent Events  
On July 6, 2017 the City issued \$5,440,000 of general obligation corporate purpose bonds, the proceeds of which will be used to finance capital improvement projects. The bonds are payable through 2036 with interest rates from 3.00% - 4.00%. On that same day the City issued \$5,830,000 of general obligation promissory notes, the proceeds of which will be used to finance capital improvement projects. The notes are payable through 2026 with interest rates from 2.00% - 4.00%. On July 6, 2017 the City also issued \$8,880,000 of water system revenue bonds, the proceeds of which will finance property improvements, system improvements, and major equipment replacement. The bonds are payable through 2037 at interest rates from 3.00% - 5.00%. On July 20, 2017 the City issued \$15,075,000 of sewer system revenue bonds, the proceeds of which will finance system improvements and major equipment replacement. The bonds are payable through 2037 at interest rates from 3.00% - 5.00%. On the same day the City issued \$9,720,000 of storm water utility revenue bonds, the proceeds of which will finance storm water utility capital improvement projects. The bonds are payable through 2037 at interest rates from 3.00% - 5.00%.

REQUIRED SUPPLEMENTARY INFORMATION



**CITY OF OSHKOSH, WISCONSIN**  
 Schedule of Other Post Employment Benefit Plan Information  
 Schedule of Funding Progress  
 December 31, 2016

Actuarial Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age Normal	(3) Funded Ratio (1)/(2)	(4) Unfunded Actuarial Liability (UAL) (2)-(1)	(5) Covered Payroll	UAAL as a Percentage of Covered Payroll (4)/(5)
2012	\$ -	\$ 11,550,920	0.00%	\$ 11,550,920	N/A	N/A
2014	-	5,345,806	0.00%	5,345,806	N/A	N/A
2016	-	5,008,022	0.00%	5,008,022	N/A	N/A

See Notes to Required Supplementary Information

**CITY OF OSHKOSH, WISCONSIN**  
 Schedule of Other Post Employment Benefit Plan Information  
 Schedule of Employer Contributions  
 December 31, 2016

Year Ended December 31,	Employer Contributions	Annual Required Contribution (ARC)	Percentage Contributed
2014	\$ 138,618	\$ 575,445	24.1%
2015	224,771	597,745	37.6%
2016	187,000	515,090	36.3%

See Notes to Required Supplementary Information

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

Fiscal Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)		Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
			Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	
12/31/15	0.31842486%	\$ (7,821,386)	\$ 34,551,515	22.64%	102.74%
12/31/16	0.31657015%	5,144,203	34,050,370	15.11%	98.20%

Schedule of Contributions  
Wisconsin Retirement System  
Last 10 Fiscal Years

Fiscal Year Ending	Contributions in Relation to the Contractually Required Contributions		Contributions as a Percentage of Covered Payroll	
	Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 3,187,776	\$ -	\$ 34,551,515	9.23%
12/31/16	3,014,493	-	34,050,370	8.85%

**SUPPLEMENTARY INFORMATION**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

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

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

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 December 31, 2016

	Special Revenue Funds	Capital Projects Funds	Permanent Fund	Total Nonmajor Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 7,637,076	\$ 23,554,098	\$ 10,097,635	\$ 41,288,809
Receivables				
Taxes	6,523,900	4,264,581	-	10,788,481
Accounts	169,405	38,745	-	208,150
Loans	3,973,736	-	-	3,973,736
Due from other funds	179,790	1,100,000	-	1,279,790
Deposit with GO HNI	200,000	-	-	200,000
<b>TOTAL ASSETS</b>	<b>\$ 18,683,907</b>	<b>\$ 28,957,424</b>	<b>\$ 10,097,635</b>	<b>\$ 57,738,966</b>

<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 351,090	\$ 3,303,364	\$ -	\$ 3,654,454
Unearned revenues	50,000	26,000	-	76,000
Deposits	10,001	188,591	-	198,592
Due to other funds	48,641	6,153,598	379,790	6,582,029
Due to other governments	3,818,736	-	-	3,818,736
Total Liabilities	4,278,468	9,671,553	379,790	14,329,811
Deferred Inflows of Resources				
Property taxes levied for subsequent year	6,523,900	4,264,581	-	10,788,481

<b>FUND BALANCES</b>				
Restricted for				
Retirement of long-term debt	-	1,491,804	-	1,491,804
Construction of assets	-	4,891,747	-	4,891,747
Special purposes	6,169,377	-	-	6,169,377
Trust agreements	-	-	9,717,845	9,717,845
Committed to				
Special purposes	1,786,878	-	-	1,786,878
Assigned to				
Construction of assets	-	15,083,683	-	15,083,683
Unassigned	(74,716)	(6,445,944)	-	(6,520,660)
Total Fund Balances	7,881,539	15,021,290	9,717,845	32,620,674
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 18,683,907</b>	<b>\$ 28,957,424</b>	<b>\$ 10,097,635</b>	<b>\$ 57,738,966</b>

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2016

	Committee on Aging	Business Improvement District	Recycling	Street Lighting	Library	Museum	Cemetery
\$	59,620	\$ 66,793	\$ 905,108	\$ 153,595	\$ 348,440	\$ 652,839	\$ -
	299,400	-	-	1,010,900	2,624,000	892,100	290,400
	64,846	-	100	-	1,064	10,922	3,140
	-	-	-	-	-	-	-
	-	-	-	-	72,820	106,970	-
	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 423,866</b>	<b>\$ 66,793</b>	<b>\$ 905,208</b>	<b>\$ 1,164,495</b>	<b>\$ 3,046,324</b>	<b>\$ 1,662,831</b>	<b>\$ 293,540</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	6,119	\$ 9,289	\$ 5,962	\$ 83,959	\$ 101,383	\$ 10,657	\$ 8,950
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	4,052
	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>6,119</b>	<b>9,289</b>	<b>5,962</b>	<b>83,959</b>	<b>101,383</b>	<b>10,657</b>	<b>13,002</b>

**Deferred Inflows of Resources**  
 Property taxes levied for subsequent year

299,400	-	-	1,010,900	2,624,000	892,100	290,400
118,347	57,504	899,246	-	320,941	760,074	-
-	-	-	69,636	-	-	-
-	-	-	-	-	-	(9,862)
<b>Total Fund Balances (Deficit)</b>	<b>118,347</b>	<b>57,504</b>	<b>899,246</b>	<b>320,941</b>	<b>760,074</b>	<b>(9,862)</b>

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	423,866	\$ 66,793	\$ 905,208	\$ 1,164,495	\$ 3,046,324	\$ 1,662,831	\$ 293,540
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(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2016

	Community Development Block Grant	Rental Rehabilitation Loan Program	Local Revolving Loan Program	Senior Center Revolving	Bicycle	Police Special	Fire/Safety
\$	53,998	221,281	2,595,977	38,370	15,585	61,730	347,389
	-	-	-	-	-	-	-
	68,578	-	-	2,325	-	858	-
	3,818,736	50,000	105,000	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 3,941,312</b>	<b>\$ 271,281</b>	<b>\$ 2,700,977</b>	<b>\$ 40,695</b>	<b>\$ 15,585</b>	<b>\$ 62,588</b>	<b>\$ 347,389</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Loans  
 Due from other funds  
 Deposit with GO HNI

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities  
 Accounts payable  
 Unearned revenues  
 Deposits  
 Due to other funds  
 Due to other governments  
 Total Liabilities

A-52

\$	28,652	-	\$	-	\$	1,971	-	\$	9,975	\$	3,271
	-	50,000	-	-	-	-	-	-	-	-	-
	-	1	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	3,818,736	-	-	-	-	-	-	-	-	-	-
	3,847,388	50,001	-	1,971	-	9,975	-	3,271			

Deferred Inflows of Resources  
 Property taxes levied for subsequent year

**Fund Balances**

Restricted for  
 Special purposes  
 Committed to  
 Special purposes  
 Unassigned  
 Total Fund Balances (Deficit)

	93,924	221,280	2,700,977	-	-	52,613	344,118
	-	-	-	38,724	15,585	-	-
	-	-	-	-	-	-	-
	93,924	221,280	2,700,977	38,724	15,585	52,613	344,118

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	3,941,312	\$	271,281	\$	2,700,977	\$	40,695	\$	15,585	\$	62,588	\$	347,389
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(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2016

Project D.A.R.E.	Police Asset Forfeiture	Federal Police Asset Forfeiture	Cable TV Franchise Escrow	EMS Fire Grant	Historical Marker	Community Develop Special
\$ 3	\$ 15,292	\$ 17,731	\$ 16,018	\$ 26,165	\$ 23,715	\$ 42,719
-	-	-	-	-	-	-
-	5,143	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<b>3</b>	<b>20,435</b>	<b>17,731</b>	<b>16,018</b>	<b>26,165</b>	<b>23,715</b>	<b>42,719</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Loans  
 Due from other funds  
 Deposit with GO HNI

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities  
 Accounts payable  
 Unearned revenues  
 Deposits  
 Due to other funds  
 Due to other governments  
 Total Liabilities

Deferred Inflows of Resources  
 Property taxes levied for subsequent year

**Fund Balances**

Restricted for  
 Special purposes  
 Committed to  
 Special purposes  
 Unassigned  
 Total Fund Balances (Deficit)

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Special Revenue Funds  
 December 31, 2016

	Parks Revenue Facilities	Leach Amphitheater	Public Works Special	Garbage Disposal	Pollock Water Park	Community Traffic Safety Grant	Healthy Neighborhood Initiative	Total Nonmajor Special Revenue Funds
\$	465,446	-	\$ -	\$ 40,804	\$ 84,376	\$ -	\$ 1,384,082	\$ 7,637,076
	-	14,000	-	1,329,100	64,000	-	-	6,523,900
	8,158	1,454	-	2,817	-	-	-	169,405
	-	-	-	-	-	-	-	3,973,736
	-	-	-	-	-	-	-	179,790
	-	-	-	-	-	-	200,000	200,000
<b>TOTAL ASSETS</b>	<b>\$ 473,604</b>	<b>\$ 15,454</b>	<b>\$ -</b>	<b>\$ 1,372,721</b>	<b>\$ 148,376</b>	<b>\$ -</b>	<b>\$ 1,584,082</b>	<b>\$ 18,683,907</b>

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities								
Accounts payable	\$ 920	\$ 1,969	\$ -	\$ 63,371	\$ 11,543	\$ -	\$ -	\$ 351,090
Unearned revenues	-	-	-	-	-	-	-	50,000
Deposits	-	-	-	-	-	-	-	10,001
Due to other funds	-	36,123	8,071	-	-	395	-	48,641
Due to other governments	-	-	-	-	-	-	-	3,818,736
Total Liabilities	920	38,092	8,071	63,371	11,543	395	-	4,278,468

Deferred Inflows of Resources  
 Property taxes levied for subsequent year

Fund Balances								
Restricted for Special purposes	472,684	-	-	-	-	-	-	6,169,377
Committed to Special purposes	-	-	-	-	72,833	-	1,584,082	1,786,878
Unassigned	-	(36,638)	(8,071)	(19,750)	-	(395)	-	(74,716)
Total Fund Balances (Deficit)	472,684	(36,638)	(8,071)	(19,750)	72,833	(395)	1,584,082	7,881,539

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	473,604	\$ 15,454	\$ -	\$ 1,372,721	\$ 148,376	\$ -	\$ 1,584,082	\$ 18,683,907
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**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 December 31, 2016

	Sidewalk Construction	Street Improvement	Street Tree	Advance Payments Special Assessment	Contract Control	Equipment	Park Improvement and Acquisition	Park Subdivision Improvement	Mct Rochlin Park Smokestack	Golf Course Equipment Improvement
\$	352,959	8,795,289	-	136,844	3,045,120	4,268,882	235,075	358,590	2,000	3,275
	-	-	-	-	-	950,000	50,000	-	-	-
	-	-	-	-	11,623	-	12,000	-	-	-
	-	-	-	-	-	200,000	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 352,959</b>	<b>\$ 8,795,289</b>	<b>\$ -</b>	<b>\$ 136,844</b>	<b>\$ 3,056,743</b>	<b>\$ 5,418,882</b>	<b>\$ 297,075</b>	<b>\$ 358,590</b>	<b>\$ 2,000</b>	<b>\$ 3,275</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Due from other funds

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

**Liabilities**

Accounts payable  
 Unearned revenues  
 Deposits  
 Due to other funds  
 Total Liabilities

\$	-	2,931	-	-	2,471,998	102,018	56,349	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	3,500	-	-	136,844	47,247	-	-	-	-	-
-	-	11,377	-	-	-	-	-	-	-	-
-	6,431	11,377	136,844	2,519,245	102,018	56,349	-	-	-	-

**Deferred Inflows of Resources**

Property taxes levied for subsequent year

-	-	-	-	-	-	950,000	50,000	-	-	-
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**Fund Balances**

**Restricted for**

Retirement of long-term debt  
 Construction of assets  
 Assigned to  
 Construction of assets  
 Unassigned

-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
352,959	8,788,858	-	-	537,498	190,726	4,366,864	358,590	2,000	2,000	3,275
-	-	(11,377)	-	-	-	-	-	-	-	-
<b>352,959</b>	<b>8,788,858</b>	<b>(11,377)</b>	<b>-</b>	<b>537,498</b>	<b>190,726</b>	<b>4,366,864</b>	<b>358,590</b>	<b>2,000</b>	<b>2,000</b>	<b>3,275</b>

**Total Fund Balances (Deficit)**

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	352,959	8,795,289	-	136,844	3,056,743	5,418,882	297,075	358,590	2,000	3,275
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(Continued)



**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 December 31, 2016

	Senior Center	Grand Opera House	City Hall Complex Improvements	Parking Ramp Improvements	TIF #8 S Aviation Industrial	TIF #10 Main and Washington	TIF #11 Oshkosh Office Center	TIF #12 Division Street
\$	139,250	61,493	79,560	202,954	243,853	793	12,624	716,044
	-	22,700	-	-	-	15,407	6,789	111,241
	-	-	-	5,622	-	-	4,000	-
	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 139,250</b>	<b>\$ 84,193</b>	<b>\$ 79,560</b>	<b>\$ 208,576</b>	<b>\$ 243,853</b>	<b>\$ 16,200</b>	<b>\$ 23,413</b>	<b>\$ 827,285</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Due from other funds

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities  
 Accounts payable  
 Unearned revenues  
 Deposits  
 Due to other funds  
 Total Liabilities

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Deferred Inflows of Resources  
 Property taxes levied for subsequent year

**Fund Balances**

Restricted for  
 Retirement of long-term debt  
 Construction of assets  
 Assigned to  
 Construction of assets  
 Unassigned  
 Total Fund Balances (Deficit)

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	2,413	2,643	-	910	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	2,413	2,643	-	910	-	-	-	-
	-	22,700	-	-	-	15,407	6,789	111,241
	-	-	-	-	243,853	-	-	-
	-	-	-	-	-	793	16,624	716,044
	136,837	58,850	79,560	207,666	-	-	-	-
	-	-	-	-	-	-	-	-
	136,837	58,850	79,560	207,666	243,853	793	16,624	716,044
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 139,250</b>	<b>\$ 84,193</b>	<b>\$ 79,560</b>	<b>\$ 208,576</b>	<b>\$ 243,853</b>	<b>\$ 16,200</b>	<b>\$ 23,413</b>	<b>\$ 827,285</b>

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 December 31, 2016

	TIF #13 Marion Road/ Pearl Ave.	TIF #14 Mercy Medical	TIF #15 Park Plaza	TIF #16 100 Block Redevelopment	TIF #17 City Centre	TIF #18 SW Industrial #3	TIF #19 NW Industrial Expansion	TIF #20 South Side Fox River	TIF #21 Fox River Corridor	TIF #23 SW Industrial Park
\$	26,367	997,575	2,156,792	1,253,788	91,068	-	218,940	97,234	42,043	-
	294,704	494,574	228,253	137,538	315,252	479,752	239,831	-	298,147	-
	-	-	-	-	900,000	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 321,071</b>	<b>\$ 1,492,149</b>	<b>\$ 2,385,045</b>	<b>\$ 1,391,326</b>	<b>\$ 1,306,320</b>	<b>\$ 479,752</b>	<b>\$ 458,771</b>	<b>\$ 97,234</b>	<b>\$ 340,190</b>	<b>\$ -</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Due from other funds

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF  
 RESOURCES AND FUND BALANCES**

**Liabilities**

Accounts payable	-	\$ 261,374	\$ -	\$ 5,837	\$ -	\$ -	\$ -	\$ 384,459	\$ 2,444	\$ 4,912
Unearned revenues	26,000	-	-	-	-	-	-	-	-	-
Deposits	1,000	-	-	-	-	-	-	-	-	-
Due to other funds	-	-	-	-	-	2,062,553	-	-	-	1,009,116
<b>Total Liabilities</b>	<b>27,000</b>	<b>261,374</b>	<b>-</b>	<b>5,837</b>	<b>-</b>	<b>2,062,553</b>	<b>-</b>	<b>384,459</b>	<b>2,444</b>	<b>1,014,028</b>

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**Deferred Inflows of Resources**

Property taxes levied for subsequent year

**Fund Balances**

Restricted for	-	-	-	1,247,951	-	-	-	-	-	-
Retirement of long-term debt	-	-	-	-	-	-	-	-	-	-
Construction of assets	-	736,201	2,156,792	-	991,068	-	218,940	-	39,599	-
Assigned to	-	-	-	-	-	-	-	-	-	-
Construction of assets	-	-	-	-	-	-	-	-	-	-
Unassigned	(633)	-	-	-	-	(2,062,553)	-	(287,225)	-	(1,014,028)
<b>Total Fund Balances (Deficit)</b>	<b>(633)</b>	<b>736,201</b>	<b>2,156,792</b>	<b>1,247,951</b>	<b>991,068</b>	<b>(2,062,553)</b>	<b>218,940</b>	<b>(287,225)</b>	<b>39,599</b>	<b>(1,014,028)</b>

**TOTAL LIABILITIES, DEFERRED INFLOWS  
 OF RESOURCES AND FUND BALANCES**

\$	321,071	1,492,149	2,385,045	1,391,326	1,306,320	479,752	458,771	97,234	340,190	-
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(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Balance Sheet  
 Nonmajor Capital Project Funds  
 December 31, 2016

	TIF #24 Oshkosh Corp.	TIF #25 City Center Hotel	TIF #26 Aviation Business Park	TIF #27 North Main Street	TIF #28 Beach Building Redevelopment	TIF #29 Morgan District	TIF #30 Washington Building	TIF #31 Buckstaff Redevelopment	Total Nonmajor Capital Projects Funds
\$	15,686	-	-	-	-	-	-	-	\$ 23,554,098
	205,552	281,248	-	133,593	-	-	-	-	4,264,581
	-	-	-	-	-	5,500	-	-	38,745
	-	-	-	-	-	-	-	-	1,100,000
<b>TOTAL ASSETS</b>	<b>\$ 221,238</b>	<b>\$ 281,248</b>	<b>\$ -</b>	<b>\$ 133,593</b>	<b>\$ -</b>	<b>\$ 5,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,957,424</b>

**ASSETS**

Cash and investments  
 Receivables  
 Taxes  
 Accounts  
 Due from other funds

**TOTAL ASSETS**

**LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

Liabilities  
 Accounts payable  
 Unearned revenues  
 Deposits  
 Due to other funds  
 Total Liabilities

**Deferred Inflows of Resources**

Property taxes levied for subsequent year

**Fund Balances**

Restricted for  
 Retirement of long-term debt  
 Construction of assets  
 Assigned to  
 Construction of assets  
 Unassigned  
 Total Fund Balances (Deficit)

**TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES**

\$	-	-	-	-	-	-	-	-	\$ 3,303,364
	-	-	-	-	-	-	5,076	-	26,000
	-	-	-	-	-	-	-	-	188,591
	-	1,788,362	1,138,996	87,506	19,242	16,482	9,982	9,982	6,153,598
	-	1,788,362	1,138,996	87,506	19,242	16,482	15,058	9,982	9,671,553
	205,552	281,248	-	133,593	-	-	-	-	4,264,581
	-	-	-	-	-	-	-	-	1,491,804
	15,686	-	-	-	-	-	-	-	4,891,747
	-	-	-	-	-	-	-	-	15,083,683
	-	(1,788,362)	(1,138,996)	(87,506)	(19,242)	(10,982)	(15,058)	(9,982)	(6,445,944)
	15,686	(1,788,362)	(1,138,996)	(87,506)	(19,242)	(10,982)	(15,058)	(9,982)	15,021,290
<b>\$</b>	<b>221,238</b>	<b>\$ 281,248</b>	<b>\$ -</b>	<b>\$ 133,593</b>	<b>\$ -</b>	<b>\$ 5,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 28,957,424</b>

**CITY OF OSHKOSH, WISCONSIN**

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds	Capital Project Funds	Permanent Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>				
Taxes	\$ 6,534,200	\$ 3,170,001	\$ -	\$ 9,704,201
Special assessments	135,660	-	-	135,660
Intergovernmental	1,961,461	1,199,652	-	3,161,113
Licenses and permits	515	-	-	515
Public charges for services	1,215,247	31,000	-	1,246,247
Fines, forfeitures and penalties	11,739	-	-	11,739
Miscellaneous	1,905,147	391,538	781,950	3,078,635
<b>Total Revenues</b>	<b>11,763,969</b>	<b>4,792,191</b>	<b>781,950</b>	<b>17,338,110</b>
<b>Expenditures</b>				
<b>Current</b>				
Public safety	193,528	-	-	193,528
Public works	3,110,831	23,927	-	3,134,758
Health and welfare	895,201	2,413	-	897,614
Parks and recreation	5,110,740	30,474	145,916	5,287,130
Community development	2,087,680	3,777,525	-	5,865,205
<b>Debt service</b>				
Principal	6,444	5,073,325	-	5,079,769
Interest and fiscal charges	258	969,915	-	970,173
Capital outlay	128,798	16,978,958	-	17,107,756
<b>Total Expenditures</b>	<b>11,533,480</b>	<b>26,856,537</b>	<b>145,916</b>	<b>38,535,933</b>
<b>Excess of Revenues Over (Under)</b>				
Expenditures	230,489	(22,064,346)	636,034	(21,197,823)
<b>Other Financing Sources (Uses)</b>				
Long-term debt issued	-	9,536,300	-	9,536,300
Transfers in	193,693	11,665,286	-	11,858,979
Transfers out	(47,246)	(14,745)	(355,383)	(417,374)
<b>Total Other Financing Sources (Uses)</b>	<b>146,447</b>	<b>21,186,841</b>	<b>(355,383)</b>	<b>20,977,905</b>
<b>Net Change in Fund Balances</b>	<b>376,936</b>	<b>(877,505)</b>	<b>280,651</b>	<b>(219,918)</b>
<b>Fund Balances - January 1</b>	<b>7,504,603</b>	<b>15,898,795</b>	<b>9,437,194</b>	<b>32,840,592</b>
<b>Fund Balances - December 31</b>	<b>\$ 7,881,539</b>	<b>\$ 15,021,290</b>	<b>\$ 9,717,845</b>	<b>\$ 32,620,674</b>

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2016

	Committee on Aging	Business Improvement District	Recycling	Street Lighting	Library	Museum	Cemetery	Community Development Block Grant	Rental Rehabilitation Loan Program
Revenues									
Taxes	\$ 276,400	\$ -	\$ -	\$ 1,110,900	\$ 2,657,100	\$ 911,700	\$ 296,400	\$ -	\$ -
Special assessments	-	135,660	-	-	-	-	-	-	-
Intergovernmental	69,420	-	226,114	-	157,374	-	-	1,103,864	-
Licenses and permits	-	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-	-
Public charges for services	109	-	-	-	674,830	54,425	-	502	-
Miscellaneous	145,118	14,078	868,355	-	5,626	75,133	98,966	292,806	20,026
Total Revenues	491,047	149,738	1,094,469	1,110,900	3,494,930	1,041,258	395,366	1,397,172	20,026
Expenditures									
Current									
Public safety	-	-	-	-	-	-	-	-	-
Public works	-	-	789,276	1,020,753	-	-	-	-	-
Health and welfare	469,106	-	-	-	-	-	392,819	-	-
Parks and recreation	-	-	-	-	3,306,144	1,148,419	-	-	-
Community development	-	151,047	-	-	-	-	-	1,255,459	-
Debt service	-	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	469,106	151,047	789,276	1,020,753	3,306,144	1,148,419	392,819	1,357,077	-
Excess of Revenues Over (Under) Expenditures	21,941	(1,309)	305,193	90,147	188,786	(107,161)	2,547	40,095	20,026
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	140,119	45,000	-	-
Transfers out	-	-	-	-	-	(47,246)	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	92,873	45,000	-	-
Net Change in Fund Balances	21,941	(1,309)	305,193	90,147	188,786	(14,288)	47,547	40,095	20,026
Fund Balances (Deficit) - January 1	96,406	58,813	594,053	(20,511)	132,155	774,362	(57,409)	53,829	201,254
Fund Balances (Deficit) - December 31	\$ 118,347	\$ 57,504	\$ 899,246	\$ 69,636	\$ 320,941	\$ 760,074	\$ (9,862)	\$ 93,924	\$ 221,280

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2016

	Local Revolving Loan Program	Senior Center Revolving	Bicycle	Police Special	Fire/Safety	Project D.A.R.E.	Police Asset Forfeiture	Federal Police Asset Forfeiture	Cable TV Franchise Escrow
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special assessments	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	13,358	80,243	-	-	8,317	-
Licenses and permits	-	-	515	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	11,739	-	-
Public charges for services	-	-	-	-	500	-	-	-	-
Miscellaneous	-	47,497	-	66,756	5,250	-	-	-	35
Total Revenues	-	47,497	515	80,114	85,993	-	11,739	8,317	35

Expenditures									
Current									
Public safety	-	-	-	73,839	103,508	-	1,520	-	-
Public works	-	-	-	-	-	-	-	-	-
Health and welfare	-	33,276	-	-	-	-	-	-	-
Parks and recreation	-	-	120	-	-	-	-	-	-
Community development	125,000	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	6,444
Principal	-	-	-	-	-	-	-	-	258
Interest and fiscal charges	-	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-	-	-	-
Total Expenditures	125,000	33,276	120	73,839	103,508	-	1,520	-	6,702

Excess of Revenues Over (Under) Expenditures (125,000) 14,221 395 6,275 (17,515) 10,219 8,317 (6,667)

Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-

Net Change in Fund Balances (125,000) 14,221 395 6,275 (17,515) 10,219 8,317 (6,667)

Fund Balances (Deficit) - January 1 2,825,977 24,503 15,190 46,338 361,633 3 8,621 9,414 12,685

Fund Balances (Deficit) - December 31 \$ 2,700,977 \$ 38,724 \$ 15,585 \$ 52,613 \$ 344,118 \$ 3 \$ 18,840 \$ 17,731 \$ 6,018

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2016

	EMS Fire Grant	Historical Marker	Community Develop Special	Parks Revenue Facilities	Leach Amphitheater	Public Works Special	Garbage Disposal	Pollock Water Park
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 14,000	\$ -	\$ 1,203,700	\$ 64,000
Special assessments	-	-	-	-	-	-	-	-
Intergovernmental	-	-	302,771	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-	-	-	-	-
Public charges for services	-	-	-	232,652	28,248	-	38,685	185,296
Miscellaneous	16,947	1,767	20,700	95,665	19,966	-	-	107,769
Total Revenues	<u>16,947</u>	<u>1,767</u>	<u>323,471</u>	<u>328,317</u>	<u>62,214</u>	<u>-</u>	<u>1,242,385</u>	<u>357,065</u>
Expenditures								
Current								
Public safety	14,661	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	1,300,802	-
Health and welfare	-	-	-	-	-	-	-	-
Parks and recreation	-	1,356	-	252,344	73,411	-	-	328,946
Community development	-	-	336,580	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	-	-	-	15,000	-	-	-	12,180
Total Expenditures	<u>14,661</u>	<u>1,356</u>	<u>336,580</u>	<u>267,344</u>	<u>73,411</u>	<u>-</u>	<u>1,300,802</u>	<u>341,126</u>
Excess of Revenues Over (Under) Expenditures	<u>2,286</u>	<u>411</u>	<u>(13,109)</u>	<u>60,973</u>	<u>(11,197)</u>	<u>-</u>	<u>(58,417)</u>	<u>15,939</u>
Other Financing Sources (Uses)								
Transfers in	-	-	-	-	8,574	-	-	-
Transfers out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,574</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>2,286</u>	<u>411</u>	<u>(13,109)</u>	<u>60,973</u>	<u>(2,623)</u>	<u>-</u>	<u>(58,417)</u>	<u>15,939</u>
Fund Balances (Deficit) - January 1	<u>23,879</u>	<u>23,304</u>	<u>54,324</u>	<u>411,711</u>	<u>(34,015)</u>	<u>(8,071)</u>	<u>38,667</u>	<u>56,894</u>
Fund Balances (Deficit) - December 31	<u>\$ 26,165</u>	<u>\$ 23,715</u>	<u>\$ 41,215</u>	<u>\$ 472,684</u>	<u>\$ (36,638)</u>	<u>\$ (8,071)</u>	<u>\$ (19,750)</u>	<u>\$ 72,833</u>

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
 Nonmajor Special Revenue Funds  
 For the Year Ended December 31, 2016

	Community Traffic Safety Grant	Healthy Neighborhood Initiative	Total Nonmajor Special Revenue Funds
<b>Revenues</b>			
Taxes	\$ -	\$ -	\$ 6,534,200
Special assessments	-	-	135,660
Intergovernmental	-	-	1,961,461
Licenses and permits	-	-	515
Fines, forfeitures and penalties	-	-	11,739
Public charges for services	-	-	1,215,247
Miscellaneous	-	2,687	1,905,147
<b>Total Revenues</b>	-	2,687	11,763,969
<b>Expenditures</b>			
<b>Current</b>			
Public safety	-	-	193,528
Public works	-	-	3,110,831
Health and welfare	-	-	895,201
Parks and recreation	-	-	5,110,740
Community development	-	219,594	2,087,680
Debt service	-	-	6,444
Principal	-	-	258
Interest and fiscal charges	-	-	128,798
Capital outlay	-	-	-
<b>Total Expenditures</b>	-	219,594	11,533,480
<b>Excess of Revenues Over (Under) Expenditures</b>	-	(216,907)	230,489
<b>Other Financing Sources (Uses)</b>			
Transfers in	-	-	193,693
Transfers out	-	-	(47,246)
<b>Total Other Financing Sources (Uses)</b>	-	-	146,447
<b>Net Change in Fund Balances</b>	-	(216,907)	376,936
<b>Fund Balances (Deficit) - January 1</b>	(395)	1,800,989	7,504,603
<b>Fund Balances (Deficit) - December 31</b>	\$ (395)	\$ 1,584,082	\$ 7,881,539



**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2016

	Sidewalk Construction	Street Improvement	Street Tree	Contract Control	Equipment	Park Improvement and Acquisition	Park Subdivision Improvement	Mct Rochlin Park Smokestack
Revenues								
Taxes	\$ 215,000	\$ 250,000	\$ -	\$ -	\$ 445,000	\$ -	\$ -	\$ -
Intergovernmental	-	159,039	-	-	-	-	-	-
Public charges for services	-	-	-	-	-	-	-	-
Miscellaneous	283	3,322	3,900	-	104,918	25,594	4,190	-
Total Revenues	215,283	412,361	3,900	-	549,918	25,594	4,190	-
Expenditures								
Current								
Public works	-	-	-	5,003	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Parks and recreation	-	-	3,459	-	-	-	-	-
Community development	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	258,885	1,373,576	-	-	5,222,593	461,507	-	-
Total Expenditures	258,885	1,373,576	3,459	5,003	5,222,593	461,507	-	-
Excess of Revenues Over (Under) Expenditures	(43,602)	(961,215)	441	(5,003)	(4,672,675)	(435,913)	4,190	-
Other Financing Sources (Uses)								
Long-term debt issued	-	2,731,600	-	-	6,013,400	260,000	-	-
Transfer in	-	-	-	-	208,936	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	2,731,600	-	-	6,222,336	260,000	-	-
Net Changes in Fund Balances	(43,602)	1,770,385	441	(5,003)	1,549,661	(175,913)	4,190	-
Fund Balances (Deficit) - January 1	396,561	7,018,473	(11,818)	542,501	2,817,203	366,639	354,400	2,000
Fund Balances (Deficit) - December 31	\$ 352,959	\$ 8,788,858	\$ (11,377)	\$ 537,498	\$ 4,366,864	\$ 190,726	\$ 358,590	\$ 2,000

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2016

	Golf Course Equipment Improvement	Senior Center	Grand Opera House	City Hall Complex Improvements	Parking Ramp Improvements	TIF #8 S Aviation Industrial	TIF #10 Main and Washington
Revenues							
Taxes	\$ -	\$ -	\$ 22,700	\$ -	\$ -	\$ -	\$ 14,744
Intergovernmental	-	-	-	-	-	-	151
Public charges for services	-	-	-	-	-	-	-
Miscellaneous	-	8,532	26,101	70,443	116,041	-	-
Total Revenues	-	8,532	48,801	70,443	116,041	-	14,895
Expenditures							
Current							
Public works	-	-	-	-	18,924	-	-
Health and welfare	-	2,413	-	-	-	-	-
Parks and recreation	-	-	27,015	-	-	-	-
Community development	-	-	-	-	-	-	150
Debt service							
Principal	-	-	-	-	-	67,196	-
Interest and fiscal charges	-	-	-	-	-	6,625	-
Capital outlay	-	-	-	55,724	-	-	-
Total Expenditures	-	2,413	27,015	55,724	18,924	73,821	150
Excess of Revenues Over (Under) Expenditures	-	6,119	21,786	14,719	97,117	(73,821)	14,745
Other Financing Sources (Uses)							
Long-term debt issued	-	-	-	-	-	-	-
Transfer in	-	-	-	-	-	-	-
Transfer out	-	-	-	-	-	-	(14,745)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	(14,745)
Net Changes in Fund Balances	-	6,119	21,786	14,719	97,117	(73,821)	-
Fund Balances (Deficit) - January 1	3,275	130,718	37,064	64,841	110,549	317,674	793
Fund Balances (Deficit) - December 31	\$ 3,275	\$ 136,837	\$ 58,850	\$ 79,560	\$ 207,666	\$ 243,853	\$ 793

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2016

	TIF #11 Oshkosh Office Center	TIF #12 Division Street	TIF #13 Marion Road/ Pearl Ave.	TIF #14 Mercy Medical	TIF #15 Park Plaza	TIF #16 100 Block Redevelopment	TIF #17 City Centre
Revenues							
Taxes	6,908 \$	103,084 \$	275,690 \$	208,864 \$	200,763 \$	132,227 \$	304,234 \$
Intergovernmental	407	174	1,736	161	45,670	151	49,500
Public charges for services	-	-	-	-	-	-	-
Miscellaneous	3,999	-	17,315	-	-	-	-
Total Revenues	11,314	103,258	294,741	209,025	246,433	132,378	353,734
Expenditures							
Current							
Public works	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-
Community development	150	30,108	10,783	137,643	19,101	40,086	7,160
Debt service							
Principal	-	28,671	1,482,508	85,000	35,000	190,000	315,000
Interest and fiscal charges	-	4,046	234,074	23,610	8,344	39,762	122,826
Capital outlay	-	-	-	-	-	-	-
Total Expenditures	150	62,825	1,727,365	246,253	62,445	269,848	444,986
Excess of Revenues Over (Under) Expenditures	11,164	40,433	(1,432,624)	(37,228)	183,988	(137,470)	(91,252)
Other Financing Sources (Uses)							
Long-term debt issued	-	-	-	-	-	-	-
Transfer in	-	-	950,000	-	-	-	-
Transfer out	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	950,000	-	-	-	-
Net Changes in Fund Balances	11,164	40,433	(482,624)	(37,228)	183,988	(137,470)	(91,252)
Fund Balances (Deficit) - January 1	5,460	675,611	481,991	773,429	1,972,804	1,385,421	1,082,320
Fund Balances (Deficit) - December 31	\$ 16,624 \$	\$ 716,044 \$	\$ (633) \$	\$ 736,201 \$	\$ 2,156,792 \$	\$ 1,247,951 \$	\$ 991,068 \$

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2016

	TIF #18 SW Industrial #3	TIF #19 NW Industrial Expansion	TIF #20 South Side Fox River	TIF #21 Fox River Corridor	TIF #23 SW Industrial Park	TIF #24 Oshkosh Corp.	TIF #25 City Center Hotel	TIF #26 Aviation Business Park
Revenues								
Taxes	\$ 346,038	\$ 241,378	\$ -	\$ 147,916	\$ -	\$ -	\$ 255,305	\$ -
Intergovernmental	1,567	6,645	46,233	610	-	11,936	4,720	843,978
Public charges for services	-	-	-	-	-	-	-	-
Miscellaneous	-	-	6,900	-	-	-	-	-
Total Revenues	347,605	248,023	53,133	148,526	-	12,086	260,025	843,978
Expenditures								
Current								
Public works	-	-	-	-	-	-	-	-
Health and welfare	-	-	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Community development	2,328	19,218	84,583	106,586	239	7,155	21,540	3,174,417
Debt service								
Principal	261,917	104,278	1,613,787	85,000	262,742	-	210,408	331,818
Interest and fiscal charges	57,908	19,410	171,243	59,519	97,713	-	44,145	80,690
Capital outlay	-	-	2,933,831	6,117,629	555,213	-	-	-
Total Expenditures	322,153	142,906	4,803,444	6,368,734	915,907	7,155	276,093	3,586,925
Excess of Revenues Over (Under) Expenditures	25,452	105,117	(4,750,311)	(6,220,208)	(915,907)	4,931	(16,068)	(2,742,947)
Other Financing Sources (Uses)								
Long-term debt issued	-	-	-	-	531,300	-	-	-
Transfer in	-	-	4,300,000	6,206,350	-	-	-	-
Transfer out	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	4,300,000	6,206,350	531,300	-	-	-
Net Changes in Fund Balances	25,452	105,117	(450,311)	(13,858)	(384,607)	4,931	(16,068)	(2,742,947)
Fund Balances (Deficit) - January 1	(2,088,005)	113,823	163,086	53,457	(629,421)	10,755	(1,772,294)	1,603,951
Fund Balances (Deficit) - December 31	\$ (2,062,553)	\$ 218,940	\$ (287,225)	\$ 39,599	\$ (1,014,028)	\$ 15,686	\$ (1,788,362)	\$ (1,138,996)

(Continued)

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 Nonmajor Capital Projects Funds  
 For the Year Ended December 31, 2016

	TIF #27 North Main Street	TIF #28 Beach Building Redevelopment	TIF #29 Morgan District	TIF #30 Washington Building	TIF #31 Buckstaff Redevelopment	Total Nonmajor Capital Projects Funds
<b>Revenues</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,170,001
Intergovernmental	26,974	-	-	-	-	1,199,652
Public charges for services	-	10,000	11,000	10,000	-	31,000
Miscellaneous	-	-	-	-	-	391,538
<b>Total Revenues</b>	<b>26,974</b>	<b>10,000</b>	<b>11,000</b>	<b>10,000</b>	<b>-</b>	<b>4,792,191</b>
<b>Expenditures</b>						
Current						
Public works	-	-	-	-	-	23,927
Health and welfare	-	-	-	-	-	2,413
Parks and recreation	-	-	-	-	-	30,474
Community development	30,014	29,242	21,982	25,058	9,982	3,777,525
Debt service						
Principal	-	-	-	-	-	5,073,325
Interest and fiscal charges	-	-	-	-	-	969,915
Capital outlay	-	-	-	-	-	16,978,958
<b>Total Expenditures</b>	<b>30,014</b>	<b>29,242</b>	<b>21,982</b>	<b>25,058</b>	<b>9,982</b>	<b>26,856,537</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(3,040)</b>	<b>(19,242)</b>	<b>(10,982)</b>	<b>(15,058)</b>	<b>(9,982)</b>	<b>(22,064,346)</b>
<b>Other Financing Sources (Uses)</b>						
Long-term debt issued	-	-	-	-	-	9,536,300
Transfer in	-	-	-	-	-	11,665,286
Transfer out	-	-	-	-	-	(14,745)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,186,841</b>
<b>Net Changes in Fund Balances</b>	<b>(3,040)</b>	<b>(19,242)</b>	<b>(10,982)</b>	<b>(15,058)</b>	<b>(9,982)</b>	<b>(877,505)</b>
<b>Fund Balances (Deficit) - January 1</b>	<b>(84,466)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,898,795</b>
<b>Fund Balances (Deficit) - December 31</b>	<b>\$ (87,506)</b>	<b>\$ (19,242)</b>	<b>\$ (10,982)</b>	<b>\$ (15,058)</b>	<b>\$ (9,982)</b>	<b>\$ 15,021,290</b>

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Net Position  
 Nonmajor Enterprise Funds  
 December 31, 2016

	Parking Utility	Oshkosh Redevelopment Project	Industrial Park	Golf Course	Inspection Services	Total Nonmajor Enterprise Funds
<b>ASSETS</b>						
Current Assets						
Cash and investments	\$ 61,249	\$ 639,815	\$ -	\$ -	\$ 203,551	\$ 904,615
Receivables	-	-	-	-	-	-
Accounts	24	90,578	-	1,155	21,055	112,812
Property held for resale	-	6,653,016	-	-	-	6,653,016
Inventories and prepayments	25,312	-	-	-	-	25,312
Total Current Assets	86,585	730,393	6,653,016	1,155	224,606	7,695,755
Noncurrent Assets						
Capital Assets						
Land and construction in progress	1,851,549	3,217,183	-	826,541	-	5,895,273
Other capital assets, net of accumulated depreciation	2,128,573	5,746,281	-	366,711	-	8,241,565
Total Capital Assets, Net	3,980,122	8,963,464	-	1,193,252	-	14,136,838
TOTAL ASSETS	4,066,707	9,693,857	6,653,016	1,194,407	224,606	21,832,593
DEFERRED OUTFLOWS OF RESOURCES	22,621	-	-	96,791	31,740	151,152
Pension related deferred outflows						
<b>LIABILITIES</b>						
Current Liabilities						
Accounts payable	4,523	248,025	351	5,175	12,638	270,712
Accrued expenses	307	2,220	6,698	9	-	9,234
Deposits	-	5,000	-	-	-	5,000
Due to other funds	144,331	-	2,385,454	800,911	-	3,330,696
Unearned revenues	-	-	-	-	22,289	22,289
Current portion of long-term obligations	-	195,000	365,000	2,620	-	562,620
Total Current Liabilities	149,161	450,245	2,757,503	808,715	34,927	4,200,551
Noncurrent Liabilities						
Employee benefits	18	-	-	32,619	36,249	68,886
Net pension liability	4,115	-	-	17,253	-	21,368
Long-term debt	25,000	625,000	1,115,000	-	-	1,765,000
Total Noncurrent Liabilities	29,133	625,000	1,115,000	49,872	36,249	1,855,254
TOTAL LIABILITIES	178,294	1,075,245	3,872,503	858,587	71,176	6,055,806
DEFERRED INFLOWS OF RESOURCES						
Pension related deferred inflows	8,661	-	-	36,309	-	44,970
<b>NET POSITION</b>						
Net investment in capital assets	3,980,122	8,143,464	-	1,190,632	-	13,314,218
Unrestricted (deficit)	(77,749)	475,148	2,780,513	(794,330)	185,170	2,568,752
TOTAL NET POSITION	\$ 3,902,373	\$ 8,618,612	\$ 2,780,513	\$ 396,302	\$ 185,170	\$ 15,882,970

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Revenues, Expenses and Changes in Net Position  
 Nonmajor Enterprise Funds  
 For the Year Ended December 31, 2016

	Parking Utility	Oshkosh Redevelopment Project	Industrial Park	Golf Course	Inspection Services	Total Nonmajor Enterprise Funds
<b>Operating Revenues</b>						
Taxes	\$ -	\$ 1,778,012	\$ -	\$ -	\$ -	\$ 1,778,012
Fines, forfeitures and penalties	33,633	-	-	-	-	33,633
Public charges for services	119,955	-	-	542,552	1,016,371	1,678,878
Other revenues	-	248,915	24,942	2,267	4,753	280,877
Total Operating Revenues	153,588	2,026,927	24,942	544,819	1,021,124	3,771,400
<b>Operating Expenses</b>						
Operating and maintenance	118,220	1,456,319	2,514	552,860	835,954	2,965,867
Depreciation and amortization	158,928	113,917	-	35,539	-	308,384
Total Operating Expenses	277,148	1,570,236	2,514	588,399	835,954	3,274,251
Operating Income (Loss)	(123,560)	456,691	22,428	(43,580)	185,170	497,149
<b>Nonoperating Revenues (Expenses)</b>						
Interest on investments	-	-	-	19	-	19
Gain on disposal of capital assets	-	-	-	33,670	-	33,670
Interest and fiscal charges	(268)	(30,373)	(45,138)	(313)	-	(76,092)
Total Nonoperating Revenues (Expenses)	(268)	(30,373)	(11,449)	(313)	-	(42,403)
<b>Income (Loss) before Transfers and Contributed Capital</b>	(123,828)	426,318	10,979	(43,893)	185,170	454,746
Transfers in	14,745	-	-	-	-	14,745
Contributed capital	23,181	-	-	-	-	23,181
Change in Net Position	(85,902)	426,318	10,979	(43,893)	185,170	482,672
Net Position - January 1	3,988,275	8,192,294	2,769,534	440,195	-	15,390,298
Net Position - December 31	\$ 3,902,373	\$ 8,618,612	\$ 2,780,513	\$ 396,302	\$ 185,170	\$ 15,882,970

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Cash Flows  
 Nonmajor Enterprise Funds  
 For the Year Ended December 31, 2016

	Parking Utility	Oshkosh Redevelopment Project	Industrial Park	Golf Course	Inspection Services	Total Nonmajor Proprietary Funds
Cash Flows from Operating Activities						
Cash received from customers	\$ 153,774	\$ 2,041,541	\$ 284,617	\$ 543,676	\$ 1,000,069	\$ 4,023,677
Cash payments to suppliers	(60,716)	(1,332,530)	(2,485)	(198,508)	(135,659)	(1,729,898)
Cash payments to employees	(52,809)	(82,894)	-	(335,541)	(660,859)	(1,132,203)
Net Cash Provided by Operating Activities	40,249	626,017	282,132	9,627	203,551	1,161,576
Cash Flows from Non-Capital Financing Activities						
Transfer from other funds	14,745	-	-	-	-	14,745
Cash Flows from Capital and Related Financing Activities						
Acquisition of capital assets	-	(65,053)	-	-	-	(65,053)
Proceeds from sale of land held for resale	-	-	45,283	-	-	45,283
Principal payments on long-term debt	(2,652)	(190,000)	(365,000)	(5,714)	-	(563,366)
Interest payments on long-term debt	(911)	(31,415)	(46,104)	(332)	-	(78,762)
Cash received from (paid to) other funds	(51,815)	-	83,670	(3,581)	-	28,274
Net Cash Used by Capital and Related Financing Activities	(55,378)	(286,468)	(282,151)	(9,627)	-	(633,624)
Cash Flows from Investing Activities						
Investment return	-	-	19	-	-	19
Net Increase (Decrease) in Cash and Cash Equivalents	(384)	339,549	-	-	203,551	542,716
Cash and Cash Equivalents - January 1	61,653	300,266	-	-	-	361,899
Cash and Cash Equivalents - December 31	\$ 61,249	\$ 639,815	\$ -	\$ -	\$ 203,551	\$ 904,615
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	\$ (123,560)	\$ 456,691	\$ 22,428	\$ (43,580)	\$ 185,170	\$ 497,149
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	158,928	113,917	-	35,539	-	308,384
Changes in pension related assets, liabilities, deferred outflows and deferred inflows	3,132	-	-	12,346	(31,740)	(16,262)
Changes in assets and liabilities	186	14,614	259,675	(1,143)	(21,055)	252,277
Inventories and deferred charges	1,432	-	-	-	-	1,432
Accounts payable and accrued expenses	2,164	40,795	29	265	12,638	55,911
Employee benefits	(2,033)	-	-	6,180	36,249	40,396
Unearned revenues	-	-	-	-	22,289	22,289
Net Cash Provided by Operating Activities	\$ 40,249	\$ 626,017	\$ 282,132	\$ 9,627	\$ 203,551	\$ 1,161,576
Noncash activities						
Contributed capital assets	\$ 23,181	\$ -	\$ -	\$ -	\$ -	\$ 23,181

**CITY OF OSHKOSH, WISCONSIN**  
 Combining Statement of Net Position  
 Internal Service Funds  
 December 31, 2016

	Hospital Insurance	Police Pension	Fire Pension	Workman's Compensation	Total Internal Service Funds
ASSETS					
Cash and investments	\$ 1,928,478	\$ 583,682	\$ 160,707	\$ 203,018	\$ 2,875,885
Receivables	-	-	-	16,942	16,942
Accounts	-	-	-	18,400	18,400
Taxes	-	-	-	238,360	238,360
Total Current Assets	1,928,478	583,682	160,707	238,360	2,911,227
LIABILITIES					
Current Liabilities	1,673	-	-	2,425	4,098
Accounts payable	-	-	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Property taxes levied for subsequent year	-	-	-	18,400	18,400
NET POSITION	\$ 1,926,805	\$ 583,682	\$ 160,707	\$ 217,535	\$ 2,888,729

**CITY OF OSHKOSH, WISCONSIN**

Combining Statement of Revenues, Expenses and Changes in Net Position  
Internal Service Funds  
For the Year Ended December 31, 2016

	Hospital Insurance	Police Pension	Fire Pension	Workman's Compensation	Total Internal Service Funds
Operating Revenues	\$ -	\$ -	\$ -	\$ 63,775	\$ 63,775
Intergovernmental charges for services	90,268	-	-	346,200	436,468
Other revenues	90,268	-	-	409,975	500,243
<b>Total Operating Revenues</b>	<b>180,536</b>	<b>-</b>	<b>-</b>	<b>819,950</b>	<b>1,010,736</b>
Operating Expenses	11,747	25,418	18,111	579,386	634,662
Claims and administration	78,521	(25,418)	(18,111)	(169,411)	(134,419)
<b>Operating Income (Loss)</b>	<b>90,268</b>	<b>-</b>	<b>-</b>	<b>170,953</b>	<b>170,953</b>
Nonoperating Revenues	-	-	-	17,700	17,700
Taxes	-	5,939	3,466	-	9,405
Investment return	-	5,939	3,466	17,700	27,105
<b>Total Nonoperating Revenues</b>	<b>-</b>	<b>11,878</b>	<b>6,932</b>	<b>17,700</b>	<b>36,510</b>
<b>Change in Net Position</b>	<b>78,521</b>	<b>(19,479)</b>	<b>(14,645)</b>	<b>(151,711)</b>	<b>(107,314)</b>
Net Position - January 1	1,848,284	603,161	175,352	369,246	2,996,043
<b>Net Position - December 31</b>	<b>\$ 1,926,805</b>	<b>\$ 583,682</b>	<b>\$ 160,707</b>	<b>\$ 217,535</b>	<b>\$ 2,888,729</b>

**CITY OF OSHKOSH, WISCONSIN**

Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2016

	Hospital Insurance	Police Pension	Fire Pension	Workman's Compensation	Total Internal Service Funds
Cash Flows from Operating Activities	\$ 119,542	\$ -	\$ -	\$ 407,241	\$ 526,783
Cash received from customers	(822,361)	(25,418)	(18,111)	(577,730)	(1,443,620)
Cash payments to suppliers and employees	(702,819)	(25,418)	(18,111)	(170,489)	(916,837)
<b>Net Cash Used by Operating Activities</b>	<b>(1,405,638)</b>	<b>(50,836)</b>	<b>(36,222)</b>	<b>(340,978)</b>	<b>(1,833,674)</b>
Cash Flows from Non-Capital Financing Activities	-	-	-	17,700	17,700
Property taxes received	-	-	-	-	-
Cash Flows from Investing Activities	-	5,939	3,466	-	9,405
Investment return	(702,819)	(19,479)	(14,645)	(152,789)	(889,732)
<b>Net Decrease in Cash and Cash Equivalents</b>	<b>(1,188,417)</b>	<b>(24,346)</b>	<b>(18,155)</b>	<b>(335,289)</b>	<b>(1,666,207)</b>
Cash and Cash Equivalents - January 1	2,631,297	603,161	175,352	355,807	3,765,617
<b>Cash and Cash Equivalents - December 31</b>	<b>\$ 1,442,880</b>	<b>\$ 578,815</b>	<b>\$ 157,197</b>	<b>\$ 20,518</b>	<b>\$ 2,199,410</b>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	\$ 78,521	\$ (25,418)	\$ (18,111)	\$ (169,411)	\$ (134,419)
Operating income (loss)					
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Changes in assets and liabilities:					
Accounts receivable	29,274	-	-	(2,734)	26,540
Accrued expenses	(810,614)	-	-	1,656	(808,958)
<b>Net Cash Provided (Used) by Operating Activities</b>	<b>\$ (702,819)</b>	<b>\$ (25,418)</b>	<b>\$ (18,111)</b>	<b>\$ (170,489)</b>	<b>\$ (916,837)</b>



**STATISTICAL SECTION**

**FINANCIAL TRENDS**

**City of Oshkosh, Wisconsin**  
**Net Investment in Capital Assets**  
**Last Five Years**  
**(accrual basis of accounting)**

	2016	2015	2014	2013	2012
<b>Governmental Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$ 39,752,753	\$ 36,164,133	\$ 28,014,455	\$ 19,329,489	\$ 19,419,862
Restricted	22,305,261	38,393,139	45,613,469	37,140,487	30,364,646
Unrestricted	26,329,710	18,792,902	4,617,996	10,945,337	9,703,942
<b>Total Governmental Activities Net Position</b>	<b>\$ 88,387,744</b>	<b>\$ 93,346,174</b>	<b>\$ 78,245,952</b>	<b>\$ 67,315,323</b>	<b>\$ 59,488,552</b>
<b>Business-Type Activities</b>					
Invested in Capital Assets, Net of Related Debt	\$ 120,012,568	\$ 123,851,149	\$ 125,163,119	\$ 123,357,519	\$ 119,805,631
Restricted	31,949,679	14,773,848	11,074,504	9,929,194	-
Unrestricted	33,991,810	35,395,885	27,688,003	21,406,542	27,837,526
<b>Total Business-Type Activities Net Position</b>	<b>\$ 185,954,057</b>	<b>\$ 174,020,882</b>	<b>\$ 163,925,626</b>	<b>\$ 154,693,255</b>	<b>\$ 147,643,157</b>
<b>Primary government</b>					
Invested in Capital Assets, Net of Related Debt	\$ 159,785,321	\$ 160,035,282	\$ 153,177,574	\$ 142,887,008	\$ 139,225,993
Restricted	54,254,960	53,142,987	56,688,003	47,069,691	30,364,648
Unrestricted	60,321,520	54,185,787	32,306,001	32,251,879	37,541,468
<b>Total Primary Government Net Position</b>	<b>\$ 274,341,801</b>	<b>\$ 267,367,056</b>	<b>\$ 242,171,578</b>	<b>\$ 222,208,578</b>	<b>\$ 207,131,709</b>

**City of Oshkosh, Wisconsin**  
**Changes in Net Position**  
**Last Five Years**  
**(accrual basis of accounting)**

	2016	2015	2014	2013	2012
<b>Program Revenues</b>					
Governmental Activities:					
Charges for Services:					
General Government	\$ 1,436,721	\$ 1,558,511	\$ 1,510,767	\$ 1,459,590	\$ 1,499,241
Public Safety	3,275,667	3,201,203	3,458,075	3,443,014	3,428,559
Public Works	4,318,592	3,865,108	4,286,791	4,266,051	4,068,789
Health and welfare	197,444	171,211	152,046	153,459	186,310
Parks and recreation	1,328,326	1,457,930	1,524,330	1,544,164	1,574,689
Transportation	74,052	38,197	17,020	63,496	45,917
Community development	1,160,765	1,795,886	1,579,807	1,254,547	1,324,595
Operating grants and contributions	5,831,258	6,414,312	4,992,789	6,416,634	6,509,866
Capital grants and contributions	2,731,515	3,898,785	4,408,415	8,017,626	2,628,797
<b>Total Governmental Activities Program Revenues</b>	<b>20,456,340</b>	<b>22,401,143</b>	<b>21,909,900</b>	<b>26,639,324</b>	<b>21,266,773</b>
Business-Type Activities:					
Charges for Services:					
Transit utility	1,153,149	974,398	1,032,597	1,163,321	1,060,619
Water utility	14,445,314	13,890,943	13,360,404	12,100,460	12,653,163
Sewer utility	12,601,254	11,505,240	11,753,286	10,080,904	10,604,202
Storm Water utility	8,762,387	8,008,241	7,232,454	6,076,752	4,606,002
Other	3,771,400	2,460,714	753,376	2,086,110	1,903,780
Operating grants and contributions	3,001,248	2,968,658	2,960,354	3,969,073	3,016,504
Capital grants and contributions	4,208,145	2,282,249	3,621,003	2,687,333	2,131,530
<b>Total Business-Type Activities Program Revenues</b>	<b>47,942,913</b>	<b>42,100,443</b>	<b>40,753,674</b>	<b>38,163,853</b>	<b>35,975,600</b>
<b>Total Primary Government Program Revenues</b>	<b>68,399,253</b>	<b>64,501,586</b>	<b>62,663,574</b>	<b>64,803,177</b>	<b>57,242,373</b>
<b>Expenses</b>					
Governmental Activities:					
General Government	7,796,046	6,877,632	6,676,357	5,893,042	7,153,206
Public Safety	27,967,136	27,496,737	25,326,105	25,456,071	25,890,300
Public Works	15,386,290	16,804,792	15,963,233	15,853,312	18,613,846
Health and welfare	930,952	942,326	971,146	942,236	1,574,357
Parks and recreation	8,785,030	8,886,775	8,835,806	8,332,592	9,216,781
Transportation	1,092,783	731,434	670,784	762,341	743,613
Community development	14,892,738	8,546,791	6,929,143	10,149,353	2,758,184
Unclassified	662,548	858,274	668,374	793,442	776,758
Interest on debt	3,849,290	3,958,629	4,565,377	4,101,721	2,603,084
<b>Total Governmental Activities Expenses</b>	<b>81,364,813</b>	<b>75,103,350</b>	<b>70,586,325</b>	<b>72,284,110</b>	<b>69,330,129</b>
Business-Type Activities:					
Transit utility	4,809,392	4,737,860	4,836,746	4,959,664	4,860,183
Water utility	10,892,066	10,564,852	10,616,162	9,836,700	10,557,966
Sewer utility	10,825,702	10,526,101	10,018,765	9,276,937	9,195,795
Storm Water utility	6,312,063	5,808,799	5,410,733	4,807,660	3,915,332
Other	3,350,343	2,331,609	2,152,755	2,073,923	1,989,165
<b>Total Business-Type Activities Expenses</b>	<b>36,189,566</b>	<b>33,969,221</b>	<b>33,035,161</b>	<b>30,954,884</b>	<b>30,518,441</b>
<b>Total Primary Government Expenses</b>	<b>117,554,379</b>	<b>109,072,571</b>	<b>103,631,486</b>	<b>103,238,994</b>	<b>99,848,570</b>

**City of Oshkosh, Wisconsin**  
**Changes in Net Position (continued)**  
**Last Five Years**  
*(accrual basis of accounting)*

	2016	2015	2014	2013	2012
<b>Net (Expense) Revenue</b>					
Governmental Activities	\$ (60,908,473)	\$ (62,702,207)	\$ (48,686,425)	\$ (45,644,786)	\$ (48,063,356)
Business-Type Activities	11,753,347	8,131,222	7,718,913	7,208,969	5,497,359
<b>Total Primary Government Net Expense</b>	<b>(49,155,126)</b>	<b>(44,570,985)</b>	<b>(40,967,512)</b>	<b>(38,435,817)</b>	<b>(42,565,997)</b>
<b>General Revenues and Other Changes in Net Position</b>					
Governmental Activities:					
Taxes:					
Property and Other Local Taxes Levied For:					
General Purposes	16,540,825	7,674,823	7,601,256	7,437,835	6,988,954
Other Purposes	13,438,350	14,856,920	14,629,667	13,887,960	13,629,952
Debt Service	9,851,809	18,037,275	17,637,047	17,015,651	16,704,943
State and Federal Aids Not Restricted to Specific Functions	13,286,136	12,185,208	12,239,874	12,646,485	12,667,257
Investment Earnings	1,351,668	185,641	2,530,813	1,007,079	754,834
Gain (Loss) on Sale of Capital Assets	18,075	25,683	4,629	32,594	-
Miscellaneous	476,935	317,288	3,986,577	547,200	180,880
Transfers	985,255	988,173	987,191	896,753	1,337,809
<b>Total Governmental Activities</b>	<b>55,850,043</b>	<b>54,251,011</b>	<b>59,617,054</b>	<b>53,471,557</b>	<b>52,264,629</b>
Business-Type Activities:					
General Purposes property taxes levied for	843,391	748,125	2,203,488	795,749	817,657
Investment Earnings	288,022	(13,041)	97,561	93,869	155,472
Gain (Loss) on Sale of Capital Assets	33,670	-	-	48,264	42,496
Transfers	(985,255)	(988,173)	(987,191)	(896,753)	(1,337,809)
<b>Total Business-Type Activities</b>	<b>179,828</b>	<b>(253,089)</b>	<b>1,313,858</b>	<b>41,129</b>	<b>(322,184)</b>
<b>Total Primary Government</b>	<b>56,129,871</b>	<b>53,997,922</b>	<b>60,930,912</b>	<b>53,512,686</b>	<b>51,942,445</b>
<b>Change in Net Position</b>	<b>(4,958,430)</b>	<b>1,548,804</b>	<b>10,930,629</b>	<b>7,826,771</b>	<b>4,201,273</b>
Governmental Activities	11,833,175	7,878,133	9,032,371	7,250,098	5,135,175
Business-Type Activities	\$ 6,874,745	\$ 9,426,837	\$ 19,963,000	\$ 15,076,869	\$ 9,336,448

**CITY OF OSHKOSH, WISCONSIN**  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Fiscal Years  
 December 31, 2016

Fiscal Year	Real Property		Personal Property		Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value
	Assessed Value	Estimated Actual Value	Assessed	Estimated Actual Value				
2016	\$ 3,641,697,700	\$ 3,650,387,038	\$ 130,942,200	\$ 131,254,637	\$ 3,772,639,900	10.3440	\$ 3,781,641,675	99.76
2015	3,606,419,800	3,606,061,488	142,327,700	142,313,559	3,748,747,500	9.7870	3,748,375,047	100.00
2014	3,618,101,100	3,592,566,171	157,144,000	156,034,948	3,775,245,100	9.5620	3,748,601,119	100.71
2013	3,602,577,600	3,602,577,600	158,294,700	158,294,700	3,760,872,300	9.2810	3,760,872,300	100.00
2012	3,591,967,000	3,621,421,129	146,992,600	148,197,939	3,738,959,600	8.9370	3,769,619,068	99.18
2011	3,581,676,200	3,623,939,979	147,234,400	148,971,766	3,728,910,600	8.7960	3,772,911,745	98.82
2010	3,558,554,500	3,625,811,180	149,579,500	152,406,553	3,708,134,000	8.6080	3,778,217,733	98.11
2009	3,559,320,400	3,647,235,614	152,720,300	156,492,491	3,712,040,700	8.3990	3,803,728,105	97.53
2008	3,517,580,250	3,693,811,021	141,325,000	148,405,382	3,658,905,250	8.2300	3,842,216,403	94.99
2007	3,441,866,900	3,581,606,696	129,642,300	134,905,777	3,571,509,200	7.9800	3,716,512,473	95.94

**CITY OF OSHKOSH, WISCONSIN**  
 Property Tax Rates - Direct and Overlapping Governments  
 Last Ten Fiscal Years  
 December 31, 2016

Fiscal Year	City of Oshkosh				Oshkosh Area Public Schools		Fox Valley Technical College		County of Winnebago		State of Wisconsin		Total
	Operations	Debt	Total		Schools	Technical	College	Winnebago	State of Wisconsin	Total			
2016	\$ 7,360	2,984	\$ 10,344	38.1%	\$ 10,131	37.3%	\$ 1,116	4.1%	\$ 5,415	19.9%	\$ 0.170	0.6%	\$ 27,176
2015	6,949	2,838	9,787	37.5%	9,579	36.7%	1,116	4.3%	5,429	20.8%	0.169	0.6%	26,080
2014	4,361	5,201	9,562	36.6%	9,737	37.3%	1,116	4.3%	5,548	21.2%	0.169	0.6%	26,132
2013	4,151	5,130	9,281	35.5%	9,154	35.0%	1,973	7.5%	5,567	21.3%	0.170	0.7%	26,145
2012	3,980	4,957	8,937	34.5%	8,892	34.4%	1,982	7.7%	5,890	22.8%	0.171	0.7%	25,872
2011	3,902	4,894	8,796	35.0%	8,640	34.3%	1,813	7.2%	5,736	22.8%	0.172	0.7%	25,157
2010	3,824	4,784	8,608	34.2%	8,792	34.9%	1,814	7.2%	5,804	23.0%	0.173	0.7%	25,191
2009	3,501	4,898	8,399	34.8%	8,099	33.6%	1,757	7.3%	5,688	23.6%	0.174	0.7%	24,117
2008	3,344	4,882	8,226	34.7%	7,771	32.8%	1,770	7.5%	5,727	24.2%	0.179	0.8%	23,673
2007	3,210	4,770	7,980	34.3%	7,710	33.1%	1,740	7.5%	5,670	24.4%	0.180	0.8%	23,280

Tax Levies

Fiscal Year	City of Oshkosh				Oshkosh Area Public Schools		Fox Valley Technical College		County of Winnebago		State of Wisconsin		Total
	Operations	Debt	Total		Schools	Technical	College	Winnebago	State of Wisconsin	Total			
2016	\$ 25,826,000	10,471,700	\$ 36,297,700		\$ 35,551,348	3,915,834	\$ 3,915,834	\$ 19,002,146	640,848	\$ 95,407,876			
2015	24,343,600	9,943,100	34,286,700		33,555,438	3,910,234	3,910,234	19,019,113	635,319	91,406,804			
2014	15,204,000	18,130,300	33,334,300		33,943,225	3,890,900	3,890,900	19,340,255	636,199	91,144,879			
2013	14,326,700	17,704,300	32,031,000		31,595,334	6,808,053	6,808,053	19,215,346	637,971	90,287,704			
2012	13,629,708	16,975,200	30,604,908		30,451,103	6,786,290	6,786,290	20,169,459	638,536	88,650,296			
2011	13,360,100	16,758,200	30,118,300		29,585,411	6,208,876	6,208,876	19,642,097	640,825	86,195,509			
2010	13,100,765	16,387,400	29,488,165		30,116,037	6,212,920	6,212,920	19,882,754	641,392	86,341,268			
2009	11,997,700	16,789,100	28,786,800		27,758,578	6,021,254	6,021,254	19,496,778	645,192	82,708,602			
2008	11,336,182	16,549,086	27,885,268		26,340,816	5,999,373	5,999,373	19,413,865	653,212	80,292,534			
2007	10,703,136	15,902,535	26,605,671		25,684,457	5,799,205	5,799,205	18,903,075	631,784	77,624,192			

**City of Oshkosh, Wisconsin**  
**Principal Taxpayers**  
**12/31/2006 and 12/31/2016**

Taxpayer	December 31, 2016	
	Real Property Assessed Valuation <sup>(1)</sup>	Percentage of Total Assessed Valuation
Midwest Realty	\$ 61,102,200	1.63%
Dumke & Associates	59,900,000	1.60
Curwood Bemis	33,484,900	0.89
Tom Rusch Etal	46,087,900	1.23
Oshkosh Corporation	31,845,600	0.85
Dennis Schwab	39,176,800	1.05
Bergstrom	31,980,100	0.85
BFO Factory Shoppes	32,090,900	0.86
Charles Perry	31,038,400	0.83
Aurora Medical	28,285,200	0.75
	\$ 394,992,000	10.54%
Total Assessed Valuation	\$ 3,748,747,500	
Taxpayer	December 31, 2006	
	Real Property Assessed Valuation <sup>(1)</sup>	Percentage of Total Assessed Valuation
Midwest Realty	\$ 65,086,300	1.91%
Curwood Inc. (Bemis)	54,705,800	1.61
Thomas N. Rusch, etal.	48,279,900	1.42
Oshkosh Truck	30,144,300	0.88
Dumke & Associates	28,359,700	0.83
Peter Jungbacker	25,654,800	0.75
First Horizon	24,619,200	0.72
Westowne Shoppes, etal	20,959,000	0.62
Dennis Schwab	20,492,100	0.60
Aurora Medical	19,171,800	0.56
	\$ 337,472,900	9.900%
Total Assessed Valuation	\$ 3,406,829,100	

(1) Assessed valuation based on the valuation of property for taxes collected in 2016 and 2006 respectively, and a review of the largest taxpayers for the City.

Source: City of Oshkosh Assessor's Office

**City of Oshkosh, Wisconsin**  
**Property Tax Levies And Collections**  
**2007 - 2016**

Fiscal Year	Tax Year	Total Tax Levy <sup>(1)</sup>	City Tax Collections	Percent of City Tax Collections To Tax Levy	County Settlement for Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections Prior to Collections / Adjustments
2016	2015	\$ 102,914,568	\$ 100,963,917	98.10%	\$ 1,872,639	\$ 102,836,556	99.92%
2015	2014	103,057,581	101,075,776	98.08%	1,916,907	102,992,683	99.94%
2014	2013	103,008,897	100,896,914	97.95%	2,074,659	102,971,573	99.96%
2013	2012	101,153,633	98,273,836	97.15%	2,836,923	101,110,759	99.96%
2012	2011	96,961,355	93,389,879	96.32%	3,504,895	96,894,774	99.93%
2011	2010	97,053,509	92,726,230	95.54%	4,277,936	97,004,166	99.95%
2010	2009	93,178,460	90,156,910	96.76%	2,973,400	93,130,310	99.95%
2009	2008	89,123,760	86,319,259	96.85%	2,756,957	89,076,216	99.95%
2008	2007	86,119,686	83,580,798	97.05%	2,491,982	86,072,780	99.95%
2007	2006	81,158,972	78,653,692	96.91%	2,466,249	81,119,941	99.95%

Note: Real estate taxes may be paid in a single payment due January 31, or in four installments, January 31, March 30, May 31, and July 31. The City collects taxes on behalf of the overlapping governments. The City remits taxes to the other governments on five settlement dates - January 15, February 15, April 15, June 15, and August 15. The City then transfers the delinquent taxes to the County by August 15 and the County in turn makes the City whole with a settlement on August 20. The City retains the responsibility of collecting delinquent personal property taxes.

(1) - Total Tax Levy represents the real estate tax levies for the City, overlapping districts, and personal property taxes.

Sources: Winnebago County Treasurer and City of Oshkosh Department of Finance.

## **DEBT CAPACITY**



**CITY OF OSHKOSH, WISCONSIN**

Outstanding Debt by Type  
Last Ten Fiscal Years  
December 31, 2016

Fiscal Year	Governmental Activities					Business-Type Activities					Debt	
	General Obligation debt	Compensated absences	OPEB Obligation	Unfunded Pension Liability (WRS)	General Obligation debt	Revenue bonds	Compensated absences	Total Primary Government	Percentage of Personal Income	Debt Per Capita		
2016	\$ 115,349,675	\$ 4,352,539	\$ 5,375,052	\$ -	\$ 25,586,223	\$ 167,032,169	\$ 808,318	\$ 318,503,976	21.50%	\$ 4,774		
2015	117,857,462	4,673,902	5,147,509	-	28,709,574	147,300,274	628,849	304,317,570	20.51%	4,588		
2014 <sup>(1)</sup>	115,817,334	3,524,291	4,868,160	-	32,145,618	128,416,837	698,782	285,471,022	19.46%	4,275		
2013	107,861,558	3,370,758	4,519,616	10,513,576	33,533,369	116,597,811	713,031	277,109,719	18.98%	4,157		
2012	100,855,655	3,142,412	3,724,502	10,255,576	37,003,597	100,403,094	626,990	256,011,826	16.27%	3,860		
2011	93,389,085	3,066,770	3,045,113	10,049,166	40,242,776	88,033,677	593,879	238,420,466	15.38%	3,608		
2010 <sup>(2)</sup>	88,458,044	2,935,344	2,291,041	9,791,574	43,494,833	77,877,052	755,459	225,603,347	13.44%	3,414		
2009	54,594,494	2,888,438	1,492,192	9,520,865	75,062,759	51,273,148	744,469	195,576,365	10.89%	3,039		
2008	53,244,856	2,889,010	761,466	9,274,093	66,439,949	50,088,740	738,139	183,436,253	7.03%	2,783		
2007	64,952,651	2,661,427	-	9,021,451	68,127,403	52,844,125	723,970	198,331,027	7.89%	3,014		

(1) On August 22, 2014, the City paid off its Unfunded Pension Liability (WRS) with a State Trust Fund Loan. This loan is payable through 2034 with an interest rate of 4.25%. As a result, general obligation debt increased \$10,233,802 which was split between governmental and business-type activities.

(2) On January 1, 2011, the City reclassified its TIF District funds from enterprise funds to capital project funds. As a result, general obligation debt associated with the TIF Districts was reclassified from business-type activity to governmental activity debt. The amount reclassified was \$27,527,728.

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

**CITY OF OSHKOSH, WISCONSIN**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
December 31, 2016

Fiscal Year	Population	Equalized Value	Debt Total	Ratio to Assessed		Per Capita
				Value	Net General Long-Term Debt	
2016	66,717	\$ 3,772,639,900	\$ 138,876,319	3.68%	\$	2,081.57
2015	66,327	3,743,645,000	145,410,531	3.88%		2,192.33
2014	66,778	3,748,827,600	147,228,958	3.93%		2,204.75
2013	66,653	3,759,269,500	141,394,927	3.76%		2,121.36
2012	66,325	3,762,601,100	137,859,256	3.66%		2,078.54
2011	66,083	3,776,085,900	133,631,865	3.54%		2,022.18
2010	66,080	3,779,437,800	131,952,877	3.49%		1,996.87
2009	64,350	3,801,817,900	129,657,250	3.41%		2,014.88
2008	65,920	3,849,076,000	119,684,801	3.11%		1,815.61
2007	65,810	3,722,810,200	119,580,048	3.21%		1,817.05

**CITY OF OSHKOSH, WISCONSIN**  
 Direct and Overlapping Governmental Activities Debt  
 December 31, 2016

	TOTAL DEBT	Applicable to City	
		Percent	Amount
<b>Direct Debt:</b>			
City purpose	\$ 138,876,319		
Less Sanitary Sewer purpose	(8,815,237)		
Less Storm Water purpose	(6,918,358)		
Less Water Utility purpose	(6,412,381)		
Less TIF purpose	(26,540,848)		
Net City Purpose	<u>\$ 90,189,495</u>	100.0000%	<u>\$ 90,189,495</u>
Total Net Direct Debt			<u>90,189,495</u>
<b>Overlapping Debt</b>			
Oshkosh Area Public School District	45,988,462	74.7131%	34,359,406
Fox Valley Technical College	85,725,000	10.1000%	8,658,225
Winnebago County	31,933,044	30.1989%	9,643,428
Total Overlapping Debt			<u>52,661,059</u>
			<u>\$ 142,850,554</u>

Debt shown includes general obligation bonds and notes. Excluded from above are revenue bonds of \$167,032,169.

Information of other taxing districts was obtained from their respective financial reports and/or departments.

**CITY OF OSHKOSH, WISCONSIN**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 December 31, 2016

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Equalized Value	\$ 3,776,225,300	\$ 3,743,645,000	\$ 3,748,827,600	\$ 3,759,269,500	\$ 3,762,601,100	\$ 3,776,085,900	\$ 3,779,437,800	\$ 3,801,817,900	\$ 3,565,689,900	\$ 3,473,497,000
Debt limitation - 5% of equalized value	188,811,265	187,182,250	187,441,380	187,963,475	188,130,055	188,804,295	188,971,890	190,090,895	178,284,495	173,674,850
Debt applicable to limitation	138,876,319	145,410,531	147,228,958	141,394,927	137,859,252	133,631,861	131,952,877	129,657,253	119,684,805	133,080,054
Total outstanding general obligation debt	(760,004)	(976,051)	(1,536,834)	(1,766,431)	(1,598,474)	(878,039)	(802,645)	(1,146,983)	(1,814,545)	(15,366,502)
Less: Debt service fund	-	-	-	(1,631,854)	-	-	-	-	-	-
Less: Other funds available for debt retirement	-	-	-	-	-	-	-	-	-	-
Total debt applicable to limitation	138,116,315	144,434,480	145,692,124	137,996,642	136,260,778	132,753,822	131,150,232	128,510,270	117,870,260	117,713,552
Legal Debt Margin	\$ 50,694,950	\$ 42,747,770	\$ 41,749,256	\$ 49,966,833	\$ 51,869,277	\$ 56,050,473	\$ 57,821,658	\$ 61,580,625	\$ 60,414,235	\$ 55,961,298

Total net debt applicable to the limit	73.15%	77.16%	77.73%	73.42%	72.43%	70.31%	69.40%	67.60%	66.11%	67.78%
As a percentage of debt limit										

**CITY OF OSHKOSH, WISCONSIN**

Pledged-Revenue Coverage

Last Ten Fiscal Years

December 31, 2016

**Water Revenue Bonds**

Fiscal Year	Utility Service Charges <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Revenue Available for Debt Service	Debt Service		Revenue Coverage
				Principal	Interest	
2016	\$ 14,389,159	\$ 5,540,506	\$ 8,848,653	\$ 4,704,579	\$ 1,686,652	1.384
2015	13,744,880	5,559,101	8,185,779	3,807,638	1,441,970	1.559
2014	13,204,960	5,833,904	7,371,056	3,872,222	1,414,596	1.394
2013	11,894,051	5,181,499	6,712,552	3,168,287	1,373,264	1.478
2012	12,476,050	5,190,896	7,285,154	2,940,800	1,292,001	1.721
2011	11,766,312	4,950,108	6,816,204	1,859,362	901,696	2.469
2010	11,440,790	6,365,712	5,075,078	2,864,882	1,136,715	1.268
2009	11,661,637	5,585,656	6,075,981	2,199,618	1,047,917	1.871
2008	12,055,844	5,727,208	6,328,636	2,054,504	1,155,278	1.972
2007	11,605,868	4,921,900	6,683,968	2,055,484	1,168,870	2.073

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less: depreciation, bond issue expense and interest expense.

**CITY OF OSHKOSH, WISCONSIN**

Pledged-Revenue Coverage

Last Ten Fiscal Years

December 31, 2016

**Sewer Revenue Bonds**

Fiscal Year	Utility Service Charges <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Revenue Available for Debt Service	Debt Service		Revenue Coverage
				Principal	Interest	
2016	\$ 12,692,924	\$ 5,815,792	\$ 6,877,132	\$ 2,278,072	\$ 1,244,346	1.952
2015	11,432,847	5,814,421	5,618,426	1,797,902	962,202	2.036
2014	11,667,626	5,742,234	5,925,392	2,811,576	774,747	1.652
2013	10,115,243	5,170,187	4,945,056	2,556,996	707,686	1.515
2012	10,633,650	5,227,829	5,405,821	2,433,416	595,965	1.784
2011	9,742,345	5,241,990	4,500,355	1,889,013	441,518	1.931
2010	9,062,774	5,190,326	3,872,448	1,671,295	327,294	1.938
2009	9,094,064	5,218,908	3,875,156	1,620,209	360,497	1.956
2008	9,737,588	5,192,412	4,545,176	1,570,706	410,791	2.294
2007	9,126,861	4,584,753	4,542,108	1,522,733	459,529	2.291

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less: depreciation, bond issue expense and interest expense.

**CITY OF OSHKOSH, WISCONSIN**

Pledged-Revenue Coverage

Last Ten Fiscal Years

December 31, 2016

**Storm Water Revenue Bonds**

Fiscal Year	Utility Service Charges <sup>(1)</sup>	Less: Operating Expenses <sup>(2)</sup>	Net Revenue Available for		Debt Service		Revenue Coverage
			Debt Service	Debt Service	Principal	Interest	
2016	\$ 8,834,283	\$ 2,117,352	\$ 6,716,931	\$ 2,530,000	\$ 2,202,164	1.419	
2015	7,992,624	1,941,371	6,051,253	2,120,000	1,854,819	1.522	
2014	7,263,498	2,049,110	5,214,388	1,670,000	1,790,866	1.507	
2013	6,088,592	1,619,298	4,469,294	1,260,000	1,110,605	1.885	
2012	4,650,424	1,821,770	2,828,654	985,000	934,695	1.473	
2011	4,218,749	2,096,833	2,121,916	895,000	1,005,365	1.117	
2010	3,805,709	1,743,456	2,062,253	190,000	170,061	5.728	
2009	4,044,613	1,596,444	2,448,169	185,000	176,624	6.770	
2008	3,058,699	1,198,080	1,860,619	180,000	183,012	5.126	
2007	3,198,290	987,246	2,211,044	175,000	189,224	6.071	

(1) Includes total operating revenues and investment income.

(2) Includes total operating expenses less: depreciation, bond issue expense and interest expense.

## **DEMOGRAPHIC AND ECONOMIC INFORMATION**



**City of Oshkosh, Wisconsin**  
Demographic and Economic Statistics  
Last Ten Years  
December 31, 2016

Year	Population <sup>(1)</sup>	Total		Per Capita		Median Age <sup>(3)</sup>	School Enrollment <sup>(4)</sup>	Unemployment Rate <sup>(5)</sup>
		Personal Income <sup>(2)</sup>	Income <sup>(2)</sup>	Personal Income <sup>(3)</sup>	Income <sup>(3)</sup>			
2016	66,717	N/A	N/A	N/A	N/A	N/A	11,128	3.2%
2015	66,327	1,472,592,054	22,202	32.8	32.8	32.8	11,141	3.8%
2014	66,778	1,467,246,216	21,972	33.9	33.9	33.9	11,226	4.8%
2013	66,653	1,459,767,353	21,901	32.8	32.8	32.8	11,465	5.9%
2012	66,325	1,573,162,675	23,719	33.5	33.5	33.5	11,323	6.9%
2011	66,083	1,550,703,678	23,466	34.1	34.1	34.1	11,399	7.4%
2010	66,080	1,605,611,840	24,298	35.2	35.2	35.2	10,213	7.0%
2009	64,350	1,795,365,000	27,900	33.8	33.8	33.8	10,331	8.4%
2008	63,680	2,521,091,200	39,590	49	49	49	10,335	4.9%
2007	65,810	2,514,402,670	38,207	49	49	49	10,374	4.6%

Source:

- (1) U.S. Census Bureau - WI Dept of Administration
- (2) Computation of per capita personal income multiplied by population
- (3) Oshkosh Chamber of Commerce Esri Forecasts 2012 and U.S. Census Bureau
- (4) WI Department of Public Instruction <http://dpi.wi.gov/lbstat/pubdata2.html>
- (5) Wisconsin Department of Workforce Development Website: [worknet.wisconsin.gov](http://worknet.wisconsin.gov)

## **OPERATING INFORMATION**

**CITY OF OSHKOSH, WISCONSIN**  
**Principal Employers\***  
**Current Year and Ten Years Ago**  
**December 31, 2016**

	<u>2016</u>		<u>2006</u>
	<u>Employees</u>	<u>Percentage of Total City Employment</u>	<u>Oshkosh Financial Report</u>
<b><u>Manufacturing</u></b>			
Oshkosh Corporation	3,642	10.39%	2,277
Bemis (all Oshkosh locations)	2,600	7.42%	2,055
Silver Star Brands Inc. / Miles Kimball Co.	627	1.79%	1,250
Hoffmaster, A Solo Cup Company, (Scott Worldwide Food Service)	444	1.27%	617
Muza Metal Products	240	0.68%	150
Lapham-Hickey Steel	197	0.56%	167
<b><u>Non-Manufacturing</u></b>			
Aurora Medical Center & Aurora Group	1,303	3.72%	1,079
U S Bank (Firststar)	1,144	3.26%	750
4imprint (Nelson Marketing)	818	2.33%	296
Ascension Health	688	1.96%	1,222
Oshkosh Community YMCA	400	1.14%	350
Miravida Living	380	1.08%	342
Wal-Mart	318	0.91%	404
Clarity Care (Residential Care RCDD)	294	0.84%	500
United Parcel Service	200	0.57%	-
<b><u>Government</u></b>			
University of WI - Oshkosh	1,327	3.78%	1,632
Oshkosh Area School District	1,409	4.02%	1,580
Winnebago County	1,200	3.42%	1,068
Winnebago Mental Health Institute	709	2.02%	750
City of Oshkosh-, Full-Time	545	1.55%	650
Oshkosh Correctional Institution	502	1.43%	524
CESA6	311	0.89%	289
Oshkosh's Labor Force Estimates **		<b>35,061</b>	

\*\*Source: WORKnet - Data Analyst - Labor Force - Period 12, 2016

Source: Oshkosh Chamber of Commerce and/or employers\*

\*Employee counts listed are the number of full-time equivalent employees reported by each organization for the Oshkosh area.

**CITY OF OSHKOSH, WISCONSIN**  
**Full-time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**  
**December 31, 2016**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>General Fund</b>										
<b>General Government</b>										
Manager	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Attorney	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Human Resources	5.00	6.00	6.00	6.00	6.00	5.00	5.00	5.00	5.00	5.00
Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Finance	14.80	12.80	12.00	12.00	12.00	12.00	14.00	14.00	14.00	14.00
Purchasing	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00	2.00
Central Services	-	-	-	-	-	1.00	1.00	1.00	1.00	1.00
IT / Central Services	7.40	7.40	7.40	7.40	7.40	7.00	7.00	7.00	7.00	7.00
Facilities Maint.	5.80	5.80	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00
Media Services	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
<b>Public Safety</b>										
Safety	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Police	127.49	115.00	115.00	114.00	116.00	116.00	116.00	116.00	116.00	116.00
Fire	108.00	108.00	107.00	107.00	108.00	108.00	108.00	108.00	108.00	108.00
<b>Public Works</b>										
Public Works Admin.	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Engineers	11.70	11.70	11.00	12.00	12.00	12.00	11.00	11.00	11.00	12.00
Streets	29.00	29.00	29.00	29.00	29.00	31.00	31.00	31.00	30.00	32.00
Central Garage	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00
Garbage			8.00	8.00	9.25	10.00	11.00	11.00	11.00	11.00
<b>Parks</b>										
Parks	14.89	14.89	14.89	15.64	15.64	15.64	15.50	15.50	15.50	15.50
Forestry	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
<b>Community Development</b>										
Assessor	5.80	5.80	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00
Economic Development	5.00	4.80	4.80	3.00	-	-	-	-	-	-
Planning	9.00	8.50	8.50	7.50	9.90	9.90	9.50	9.50	9.50	9.50
Inspection Services	7.50	7.50	7.50	7.50	10.50	10.50	10.50	10.50	10.50	10.50
Weights and Measures	1.50	-	-	-	-	-	-	-	-	-
Healthy Neighborhood Initiative	0.88	-	-	-	-	-	-	-	-	-
<b>Transportation</b>										
Electric	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Sign	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
<b>Administrative Services</b>										
Safety & Worker Compensation	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
<b>Special Revenue Funds</b>										
<b>Parks</b>										
Cemetery	3.64	3.00	3.00	3.00	3.00	3.70	4.00	4.00	4.00	4.00
Senior Services	7.18	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00
Parks Revenue Facilities	0.36	0.36	0.36	0.36	0.36	0.36	0.50	0.50	0.50	0.50
<b>Public Works</b>										
Garbage	7.50	8.00								
Recycling	4.50	5.00	5.00	5.00	5.00	5.00	5.00	6.00	7.00	7.00
<b>Other</b>										
Health Services	-	-	-	-	-	6.00	6.00	6.00	6.00	6.00
Health Svcs/Nurses	-	-	-	-	-	3.00	3.00	3.00	3.00	3.00
Library	37.68	38.58	40.25	40.25	40.25	32.05	32.50	31.60	31.60	32.50
Museum	11.43	10.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00	10.00
<b>Enterprise Funds</b>										
Convention Center	1.00	-	-	-	-	-	-	-	-	-
Golf Course	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Transit Utility	32.00	29.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00	28.00
Parking Utility	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	2.00	2.00
Water Utility	35.02	34.93	34.93	35.05	35.05	32.85	32.85	31.33	31.33	31.00
Sewer Utility	-	32.68	32.68	33.70	33.70	32.67	32.67	32.33	32.33	34.00
Storm Utility	10.85	10.50	10.50	10.50	10.50	8.00	8.00	7.33	7.00	7.00
<b>Total Full-time Equivalent</b>	<b>544.92</b>	<b>555.24</b>	<b>551.81</b>	<b>550.90</b>	<b>558.55</b>	<b>556.67</b>	<b>558.02</b>	<b>555.59</b>	<b>555.26</b>	<b>561.50</b>

**CITY OF OSHKOSH, WISCONSIN**  
**Capital Asset Statistics by Function/Program**  
 Last Ten Fiscal Years  
 December 31, 2016

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Police</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Community Policing Offices	1 mobile	1 mobile	1 mobile	0	0	0	0	0	0	0
Patrol Units	29	28	28	28	28	28	29	30	32	34
<b>Fire</b>										
Stations	6	6	6	6	6	6	6	6	6	6
<b>Refuse Collection</b>										
Collection trucks	13	13	13	13	13	13	13	13	13	13
<b>Other Public Works</b>										
Streets (miles)	260.05	259.35	258.45	263.05	261.72	261.08	262.22	261.38	261.32	259.58
Street Lights	1,390	1,350	1,350	1,310	*	*	*	*	*	*
City traffic signals (intersections)	68	67	62	*	*	*	*	*	*	*
<b>Parks and Recreation</b>										
Acres	445	440	440	440	440	440	440	440	440	440
Playgrounds	19	19	17	17	17	17	17	17	18	18
Baseball/softball diamonds	19	19	18	18	18	18	18	18	19	19
<b>Water</b>										
Watermains (miles)	313.00	296.09	295.66	294.09	294.73	294.49	294.02	292.61	291.94	283.14
Average Daily Pumpage, (Million Gallons per day)	5.790	6.170	6.849	6.160	6.422	6.508	6.388	6.315	6.534	6.866
<b>Wastewater</b>										
Sanitary sewers (miles)	266.50	266.21	266.35	267.04	268.50	269.71	269.71	269.84	*	*
Storm sewers (miles)	256.70	251.97	246.69	*	*	*	*	*	*	*
<b>Transit</b>										
Buses	16	16	17	17	17	17	17	17	17	17

Sources: various city departments  
 \* Data Not Available

**CITY OF OSHKOSH, WISCONSIN**  
**Operating Indicators by Function/Program**  
**Last Ten Fiscal Years**  
**December 31, 2016**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>Police</b>										
Physical arrests	2,646	3,854	4,606	5,162	5,727	7,603	6,217	6,307	6,087	6,116
Traffic Enforcement Citations	7,175	4,720	7,799	7,846	8,919	7,415	6,750	5,203	1,328	
Reportable Accidents	1,464	1,434	1,243	1,403	1,453	1,381	1,360	1,191	1,390	1,173
<b>Fire</b>										
Emergency responses	8,591	8,018	8,087	7,625	7,502	7,343	6,741	5,862	6,612	6,419
Fire responses	113	130	107	114	121	113	116	104	160	221
Other	1,117	844	901	879	783	766	840	1,119	1,194	837
<b>Refuse Collection</b>										
Refuse collected (average tons per day)	51.85	50.42	49.86	49.30	49.23	49.61	49.11	51.50	51.55	56.97
Refuse collected total tons per year	13,481.38	13,158.55	13,062.67	12,866.88	12,947.22	13,095.82	13,209.26	13,422.69	13,661.37	14,925.13
Comingled recyclable containers (tons)	4,421	4,353	4,262	4,317	4,526	4,434	4,371			
Mixed paper (tons)								2,004.17	2,438.73	2,590.48
Mixed paper and comingled recyclables (tons)								3,635.36	3,609.33	3,874.30
<b>Other Public Works</b>										
New street pavement (miles)	1.01	0.00	0.00	0.16	0.00	0.00	0.05	0.25	0.42	0.31
Street resurfacing (miles)	2.89	2.25	1.38	2.89	4.89	6.91	14.87	5.18	5.10	6.52
<b>Inspection</b>										
Commercial construction - units	71	248	136	30	6	100	34	56	8	72
Commercial construction (thousands of dollars)	14,655,000	15,897,849	11,315,000	4,383,000	283,183	9,496,000	7,117,000	2,878,000	2,844,000	14,342,000
Residential construction - units	25	27	21	21	22	14	24	18	51	58
Residential construction (thousands of dollars)	4,060,521	4,498,868	3,411,675	3,998,218	3,323,089	1,339,096	2,706,490	2,295,400	7,247,277	7,640,261
<b>Water</b>										
New construction (miles)	3.43	2.62	2.78	2.54	4.01	4.24	5.26	*	*	*
Water main leaks	68	77	124	73	77	76	71	*	*	*
Average number of residential customers	20,569	21,441	21,268	22,110	20,815	20,498	20,465	20,436	20,388	20,284
Average annual usage per residential customer, (gallons)	35,774	34,982	35,651	37,198	40,123	39,785	39,935	*	*	*
<b>Transit</b>										
Total route miles	483,085	483,492	481,997	486,540	473,615	468,124	462,430	465,125	470,945	467,690
Passengers (includes paratransit)	995,697	990,431	1,000,778	1,007,785	1,089,681	1,029,812	990,329	1,061,149	1,223,656	1,196,250

Sources: various city departments

Notes:

Police Statistics

Reportable - Anything that gets reported to the State

1) Damage to property is over \$1,000

2) Report of an injury or a complaint about an injury

3) Gov't property damage over \$250.00 (ex - a light pole)

\* Data Not Available

## **MISCELLANEOUS GENERAL DATA**

**CITY OF OSHKOSH, WISCONSIN  
ECONOMICS  
December 31, 2016**

**POPULATION - CITY OF OSHKOSH <sup>(1)</sup>**

Year	Estimate
2007	65,810
2008	65,920
2009	64,350
2010	66,080
2011	66,083
2012	66,325
2013	66,653
2014	66,778
2015	66,327
2016	66,717

**BUILDING PERMITS <sup>(2)</sup>**

Year	New Residential: Single, Family, and Apartments		Total of All Permits	
	No.	Value	No.	Value
2007	69	21,982,261	5,217	121,914,846
2008	43	9,846,277	6,193	95,870,311
2009	20	5,173,400	6,130	64,463,673
2010	30	9,823,490	5,104	74,950,563
2011	50	21,705,692	1,834	51,085,915
2012	42	26,119,317	2,646	77,672,133
2013	33	25,447,066	2,439	66,248,867
2014	26	15,563,675	2,136	82,002,706
2015	38	20,396,717	1,974	67,144,205
2016	34	15,991,435	2,265	78,369,742

**UTILITY CUSTOMERS AT YEAR END - CITY OF OSHKOSH**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Water <sup>(3)</sup>	22,893	23,352	23,451	23,512	23,547	23,923	24,225	24,352	24,352	23,538
Electric <sup>(4)</sup>	42,492	42,910	43,038	43,382	43,729	43,861	44,343	44,369	42,612	38,893
Gas <sup>(4)</sup>	32,123	32,441	32,505	32,667	32,867	32,987	33,019	33,028	32,226	30,077

(1) Source: U.S. Census Bureau / WI Dept. of Admin.  
(2) Source: City of Oshkosh Inspections Department  
(3) Source: WI Public Service Commission <http://www.psc.wi.gov>  
(4) Source: Wisconsin Public Service Corporation

**City of Oshkosh, Wisconsin  
NEW DWELLING UNITS CONSTRUCTED  
1996-2016**

YEAR	TOTAL UNITS	SINGLE FAMILY	TWO FAMILY	MULTIPLE FAMILY
1996	481	202	42	237
1997	374	119	22	233
1998	382	144	20	218
1999	423	157	20	246
2000	277	109	22	146
2001	450	121	10	319
2002	364	157	44	163
2003	529	153	36	340
2004	334	113	20	201
2005	138	63	32	43
2006	234	51	12	171
2007	238	58	2	178
2008	93	41	4	48
2009	46	14	4	28
2010	122	22	2	98
2011	141	12	2	127
2012	28	18	4	6
2013	53	23	-	30
2014	157	15	6	136
2015	275	17	10	248
2016	128	15	10	103
<b>TOTAL</b>	<b>5,267</b>	<b>1,624</b>	<b>324</b>	<b>3,319</b>

Source: City of Oshkosh Department of Community Development



CITY OF OSHKOSH, WISCONSIN  
UTILITY INFORMATION  
December 31, 2016

**WATER UTILITY**

Rates:

Quarterly Volume Charge

First	3,000 cubic feet (CU FT)	\$4.43 per 100 CU. FT.
Next	7,000 cubic feet	4.27 per 100 CU. FT.
Next	190,000 cubic feet	3.99 per 100 CU. FT.
Over	200,000 cubic feet	3.73 per 100 CU. FT.

100 CU. FT. = 748 Gallons

Minimum Quarterly Charge

Meter Size	Service	Public Fire Protection
5/8" & 3/4"	\$ 24.00	\$ 7.20
1"	37.50	18.00
1-1/4"	51.00	27.00
1-1/2"	64.50	36.00
2"	97.50	57.60
3"	150.00	108.00
4"	222.00	180.00
6"	384.00	360.00
8"	582.00	576.00
10"	825.00	864.00
12"	1,068.00	1,152.00

Top Ten Users / Customers

	Billings	Usage (00's)
Oshkosh Correctional Institute	\$ 424,859.51	102,243
Bemis/Curwood/Milprint	311,956.39	76,954
UW Oshkosh	305,668.70	68,297
Pepsi Bottling	258,719.26	65,418
Winnabago Mental Health	186,811.49	51,238
Hydrite Chemical	167,773.97	42,058
State of WI - Drug Abuse Correctional Center	113,644.96	28,531
Oshkosh Corporation	113,888.76	25,384
Winnabago County	107,914.84	23,099
Midwest Realty Management	112,520.56	21,612

CITY OF OSHKOSH, WISCONSIN  
UTILITY INFORMATION (Continued)  
December 31, 2016

**SEWER UTILITY**

Rates:

Quarterly Volume Charge

Charge per 100 cubic Feet	\$4.21	100 CU. FT. = 748 Gallons
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Unmetered Customers:

Fixed Quarterly Charge (based on 16 CCF/quarter) \$90.11

Special Charges:  
Meter Reading & Billing Charge for non-sewer deduct meters, per billing period. \$5.00

Fixed Quarterly Charge

Meter Size	Charge	Meter Size	Charge
5/8" & 3/4"	\$22.75	4"	\$265.74
1"	40.17	6"	516.03
1-1/4"	49.44	8"	815.76
1-1/2"	64.89	10"	1,217.46
2"	92.70	12"	1,619.16
3"	163.70		

Top Ten Users / Customers

	Billings	Usage (00's)
Oshkosh Correctional Institute	\$ 434,997.86	76,477
UW Oshkosh	291,922.34	47,954
City of Oshkosh	255,842.61	43,342
Winnabago County	244,085.84	41,520
Bemis/Curwood/Milprint	218,890.09	38,292
Winnabago Mental Health	200,600.96	34,997
State of WI - Drug Abuse Correctional Ctr.	121,211.74	21,341
Oshkosh Corporation	103,680.00	17,208
Midwest Realty Management	105,176.85	16,053
Gabert & Rusch	96,247.81	14,596

CITY OF OSHKOSH, WISCONSIN  
BUDGET FOR 2017 - REVENUES

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>TAXES LEVIED BY CITY</b>					
Total Taxes Levied	32,031,000	33,334,300	34,286,700	34,286,700	36,297,700
Property Taxes Levied Other Funds (see details below)	(25,427,800)	(26,195,000)	(18,179,800)	(18,179,800)	(18,776,200)
Net General Fund Property Tax 0072-4102	6,603,200	7,139,300	16,106,900	16,106,900	17,521,500
Municipal Owned Utility 0072-4112	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Snow Removal 0072-4172	92,184	69,397	87,300	65,700	67,700
Weed Cutting 0072-4171	39,019	37,802	37,500	37,700	37,500
Mobile Home Tax 0072-4108	129,782	139,325	125,000	137,100	130,000
Payment in Lieu of Taxes 0072-4118	101,886	96,153	105,000	105,000	105,000
<b>TOTAL TAXES LEVIED</b>	<b>7,966,071</b>	<b>8,481,977</b>	<b>17,461,700</b>	<b>17,462,400</b>	<b>18,861,700</b>

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>LICENSES &amp; PERMITS</b>					
Heating 0750-4377	85,334	116,055	0	0	0
Liquor License 0690-4322	129,395	137,003	130,700	130,700	131,600
Signage Licenses 0690-4358	7,423	7,423	7,423	7,423	7,423
Survey Licenses 0690-4372	29,152	29,689	28,000	28,500	27,000
Assessor Fees 0090-4390	103,582	120,839	128,900	120,000	120,000
Electric Permits 0750-4376	64,766	86,628	0	0	0
Building Permits 0750-4374	376,518	415,731	0	0	0
Plumbing Permits 0750-4378	90,417	111,548	0	0	0
Flammable Tank Fees 0750-4384	740	795	0	0	0
Housing Fees 0750-4386	3,570	3,570	0	0	0
Code Seals & Plan Fees 0750-4383	630	770	0	0	0
Code Enforcement 0750-4388	31,785	47,480	0	0	0
Weights & Measures 0750-4381	66,133	64,276	0	0	0
Zoning Ordinances 0740 - 4334	42,406	66,584	83,900	104,000	110,000
<b>TOTAL LICENSES &amp; PERMITS</b>	<b>1,031,548</b>	<b>1,207,407</b>	<b>378,500</b>	<b>390,000</b>	<b>395,300</b>

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>FINES &amp; COSTS</b>					
County Court 0211-4406	285,201	264,475	280,600	283,400	281,800
Police Department - Tickets 0211-4402	483,638	433,171	488,800	348,700	435,600
Penalties 0072-4120	87,972	87,560	85,700	97,400	87,600
<b>TOTAL FINES &amp; COSTS</b>	<b>866,811</b>	<b>785,206</b>	<b>865,100</b>	<b>729,000</b>	<b>795,000</b>

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>STATE &amp; COUNTY AIDS</b>					
Town Aid - Cable TV 1010-4252	11,693	12,277	0	0	0
Town Ambulance Aid 0240-4251	78,341	34,227	34,200	35,200	35,900
Aid to Local Streets 0073-4228	2,824,572	3,033,196	3,197,800	3,192,300	3,191,400
Municipal Services 0073-4232 & 4236	1,011,432	970,700	970,700	964,400	964,400
State Shared Aids 0073-4210	9,674,647	9,667,194	9,680,200	9,683,000	9,686,000
State/Fed Aids-Misc 02110610062007300810-4236	12,500	4,586	4,500	0	0
State Aids - Fire 0230-4236	160,055	153,784	150,000	156,900	156,900
Aids-Police 0211-4206 & 4226 & 4253	176,165	185,764	221,600	208,600	215,300
State Computer Credit 0073-4237	175,068	189,351	175,000	323,600	175,000
Expenditure Restraint 0073-4238	1,060,836	1,132,105	1,176,800	1,176,800	1,244,500
<b>TOTAL STATE &amp; CO. AIDS</b>	<b>15,185,309</b>	<b>15,339,674</b>	<b>15,610,800</b>	<b>15,740,800</b>	<b>15,669,400</b>

CITY OF OSHKOSH, WISCONSIN  
UTILITY INFORMATION (Continued)

December 31, 2016

**STORM WATER UTILITY**

Rates:

Quarterly Equivalent Runoff Unit (ERU)

Charge per ERU \$37.22

Small Residential (Impervious area < 1,750 square feet)

0.67 ERU

Average Residential (Impervious area > 1,750 but < 3,750 square feet)

1.00 ERU

Large Residential (Impervious area > 3,750 square feet)

1.33 ERU

Other (Square feet of impervious area/2,817)

No charge for undeveloped properties

Top Ten Users / Customers

	Billings	ERUs
Winneshago County	\$ 604,808.69	4,181,264.0
Oshkosh Corporation	322,855.94	2,238,808.0
City of Oshkosh	261,242.59	1,845,109.0
State of Wisconsin	214,023.06	1,474,392.0
Oshkosh Area School District	174,773.23	1,216,556.0
UW Oshkosh	166,308.90	1,149,842.0
Bemis / Curwood / Milprint	126,566.86	876,481.2
Experimental Aircraft Association	104,227.23	728,921.4
Bergstrom	83,193.41	575,684.3
BFO Factory Outlets	59,525.09	408,475.1

CITY OF OSHKOSH, WISCONSIN  
BUDGET FOR 2017 - REVENUES

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>USE OF MONEY &amp; PROPERTY</b>					
Interest on Investments 0073-4908	71,910	59,169	50,000	70,000	70,000
Interest on Special Assessments 0072-4910	493,528	487,982	316,600	453,400	451,300
Rent 0073-4922 - 4926	55	55	100	100	100
<b>TOTAL USE OF MONEY &amp; PROP.</b>	<b>565,493</b>	<b>547,206</b>	<b>366,700</b>	<b>523,500</b>	<b>521,400</b>

**CHARGES FOR CURRENT SERVICES**

Police Department Fees 0211-4532-4972	173,712	168,380	175,400	162,500	162,500
Fire Department Fees 0230-4534	174,043	179,746	158,500	171,200	171,800
Ambulance Fees 0240-4538	2,381,102	2,132,608	2,594,000	2,163,200	2,160,000
Engineering Fees 0420-4520	10,429	17,626	10,000	3,700	0
Street Services 0420 & 0430-4557	85,282	74,656	17,500	12,300	12,500
Central Garage/Fuel (external sales) 0450-4551	0	0	0	35,000	35,000
Electrical Department 0601-4520	16,574	37,525	39,000	30,000	30,000
Sign Department 0610-4522	1,449	3,449	3,000	3,000	3,000
City Clerk Fees 0620-4572 - 4972	44,517	45,699	45,000	5,800	69,000
Comm Dev 0749 / Econ Dev 0730 - CDBG-4811	6,285	6,095	6,300	5,800	5,800
Community Development - TIF 0739 / 0730-4811	239,132	240,357	256,400	250,000	255,500
Economic Development - County Aids 0730-4240	320,000	407,894	411,900	411,900	400,200
Comm Dev-Plan Review Fees-Econ Dev-0730-4520	66,300	0	66,300	0	0
Cable Access Fees 0150-4520	996	1,307	25,000	0	25,000
Property Search 0073-4519	4,400	4,820	3,500	2,800	3,500
CATV Revenue 1010-4312	702,025	730,317	723,800	714,600	705,500
Hazardous Materials 0230-4540	21,770	24,415	21,100	28,400	28,400
Garbage Fees 0470-4558	2,665	2,422	500	200	500
<b>TOTAL CHGS. FOR CUR. SERV.</b>	<b>4,249,688</b>	<b>4,074,917</b>	<b>4,548,200</b>	<b>4,046,000</b>	<b>4,068,200</b>

**INTERDEPARTMENTAL REVENUES**

Materials & Labor-Utilities 0430-4812	851,420	709,983	530,500	285,000	285,000
Supervisor/Admin. Fees 0410-4814	325,482	330,467	347,500	290,000	280,000
Comp. Cost 0450-4815	471,617	457,519	421,800	398,500	419,000
Accounting Services-Utilities 0073-4806	559,569	280,295	401,000	464,300	464,300
Equipment/Labor Rental - Recycling 0480-4834	166,700	168,500	168,500	168,500	168,500
Computer Services - Utilities 0110-4822	1,294,224	1,261,731	0	0	0
Water G.O. Bond Abatement 0074-5273	1,491,121	1,419,448	0	0	0
Sewer G.O. Bond Abatement 0074-5275	1,027,901	1,021,365	0	0	0
Storm G.O. Bond Abatement 0074-5272	55,758	29,896	0	0	0
Parking G.O. Bond Abatement 0074-5274	388,012	407,405	0	0	0
Ind. Dev. G.O. Bond Abatement 0074-5270	4,071,912	4,382,082	0	0	0
TIF Districts G.O. Bond Abatement 0074-5274	6,048	6,022	0	0	0
Golf Course G.O. Bond Abatement 0074-5277	223,658	220,278	0	0	0
Centre G.O. Bond Abatement 0074-5261	6,746	6,728	0	0	0
Cable TV G.O. Bond Abatement 0074-5279	402,800	0	0	0	0
TSF from Debt Service BABs 0074-5299	995,121	1,481,183	1,810,000	1,718,900	1,600,000
Engineering Fees-Const. 0420-4555	0	0	0	0	0
<b>TOTAL INTER. DEP. REV.</b>	<b>12,348,089</b>	<b>12,182,802</b>	<b>3,916,800</b>	<b>3,645,300</b>	<b>3,566,900</b>

CITY OF OSHKOSH, WISCONSIN  
BUDGET FOR 2017 - REVENUES

	2014 ACTUAL REVENUES	2015 ACTUAL REVENUES	2016 BUDGETED REVENUES	2016 ESTIMATED REVENUES	2017 PROPOSED BUDGET
<b>UNCLASSIFIED</b>					
Sundry Revenue 0073 etc - 4952-4972	179,015	132,331	130,000	122,800	100,000
Sale of Capital Assets	4,629	(7,233)	0	0	0
Bond Proceeds 0073-5302	84,878	0	0	0	0
<b>TOTAL UNCLASSIFIED</b>	<b>268,522</b>	<b>125,098</b>	<b>130,000</b>	<b>122,800</b>	<b>100,000</b>

**TOTAL GENERAL FUND REVENUES**

	<b>42,421,531</b>	<b>42,744,287</b>	<b>43,217,800</b>	<b>42,649,800</b>	<b>43,977,900</b>
Levy for Recycling *	0	0	0	0	0
Levy for Garbage Collect & Disp *	1,217,000	1,301,400	1,203,700	1,203,700	1,329,100
Levy for Street Lighting *	1,081,700	1,100,000	1,110,900	1,110,900	1,010,900
Levy for Senior Services *	281,800	281,200	276,400	276,400	299,400
Levy for "GO" Transit Utility *	599,500	655,100	746,200	746,200	739,500
Levy for Library *	2,370,000	2,482,100	2,657,100	2,657,100	2,624,000
Levy for Museum *	741,000	863,400	911,700	911,700	892,100
Levy for Grand Opera House *	73,000	73,000	22,700	22,700	22,700
Levy for Cemetery *	261,100	282,600	296,400	296,400	290,400
Levy for Health Services *	0	0	0	0	0
Levy for Equipment Fund *	1,000,000	927,500	915,900	915,900	1,000,000
Levy Leach Amphitheater *	14,000	14,000	14,000	14,000	14,000
Levy Pollock Comm Water Park *	64,000	64,000	64,000	64,000	64,000
Levy for Debt Services	17,704,300	18,130,300	9,943,100	9,943,100	10,471,700
Levy for Agency Funds	20,400	20,400	17,700	17,700	18,400
<b>TOTAL PROPERTY TAXES LEVIED TO OTHER FUNDS</b>	<b>25,427,800</b>	<b>26,195,000</b>	<b>18,179,800</b>	<b>18,179,800</b>	<b>18,776,200</b>
Build America Bond Credits Debt Services	302,600	355,400	338,300	338,300	311,100
Bond Abatements from Debt Service Fund	0	0	8,936,300	8,936,300	8,523,000
Approp. from Debt Svc. Fund	0	568,000	350,000	350,000	250,000
<b>OTHER FUND REVENUES</b>	<b>25,730,400</b>	<b>27,118,400</b>	<b>27,802,400</b>	<b>27,802,400</b>	<b>27,860,300</b>
<b>TOTAL REVENUES</b>	<b>68,151,931</b>	<b>69,862,887</b>	<b>71,020,200</b>	<b>70,452,200</b>	<b>71,838,200</b>

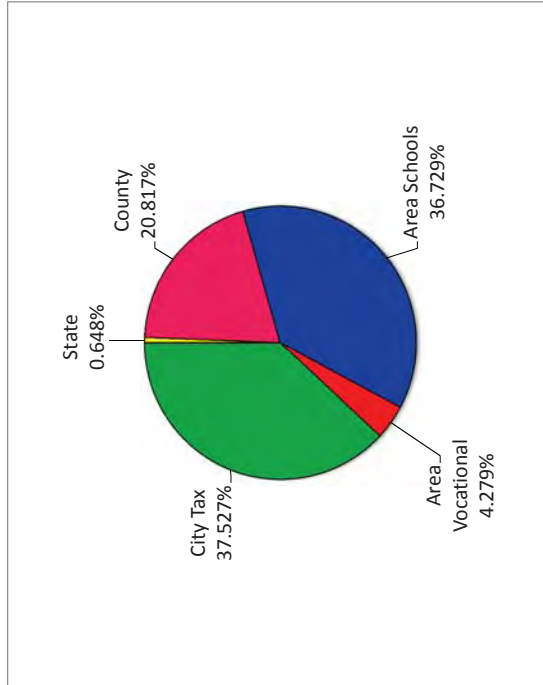
CITY OF OSHKOSH, WISCONSIN  
2017 OPERATING BUDGET BY FUNCTION

	PAYROLL - DIRECT LABOR	PAYROLL - INDIRECT LABOR	CONTRACTUAL SERVICES	UTILITIES	FIXED CHARGES	MATERIALS AND SUPPLIES	CAPITAL OUTLAY	TOTAL BUDGET
<b>GENERAL GOVERNMENT</b>								
City Council	35,200	2,700	15,500	0	0	3,200	0	56,600
City Manager	189,300	70,300	15,700	0	0	1,000	0	276,300
City Attorney	258,800	107,700	57,600	200	0	5,800	0	430,100
Human Resources	343,200	109,200	88,200	500	0	13,200	0	554,300
City Clerk	177,500	63,200	11,000	200	0	3,300	0	255,200
Elections	52,500	4,400	4,400	0	0	12,800	0	74,100
Finance	810,400	332,700	6,200	200	100	4,900	0	1,154,500
Purchasing	175,600	50,900	4,400	200	0	1,400	0	232,500
Information Technology Division	439,800	181,300	453,200	18,600	100	126,000	91,400	1,310,400
Insurance	0	0	0	0	554,800	0	0	554,800
Facilities Maintenance	240,600	139,200	78,300	207,100	1,700	37,500	0	704,400
Independent Audit	0	0	24,300	0	0	0	0	24,300
Media Services	151,300	59,200	3,900	500	0	2,100	0	217,000
<b>TOTAL GENERAL GOVERNMENT</b>	<b>2,874,200</b>	<b>1,120,800</b>	<b>762,700</b>	<b>227,500</b>	<b>556,700</b>	<b>211,200</b>	<b>91,400</b>	<b>5,844,500</b>
<b>PUBLIC SAFETY</b>								
Police	8,602,300	3,310,300	288,200	75,500	100	219,600	174,900	12,870,900
Animal Care	0	0	88,200	0	0	0	0	88,200
Fire & Ambulance	8,422,000	3,190,800	201,600	126,800	0	259,100	5,000	12,205,300
Hydrant Rental	0	0	650,000	0	0	0	0	650,000
Auxiliary Police	0	0	1,500	500	0	2,900	16,000	20,900
Crossing Guards	76,200	5,900	0	0	0	100	0	82,200
Police & Fire Commission	0	0	18,400	0	0	200	0	18,600
<b>TOTAL PUBLIC SAFETY</b>	<b>17,300,500</b>	<b>6,507,000</b>	<b>1,247,900</b>	<b>202,800</b>	<b>100</b>	<b>481,900</b>	<b>195,900</b>	<b>25,936,100</b>
<b>PUBLIC WORKS</b>								
Public Works - Administration	272,500	93,800	5,200	600	200	900	0	373,200
Engineering	818,300	344,800	26,700	4,700	0	14,400	30,000	1,238,900
Streets - General	1,471,900	689,700	81,700	2,000	800	404,300	0	2,650,400
Central Garage	419,200	216,400	83,400	150,900	500	984,900	0	1,855,300
<b>TOTAL PUBLIC WORKS</b>	<b>2,981,900</b>	<b>1,344,700</b>	<b>197,000</b>	<b>158,200</b>	<b>1,500</b>	<b>1,404,500</b>	<b>30,000</b>	<b>6,117,800</b>
<b>PARKS &amp; OTHER FACILITIES</b>								
Parks	919,500	342,300	67,600	240,200	1,400	176,400	0	1,747,400
Forestry	212,500	84,900	9,700	0	300	28,100	0	335,500
<b>TOTAL PARKS &amp; OTHER FAC.</b>	<b>1,132,000</b>	<b>427,200</b>	<b>77,300</b>	<b>240,200</b>	<b>1,700</b>	<b>204,500</b>	<b>0</b>	<b>2,082,900</b>

	PAYROLL - DIRECT LABOR	PAYROLL - INDIRECT LABOR	CONTRACTUAL SERVICES	UTILITIES	FIXED CHARGES	MATERIALS AND SUPPLIES	CAPITAL OUTLAY	TOTAL BUDGET
<b>COMMUNITY DEVELOPMENT</b>								
Assessor	292,600	116,900	181,200	3,000	0	4,900	0	598,700
Economic Development	328,100	143,200	147,200	1,700	0	5,100	0	625,300
Planning Services	520,600	185,400	24,800	700	0	4,200	0	735,700
Inspection Services	0	0	0	0	0	0	0	0
<b>TOTAL COMMUNITY DEV.</b>	<b>1,141,300</b>	<b>445,500</b>	<b>353,200</b>	<b>5,400</b>	<b>100</b>	<b>14,200</b>	<b>0</b>	<b>1,959,700</b>
<b>DEPT. OF TRANSPORTATION</b>								
Electric	309,100	128,600	12,600	40,900	1,000	44,500	0	536,700
Sign	97,000	42,400	11,800	4,100	0	67,400	0	222,700
<b>TOTAL DEPT. OF TRANS.</b>	<b>406,100</b>	<b>171,000</b>	<b>24,400</b>	<b>45,000</b>	<b>1,000</b>	<b>111,900</b>	<b>0</b>	<b>759,400</b>
<b>UNCLASSIFIED</b>								
Unemployment Compensation	0	9,800	0	0	0	0	0	9,800
Bank Fees	0	0	6,500	0	0	0	0	6,500
Uncollectible Accounts	0	0	554,400	0	0	0	0	554,400
Employee Benefit Fees	0	0	10,000	0	0	0	0	10,000
Patriotic Celebration	0	0	20,000	0	0	0	0	20,000
Adjustment of Salaries	0	522,600	0	0	0	0	0	522,600
Unclassified Expenses	0	0	106,200	0	0	0	0	106,200
Mobile Home Tax	0	0	48,000	0	0	0	0	48,000
Industrial Development	0	0	0	0	0	0	0	0
<b>TOTAL UNCLASSIFIED</b>	<b>0</b>	<b>532,400</b>	<b>745,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,277,500</b>
<b>TOTAL BUDGET</b>	<b>25,836,000</b>	<b>10,548,600</b>	<b>3,407,600</b>	<b>879,100</b>	<b>561,100</b>	<b>2,428,200</b>	<b>317,300</b>	<b>43,977,900</b>
Budget for Recycling	242,400	92,100	409,600	200	5,500	81,600	500,700	1,332,100
Budget for Garbage Collect & Disp	355,100	190,100	630,500	0	17,000	137,900	0	1,330,600
Budget for Street Lighting	0	0	0	1,000,000	0	52,000	0	1,052,000
Budget for Senior Services	300,000	117,100	33,900	51,100	7,800	5,200	0	515,100
Budget for "GO" Transit Utility	1,759,600	788,300	1,716,800	34,900	117,900	494,500	0	4,912,000
Budget for Library	1,942,100	649,200	416,200	132,000	13,500	403,700	0	3,556,700
Budget for Museum	666,100	253,900	84,900	60,800	11,900	57,600	0	1,135,200
Budget for Grand Opera House	0	0	14,000	0	5,300	1,100	0	20,400
Budget for Cemetery	230,000	94,400	10,100	36,200	8,500	30,500	0	409,700
Budget for Leach Amphitheater	11,000	900	19,700	23,700	100	19,700	0	75,100
Budget for Pollock Comm Wtr Park	45,000	3,400	159,900	64,200	8,300	64,800	7,500	353,100
Budget for Equipment Fund	0	0	0	0	0	0	1,000,000	1,000,000
<b>TOTAL OPERATING BUDGET</b>	<b>31,387,300</b>	<b>12,738,000</b>	<b>6,903,200</b>	<b>2,282,200</b>	<b>756,900</b>	<b>3,776,800</b>	<b>1,825,500</b>	<b>59,669,900</b>

CITY OF OSHKOSH

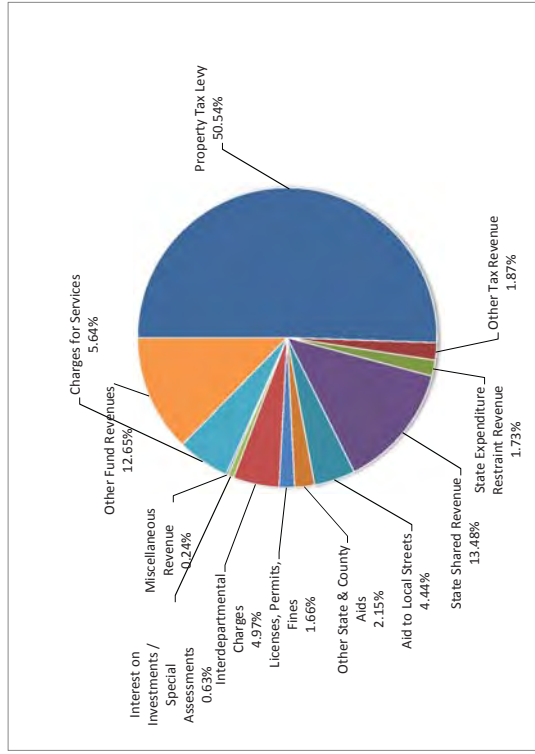
2017 LEVY - 2016 TAX RATE



	PER \$1,000 OF TAXES	2016 TAX RATE	2015 TAX RATE	INCREASE (DECREASE)
State	0.648 %	\$ 0.170	\$ 0.169	\$ 0.001
County	20.817	5.415	5.429	(0.014)
Area Schools	36.729	10.131	9.579	0.552
Area Vocational	4.279	1.116	1.116	0.000
City Tax	37.527	10.344	9.787	0.557
<b>State Credit</b>	100.000	\$ 27.176	\$ 26.080	\$ 1.096
		1.563	1.545	0.018
		\$ 25.613	\$ 24.535	\$ 1.078

CITY OF OSHKOSH

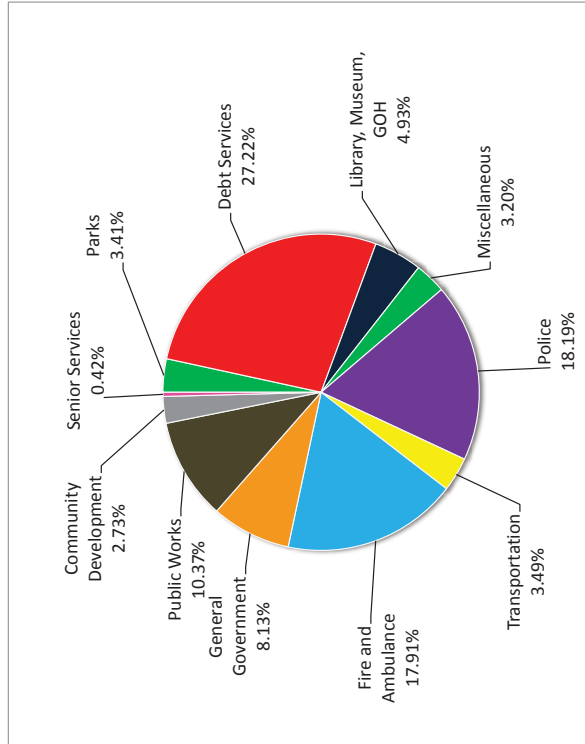
SOURCE OF FUNDS



SOURCE OF FUNDS	2017 AMOUNT	2017 PER CENT	2016 PER CENT	INCREASE (DECREASE)
Property Tax Levy	\$ 36,297,700	50.54%	48.28%	2.26%
Other Tax Revenue	1,340,200	1.87%	1.91%	-0.04%
State Expenditure Restraint Revenue	1,244,500	1.73%	1.66%	0.07%
State Shared Revenue	9,686,000	13.48%	13.63%	-0.15%
Aid to Local Streets	3,191,400	4.44%	4.50%	-0.06%
Other State & County Aids	1,547,500	2.15%	2.19%	-0.04%
Licenses, Permits, Fines	1,190,300	1.66%	1.67%	-0.01%
Interdepartmental Charges	3,566,900	4.97%	5.18%	-0.21%
Interest on Investments / Special Assessments	451,300	0.63%	0.44%	0.19%
Miscellaneous Revenue	170,100	0.24%	0.25%	-0.01%
Charges for Services	4,068,200	5.64%	6.74%	-1.10%
Other Fund Revenues	9,084,100	12.65%	13.55%	-0.90%
	\$ 71,838,200	100.00%	100.00%	

CITY OF OSHKOSH

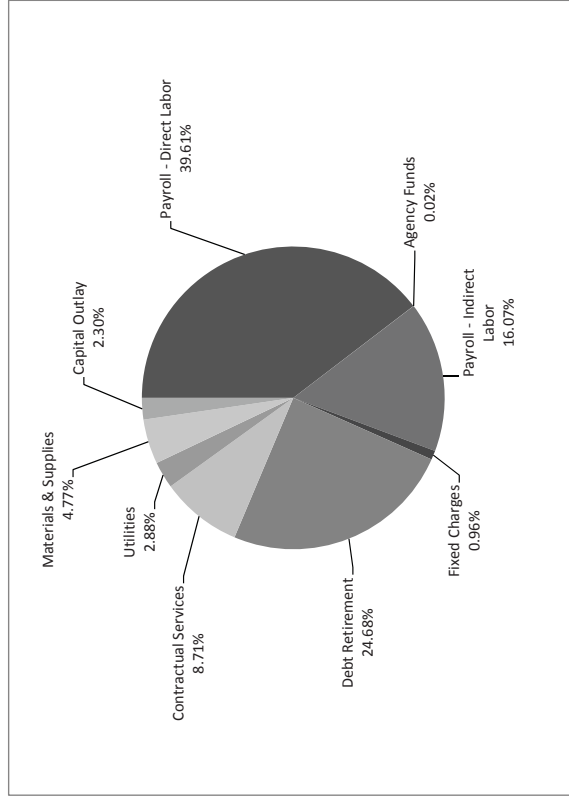
USE OF FUNDS



USE OF FUNDS	2017 AMOUNT	2017 PER CENT	2016 PER CENT	INCREASE (DECREASE)
Parks	2,451,300	3.41%	3.44%	-0.03%
Debt Services	19,555,800	27.22%	27.54%	-0.32%
Library, Museum, GOH	3,538,800	4.93%	5.06%	-0.13%
Miscellaneous	2,295,900	3.20%	2.77%	0.43%
Police	13,071,500	18.19%	18.14%	0.05%
Transportation	2,509,800	3.49%	3.63%	-0.14%
Fire and Ambulance	12,864,600	17.91%	17.59%	0.32%
General Government	5,844,500	8.13%	8.24%	-0.11%
Public Works	7,446,900	10.37%	10.45%	-0.08%
Community Development	1,959,700	2.73%	2.75%	-0.02%
Senior Services	299,400	0.42%	0.39%	0.03%
<b>Total</b>	<b>\$ 71,838,200</b>	<b>100.00%</b>	<b>100.00%</b>	

CITY OF OSHKOSH

2017 BUDGET - USE OF FUNDS BY FUNCTION



	AMOUNT	PER CENT
Payroll - Direct Labor	\$ 31,387,300	39.61 %
Agency Funds	18,400	0.02
Payroll - Indirect Labor	12,738,000	16.07
Fixed Charges	756,900	0.96
Debt Retirement	19,555,800	24.68
Contractual Services	6,903,200	8.71
Utilities	2,281,500	2.88
Materials & Supplies	3,776,800	4.77
Capital Outlay	1,825,500	2.30
<b>Total</b>	<b>\$ 79,243,400</b>	<b>100.00 %</b>

**FORM OF LEGAL OPINION**

(See following pages)

[To Be Dated the Closing Date]

City of Oshkosh, Winnebago  
County, Wisconsin  
Oshkosh, Wisconsin

Re: City of Oshkosh, Winnebago County, Wisconsin  
\$5,960,000\* General Obligation Promissory Notes, Series 2018B

Ladies and Gentlemen:

The General Obligation Promissory Notes, Series 2018B (the “Notes”) of the City of Oshkosh, Winnebago County, Wisconsin (the “City”) are in fully registered form; are dated the date hereof; are in denominations of \$5,000 each and integral multiples thereof; are appropriately lettered and numbered; mature serially on December 1 of each of the years and in the principal amounts as set forth below and bear interest, payable on June 1 and December 1 of each year, commencing on June 1, 2019, at the rates per annum, as follows:

YEAR	PRINCIPAL AMOUNT	INTEREST RATE
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		

The Notes maturing on and after December 1, 2025, are subject to prepayment at the option of the City, as a whole or in part in such order of maturity as the City may determine, on December 1, 2024, and on any date thereafter at a prepayment price of 100% of the principal amount thereof being prepaid, plus accrued interest to the date fixed for prepayment.

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\* Preliminary; subject to change.



We have examined the documents which we deem pertinent to the validity of the Notes, including the certified record evidencing the authorization of the Notes by the City Council of the City. On the basis of such examination we are of the opinion that the Notes have been lawfully authorized and issued under the laws of the State of Wisconsin; that they are the lawful and enforceable obligations of the City in accordance with their terms, except that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and secured parties and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion; that they are payable from taxes to be levied on all taxable property in the City, without limitation as to rate or amount; and that the form of Note prescribed for said issue is proper.

Based upon our review of official certificates and proceedings submitted by the City, it is our opinion that, subject to compliance by the City with certain covenants, under present law, interest on the Notes is excludible from gross income of the owners thereof for federal income tax purposes, and is not included as an item of tax preference in computing the alternative minimum tax for individuals and corporations under the Internal Revenue Code of 1986, as amended, but is taken into account, however, in computing an adjustment used in determining the federal alternative minimum tax for certain corporations. Failure to comply with certain of such covenants of the City could cause the interest on the Notes to be included in gross income for federal income tax purposes retroactively to the date of the issuance of the Notes. Ownership of the Notes may result in other federal tax consequences to certain taxpayers, and we express no opinion regarding any such collateral consequences arising with respect to the Notes.

We express no opinion herein as to the accuracy, adequacy or completeness of the Official Statement or any other information furnished to any person in connection with any offer or sale of the Notes.

In rendering this opinion, we have relied upon certifications of the City with respect to certain material facts solely within the knowledge of the City. Our opinion represents our legal judgment based upon our review of the law and the facts that we deem relevant to render such opinion, and is not a guarantee of result. This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

### BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

(See following pages)

**CONTINUING DISCLOSURE UNDERTAKING  
FOR THE PURPOSE OF PROVIDING  
CONTINUING DISCLOSURE INFORMATION  
UNDER SECTION (b)(5) OF RULE 15c2-12**

This CONTINUING DISCLOSURE UNDERTAKING (the “*Agreement*”) is executed and delivered by the City of Oshkosh, Winnebago County, Wisconsin (the “*Issuer*”) in connection with the issuance of \$5,960,000\* aggregate principal amount of General Obligation Promissory Notes, Series 2018B (the “*Notes*”). The Notes are being issued pursuant to a resolution duly adopted by the City Council of the Issuer on June 12, 2018 (the “*Resolution*”).

In consideration of the issuance of the Notes by the Issuer and the purchase of such Notes by the beneficial owners thereof, the Issuer covenants and agrees, as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the Issuer as of the date set forth below, for the benefit of the beneficial owners of the Notes and in order to assist the Participating Underwriters (as hereinafter defined) in complying with the requirements of the Rule (as hereinafter defined). The Issuer represents that it will be the only obligated person with respect to the Notes at the time the Notes are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after the issuance of the Notes.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

*Annual Financial Information* means the financial information and operating data described in *Exhibit I* attached to and made a part of this Agreement.

*Annual Financial Information Disclosure* means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4 of this Agreement.

*Audited Financial Statements* means the audited financial statements of the Issuer prepared pursuant to the standards and as described in *Exhibit I* attached to and made a part of this Agreement.

*Commission* means the Securities and Exchange Commission.

*Dissemination Agent* means any agent designated as such in writing by the Issuer and which has filed with the Issuer a written acceptance of such designation, and the successors and assigns of any such agent.

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\* Preliminary; subject to change.

*EMMA* means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

*Exchange Act* means the Securities Exchange Act of 1934, as amended.

*MSRB* means the Municipal Securities Rulemaking Board.

*Participating Underwriter* means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Notes.

*Reportable Event* means the occurrence of any of the events set forth in *Exhibit II* attached and made a part of this Agreement.

*Reportable Events Disclosure* means dissemination of a notice of a Reportable Event as set forth in Section 5 of this Agreement.

*Rule* means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

*State* means the State of Wisconsin.

*Undertaking* means the obligations of the Issuer pursuant to Sections 4 and 5 of this Agreement.

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Notes are set forth in *Exhibit III* attached to and made a part of this Agreement. The Preliminary Official Statement relating to the Notes, dated June 4, 2018, as supplemented and amended on June 13, 2018, constitutes the “*Final Official Statement*”. The Issuer will include the CUSIP Numbers in all disclosures described in Sections 4 and 5 of this Agreement.

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I* attached hereto and made a part hereof) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information in such manner and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the Issuer will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. REPORTABLE EVENTS DISCLOSURE. Subject to Section 8 of this Agreement, the Issuer hereby covenants that it will disseminate in a timely manner (not in excess of ten (10) business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of the delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of an optional or unscheduled redemption or prepayment of any Notes or the defeasance of any Notes need not be given under this Agreement any earlier than the notice (if any) of such redemption or prepayment or defeasance is given to the owners of the Notes pursuant to the Resolution.

6. CONSEQUENCES OF FAILURE OF THE ISSUER TO PROVIDE INFORMATION. The Issuer shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due under this Agreement.

In the event of a failure of the Issuer to comply with any provision of this Agreement, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the Issuer to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed to be a default under the Resolution, and the sole remedy under this Agreement in the event of any failure of the Issuer to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement to the contrary, the Issuer, by resolution authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, change in law, or change in the identity, nature or status of the Issuer or type of business conducted; or

(ii) This Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) The amendment or waiver does not materially impair the interests of the beneficial owners of the Notes, as determined by parties unaffiliated with the Issuer (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the Issuer shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. **TERMINATION OF UNDERTAKING.** The Undertaking of the Issuer shall be terminated hereunder if the Issuer shall no longer have any legal liability for any obligation on or relating to repayment of the Notes under the Resolution. The Issuer shall give notice to EMMA in a timely manner if this Section 8 is applicable.

9. **DISSEMINATION AGENT.** The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

10. **ADDITIONAL INFORMATION.** Nothing in this Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of the occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the Issuer chooses to include any information from any document or notice of the occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the Issuer shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Reportable Event. If the Issuer is changed, the Issuer shall disseminate such information to EMMA.

11. **BENEFICIARIES.** This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the Issuer, the Dissemination Agent, if any, and the beneficial owners of the Notes, and shall create no rights in any other person or entity.

12. **RECORDKEEPING.** The Issuer shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including without limitation the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. **ASSIGNMENT.** The Issuer shall not transfer its obligations under the Resolution, unless the transferee agrees to assume all obligations of the Issuer under this Agreement or to execute an Undertaking under the Rule.



14. GOVERNING LAW. This Agreement shall be governed by the laws of the State.

CITY OF OSHKOSH, WINNEBAGO COUNTY,  
WISCONSIN

By \_\_\_\_\_  
Finance Director and City Treasurer

Date: [closing date]

**EXHIBIT I**  
**ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED**  
**FINANCIAL STATEMENTS**

“*Annual Financial Information*” means financial information and operating data of the type contained in the Final Official Statement under the following captions: “VALUATIONS – CURRENT PROPERTY VALUATIONS” - page 10; “DEBT” - pages 12-23; “TAX LEVIES AND COLLECTIONS” - pages 26-28; and “THE ISSUER – FUNDS ON HAND” - page 32.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA, the Final Official Statement need not be available from the Commission. The Issuer shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided to EMMA by December 31 of each year, commencing on December 31, 2018. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, the Audited Financial Statements will be submitted to EMMA within thirty (30) days after availability to the Issuer.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles pursuant to which such financial statements will be prepared.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the Issuer will disseminate a notice of such change as required by Section 4.

**EXHIBIT II**  
**EVENTS WITH RESPECT TO THE NOTES FOR WHICH**  
**REPORTABLE EVENTS DISCLOSURE IS REQUIRED**

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the securities, or other material events affecting the tax-exempt status of the securities
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the Issuer
13. The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

**EXHIBIT III**  
**GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2018B**

MATURITY DATE	CUSIP NUMBERS (68825W)
2019	
2020	
2021	
2022	
2023	
2024	
2025	
2026	
2027	

**NOTICE OF SALE**

**\$5,960,000\* GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2018B  
CITY OF OSHKOSH, WISCONSIN**

Bids for the purchase of \$5,960,000\* General Obligation Promissory Notes, Series 2018B (the "Notes") of the City of Oshkosh, Wisconsin (the "City") will be received at the offices of Ehlers & Associates, Inc. ("Ehlers"), 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Municipal Advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M. Central Time, on June 12, 2018, at which time they will be opened, read and tabulated. The bids will be presented to the Common Council for consideration for award by resolution at a meeting to be held at 6:00 P.M., Central Time, on the same date. The bid offering to purchase the Notes upon the terms specified herein and most favorable to the City will be accepted unless all bids are rejected.

**PURPOSE**

The Notes are being issued pursuant to Section 67.12(12), Wisconsin Statutes, for the public purpose of financing sidewalk improvements, traffic improvements, property improvements and major equipment replacement. The Notes are general obligations of the City, and all the taxable property in the City is subject to the levy of a tax to pay the principal of and interest on the Notes as they become due which tax may, under current law, be levied without limitation as to rate or amount.

**DATES AND MATURITIES**

The Notes will be dated June 28, 2018, will be issued as fully registered Notes in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on December 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2019	\$580,000	2022	\$650,000	2025	\$690,000
2020	635,000	2023	665,000	2026	705,000
2021	640,000	2024	675,000	2027	720,000

**ADJUSTMENT OPTION**

\* The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BOND OPTION**

Bids for the Notes may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

**INTEREST PAYMENT DATES AND RATES**

Interest will be payable on June 1 and December 1 of each year, commencing June 1, 2019, to the registered owners of the Notes appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of

twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2020 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%).** All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

### **BOOK-ENTRY-ONLY FORMAT**

Unless otherwise specified by the purchaser, the Notes will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Notes, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Notes. So long as Cede & Co. is the registered owner of the Notes, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Notes.

### **OPTIONAL REDEMPTION**

At the option of the City, the Notes maturing on or after December 1, 2025 shall be subject to prior redemption on December 1, 2024 and on any date thereafter, at a price of par plus accrued interest.

Prepayment may be in whole or in part of the Notes subject to prepayment. If prepayment is in part, the selection of the amounts and maturities of the Notes to be redeemed shall be at the discretion of the City. If only part of the Notes having a common maturity date are called for prepayment, the City or Bond Registrar will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of such call shall be given by mailing a notice not more than 60 days and not less than 30 days prior to the date fixed for prepayment to the registered owner of each Bond to be redeemed at the address shown on the registration books.

Unless moneys sufficient to pay the prepayment price of the Notes to be redeemed are received by the Paying Agent prior to the giving of a notice of prepayment, such notice may, at the option of the City, state that said prepayment will be conditional upon the receipt of such moneys by the Paying Agent on or prior to the date fixed for prepayment. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Notes, and the Bond Registrar will give notice, in the same manner in which the notice of prepayment has been given, that such moneys were not so received and that such Notes will not be redeemed. Otherwise, prior to any prepayment date, the City will deposit with the Paying Agent an amount of money sufficient to pay the prepayment price of all the Notes or portions of Notes which are to be redeemed on the date.

Subject to the provisions for a conditional prepayment described above, notice of prepayment having been given and described above and in the Authorizing Resolution, the Notes or portions of Notes so to be redeemed will, on the prepayment date, become due and payable at the prepayment price therein specified, and from and after such date (unless the City shall default in the payment of the prepayment price) such Notes or portions of Notes shall cease to bear interest. Upon surrender of such Notes for prepayment in accordance with said notice, such Notes will be paid by the Paying Agent at the prepayment price.

### **DELIVERY**

On or about June 28, 2018, the Notes will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage

certification, and certificates verifying that no litigation in any manner questioning the validity of the Notes is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Notes must be received by the City at its designated depository on the date of closing in immediately available funds.

### LEGAL OPINION

An opinion as to the validity of the Notes and the exemption from federal taxation of the interest thereon will be furnished by Chapman and Cutler LLP, Bond Counsel to the City, and will be available at the time of delivery of the Notes. Such legal opinion will be issued on the basis of existing law and will state that the Notes are the lawful and enforceable obligations of the City in accordance with their terms, except that the rights of the owners of the Notes and the enforceability of the Notes may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting the rights of creditors and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

### STATEMENT REGARDING COUNSEL PARTICIPATION

Bond Counsel has not assumed responsibility for this Preliminary Official Statement or participated in its preparation (except with respect to the section entitled "TAX EXEMPTION" in the Preliminary Official Statement and the "FORM OF LEGAL OPINION" found in Appendix B).

### SUBMISSION OF BIDS

Bids must not be for less than \$5,900,400, nor more than \$6,317,600, plus accrued interest on the principal sum of \$5,960,000 from date of original issue of the Notes to date of delivery. Prior to the time established above for the opening of bids, interested parties may submit a bid as follows:

- 1) Electronically to [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com); or
- 2) Facsimile submission to Ehlers, Facsimile Number (651) 697-8555; or
- 3) Electronically via **PARITY** in accordance with this Notice of Sale until 10:00 A.M. Central Time, but no bid will be received after the time for receiving bids specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further information about **PARITY**, potential bidders may contact Ehlers or i-Deal LLC at 1359 Broadway, 2<sup>nd</sup> Floor, New York, New York 10018, Telephone (212) 849-5021.

Bids must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of bids. Each bid must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

A good faith deposit ("Deposit") in the amount of \$119,200 shall be made by the winning bidder by wire transfer of funds to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the bid is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the bid is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the bid is accepted, the

Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No bid can be withdrawn after the time set for receiving bids unless the meeting of the City scheduled for award of the Notes is adjourned, recessed, or continued to another date without award of the Notes having been made.

By submitting a bid, any bidder makes the representation that it understands Bond Counsel represents the City in the Note transaction and, if such bidder has retained Bond Counsel in an unrelated matter, such bidder represents that the signatory to the bid is duly authorized to, and does, consent to and waive for and on behalf of such bidder any conflict of interest of Bond Counsel arising from any adverse position to the City in this matter; such consent and waiver shall supersede any formalities otherwise required in any separate understandings, guidelines or contractual arrangements between the bidder and Bond Counsel.

### **AWARD**

The Notes will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each bid, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Notes will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid.

### **BOND INSURANCE**

If the Notes are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Notes from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Notes are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Notes.

### **CUSIP NUMBERS**

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Notes or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

### **NON-QUALIFIED TAX-EXEMPT OBLIGATIONS**

The City will NOT designate the Notes as "qualified tax-exempt obligations" pursuant to Section 265 of the Internal Revenue Code of 1986, as amended, which permits financial institutions to deduct interest expenses allocable to the Notes to the extent permitted under prior law.

### **CONTINUING DISCLOSURE**

In order to assist the Underwriters in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Notes. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.



## NEW ISSUE PRICING

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate substantially in the form attached hereto as Exhibit "F", with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit "F", with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the City and Bond Counsel. All actions to be taken by the City under this Notice of Sale to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The City shall disseminate this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the Bonds, as specified in this bid.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any bid submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its bid form to determine the issue price for the Bonds. On its bid form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date of each maturity of Bonds as the issue price of each such maturity of the Bonds (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis (and if different interest rates apply within a maturity, to each separate CUSIP number within that maturity). The winning bidder shall advise the City if any maturity of the Bonds satisfies the 10% test as of the date and time of the award of the Bonds. Bidders should prepare their bids on the assumption that some or all maturities of the Bonds will be subject to the 10% test or the hold-the-offering-price rule, as selected by the winning bidder on its bid form.

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder and (ii) agree, on behalf of the

underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5<sup>th</sup>) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representations set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the Bonds, including but not limited to its agreement to comply with the hold-the-price rule if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including but not limited to its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including but not limited to its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the Bonds, including but not limited to its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including but not limited to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the unsold Bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the closing date may be at reasonably periodic intervals or otherwise upon the request of the City or Bond Counsel.

(f) By submitting a bid, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the public or it is notified by the winning bidder that the 10% test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the closing date may be at reasonably periodic intervals or otherwise upon request of the winning bidder, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (C) to promptly notify the winning bidder

of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and (D) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all Bonds of that maturity allocated to it have been sold to the public or it is notified by the winning bidder or such underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this Notice of Sale. Further, for purposes of this Notice of Sale:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Preliminary Official Statement relating to the Notes prior to the bid opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link. The Syndicate Manager will be provided with an electronic copy of the Final Official Statement within seven business days of the bid acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and bid forms may be obtained from Ehlers at 3060 Centre Pointe Drive, Roseville, Minnesota 55113-1105, Telephone (651) 697-8500.

By Order of the Common Council

Pamela Ubrig, City Clerk  
City of Oshkosh, Wisconsin

**FORM OF ISSUE PRICE CERTIFICATE**

FORM OF ISSUE PRICE CERTIFICATE

CERTIFICATE OF UNDERWRITER

\$ \_\_\_\_\_

**City of Oshkosh, Wisconsin  
General Obligation Promissory Notes, Series 2018B**

The undersigned, on behalf of [Name of Underwriter/Representative] [the “[Short Name of Underwriter]”] [(the “*Representative*”), on behalf of itself [and [Names of Other Underwriters] (together, the “*Underwriting Group*”),] hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “*Notes*”).

**I. General**

1. On the Sale Date the [Short Name of Underwriter/Underwriting Group] purchased the Notes from the City of Oshkosh, Wisconsin (the “*Issuer*”) by submitting [electronically] an “Official Bid Form” responsive to an [Official Terms of Offering (the “*Notice of Sale*”)] and having its bid accepted by the Issuer. The [Short Name of the Underwriter/Underwriting Group] has not modified the terms of the purchase since the Sale Date.

**II. Price\***

1. *[Alternative 1 – All Maturities Use General Rule: Sale of the Notes.]* As of the date of this certificate, for each Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in *Schedule A*.

**OR**

1. *[Alternative 2 – For Competitive Sales Only]* Reasonably Expected Initial Offering Price.

(a) As of the Sale Date, the reasonably expected initial offering prices of the Notes to the Public are the prices listed in *Schedule A* (the “*Expected Offering Prices*”). The Expected Offering Prices are the prices for the Maturities of the Notes used in formulating its bid to purchase the Notes. Attached as *Schedule B* is a true and correct copy of the bid provided to purchase the Notes.

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\* Please note, if the transaction does not meet the requirements for a competitive sale (Alternative 2, above) and at least 10% of all or certain maturities have not been sold to the Public by the date of issuance, the underwriter/representative will need to represent in this certificate for such maturities that : (1) With respect to such Maturities, as of the date of the certificate, the underwriter has not sold at least 10% of such Maturity at any price, and (2) The underwriter reasonably expects that as of the date of the certificate, the first sale to the Public of an amount of Notes of such Maturity equal to 10% or more of such Maturity will be at or below the expected first sale price. Such expected first sale price and such maturities will then be listed on the attached *Schedule A*. In such circumstances, the underwriter will still be required to provide information concerning actual sale prices of the Notes of such Maturity pursuant to the terms of the Notice of Sale.

(b) The [Short Name of Underwriter/Underwriting Group] was not given the opportunity to review other bids prior to submitting its bid.

(c) The bid submitted by the [Short Name of Underwriter/Underwriting Group] constituted a firm offer to purchase the Notes.

2. As of the date of this certificate, for each [specify list if not all] Maturity of the Notes, the first price at which at least 10% of such Maturity of the Notes was sold to the Public is the respective price listed in *Schedule A*.

3. **Alternative 3 – All Maturities Use Hold-the-Offering-Price Rule:** A. The Purchaser [The Underwriting Group] offered the Notes to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Notes is attached to this certificate as *Schedule B*.]

B. As set forth in the [Notice of Sale and bid award], [the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Notes, [it][they] would neither offer nor sell any of the Notes of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule.

C. No Underwriter (as defined below) has offered or sold any Maturity of the Notes at a price that is higher than the respective Initial Offering Price for that Maturity of the Notes during the Holding Period.

4. **Alternative 4 – Select Maturities Use Hold-the-Offering-Price Rule:** A. [The Underwriting Group] offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in *Schedule A* (the “*Initial Offering Prices*”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Notes is attached to this certificate as *Schedule B*.

B. As set forth in the [Notice of Sale and bid award], [the Underwriting Group] [has][have] agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, [it][they] would neither offer nor sell any of the Notes of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement would contain the agreement of each dealer who is a member of the selling group, and any third-party distribution agreement would contain the agreement of each broker-dealer who is a party to the third-party distribution agreement, to comply with the hold-the-offering-price rule.

C. No Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity during the Holding Period.

### III. Defined Terms

[1. *General Rule Maturities* means those Maturities of the Notes not listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

[2. *Hold-the-Offering-Price Maturities* means those Maturities of the Notes listed in *Schedule A* hereto as the “Hold-the-Offering-Price Maturities.”]

[3. *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date, or (ii) the date on which [the Underwriter Group] [has][have] sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

4. *Maturity* means Notes with the same credit and payment terms. Notes with different maturity dates, or Notes with the same maturity date but different stated interest rates, are treated as separate Maturities.

5. *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

6. A person is a “*Related Party*” to an Underwriter if the Underwriter and the person are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

7. *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Notes. The Sale Date of the Notes is \_\_\_\_\_.

8. *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the [Short Name of Underwriter] to form an underwriting syndicate) to participate in the initial sale of the Notes to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Notes to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Notes to the Public).

The representations set forth in this Certificate are limited to factual matters only. Nothing in this certificate represents the [Short Name of Underwriter/Underwriting Group] interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as



amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in its documents and with respect to compliance with the federal income tax rules affecting the Notes, and by Chapman and Cutler LLP in connection with rendering its opinion that the interest on the Notes is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Notes.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

[UNDERWRITER/REPRESENTATIVE]

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Dated: \_\_\_\_\_



**SCHEDULE B**  
**TO CERTIFICATE OF UNDERWRITER**

Attach Copy of Underwriter's Bid



# BID FORM

The Common Council  
City of Oshkosh, Wisconsin

June 12, 2018

RE: \$5,960,000\* General Obligation Promissory Notes, Series 2018B  
DATED: June 28, 2018

For all or none of the above Notes, in accordance with the Notice of Sale and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ \_\_\_\_\_ (not less than \$5,900,400, nor more than \$6,317,600) plus accrued interest to date of delivery for fully registered Notes bearing interest rates and maturing in the stated years as follows:

_____ % due	2019	_____ % due	2022	_____ % due	2025
_____ % due	2020	_____ % due	2023	_____ % due	2026
_____ % due	2021	_____ % due	2024	_____ % due	2027

\* The City reserves the right to increase or decrease the principal amount of the Notes on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**The rate for any maturity may not be more than 2.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2019 maturity, then the lowest rate that may be proposed for any later maturity is 2.50%.)** All Notes of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

We enclose our Deposit in the amount of \$119,200, to be held by you pending delivery and payment. Alternatively, if we are the winning bidder, we will wire our Deposit to **KleinBank, 1550 Audubon Road, Chaska, Minnesota, ABA No. 091915654 for credit: Ehlers & Associates Good Faith Account No. 3208138**. Such Deposit shall be received by Ehlers & Associates no later than two hours after the bid opening time. The City reserves the right to award the Notes to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received. In the event the Deposit is not received as provided above, the City may award the Notes to the bidder submitting the next best bid provided such bidder agrees to such award. If our bid is not accepted, said deposit shall be promptly returned to us. If the Deposit is wired to such escrow account, we agree to the conditions and duties of Ehlers & Associates, Inc., as escrow holder of the Deposit, pursuant to the Notice of Sale. This bid is for prompt acceptance and is conditional upon delivery of said Notes to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about June 28, 2018.

This bid is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for this Issue.

We have received and reviewed the Official Statement and have submitted our requests for additional information or corrections to the Final Official Statement. As Syndicate Manager, we agree to provide the City with the reoffering price of the Notes within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Notes identified in the Notice of Sale, on the terms set forth in this bid form and the Notice of Sale, and is not subject to any conditions, except as permitted by the Notice of Sale.

By submitting this bid, we confirm that we are an Underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: \_\_\_\_ NO: \_\_\_\_.

If the competitive sale requirements are not met, we elect to use the (circle one): 10% test / hold-the-offering-price rule to determine the issue price of the Notes.

Account Manager: \_\_\_\_\_ By: \_\_\_\_\_  
Account Members:

**Award will be on a true interest cost basis.** According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from June 28, 2018 of the above bid is \$ \_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_ %.

The foregoing offer is hereby accepted by and on behalf of the Common Council of the City of Oshkosh, Wisconsin, on June 12, 2018.

By: \_\_\_\_\_ By: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_