

PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER 22, 2020

In the opinion of Quarles & Brady LLP, Bond Counsel, assuming continued compliance with the requirements of the Internal Revenue Code of 1986, as amended, under existing law interest on the Bonds is excludable from gross income and is not an item of tax preference for federal income tax purposes. See "TAX EXEMPTION" herein for a more detailed discussion of some of the federal income tax consequences of owning the Bonds. The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

New Issue

Rating Application Made: Moody's Investors Service, Inc.

CITY OF MARINETTE, WISCONSIN (Marinette County)

\$6,085,000* GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020A

BID OPENING: October 29, 2020, 10:00 A.M., C.T.

CONSIDERATION: Not later than 11:59 P.M., C.T. on October 29, 2020 (PARAMETERS RESOLUTION)

PURPOSE/AUTHORITY/SECURITY: The \$6,085,000* General Obligation Refunding Bonds, Series 2020A (the "Bonds") are authorized pursuant to Section 67.04, Wisconsin Statutes, by the City of Marinette, Wisconsin (the "City"), for the purpose of current refunding certain outstanding general obligations of the City as more fully described herein. The Bonds 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 Bonds 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 Quarles & Brady LLP, Milwaukee, Wisconsin.

DATE OF BONDS: November 19, 2020

MATURITY: May 1 as follows:

Year	Amount*	Year	Amount*	Year	Amount*
2021	\$850,000	2029	\$260,000	2036	\$295,000
2022	135,000	2030	270,000	2037	310,000
2023	300,000	2031	245,000	2038	430,000
2024	305,000	2032	255,000	2039	445,000
2025	315,000	2033	260,000	2040	300,000
2026	310,000	2034	270,000		
2028	250,000	2035	280,000		

***MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each, up to a maximum of \$100,000 per maturity. 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: May 1, 2021 and semiannually thereafter.

OPTIONAL REDEMPTION: Bonds maturing on May 1, 2029 and thereafter are subject to optional redemption prior to maturity on May 1, 2028 or any date thereafter, at a price of par plus accrued interest.

MINIMUM BID: \$6,008,938.

MAXIMUM BID: \$6,450,100.

GOOD FAITH DEPOSIT: A good faith deposit in the amount of \$121,700 shall be made by the winning bidder by wire transfer of funds.

PAYING AGENT: Bond Trust Services Corporation.

BOND COUNSEL & DISCLOSURE COUNSEL: Quarles & Brady 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 Bonds 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 and 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. Quarles & Brady LLP will serve as Disclosure Counsel to the City with respect to the Bonds. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Bonds.

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 Bonds 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 and 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 City is required to comply with the Rule.

CLOSING CERTIFICATES

Upon delivery of the Bonds, 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 Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, 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 Bonds; (3) a certificate evidencing the due execution of the Bonds, 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 Bonds, (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 Bonds 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 Bonds 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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CITY OF MARINETTE COMMON COUNCIL

		<u>Term Expires</u>
Steve Genisot	Mayor	April 2021
Dave Anderson	Aldersperson	April 2022
Jason Flatt	Aldersperson	April 2023
Wally Hitt	Aldersperson	April 2021
Ken Keller	Aldersperson	April 2022
Debbie Klegin	Aldersperson	April 2021
Dorothy Kowalski	Aldersperson	April 2022
Doug Oitzinger	Aldersperson	April 2023
Rick Polzin	Aldersperson	April 2023
Jeffrey Skorik	Aldersperson	April 2021

ADMINISTRATION

Jacqueline Miller, City Treasurer & Finance Director

Lana R. Bero, City Clerk

PROFESSIONAL SERVICES

Robert Gagan, Law Firm of Conway, Olejniczak & Jerry, S.C. City Attorney, Marinette, Wisconsin

Quarles & Brady LLP, Bond Counsel and Disclosure Counsel, Milwaukee, Wisconsin

Ehlers and Associates, Inc., Municipal Advisors, Waukesha, Wisconsin

(Other offices located in Roseville, Minnesota and Denver, Colorado)

INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of Marinette, Wisconsin (the "City") and the issuance of its \$6,085,000* General Obligation Refunding Bonds, Series 2020A (the "Bonds"). **The Common Council will adopt a resolution on October 26, 2020 (the "Parameters Resolution"), which will authorize the City Finance Director/Treasurer or Mayor to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on October 29, 2020, neither the City Finance Director/Treasurer or Mayor will have the authority to accept a bid for the Bonds, and all bids for the Bonds will be rejected.**

Inquiries may be directed to Ehlers and 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 by connecting to the Bond Sales link and following the directions at the top of the site.

THE BONDS

GENERAL

The Bonds 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 November 19, 2020. The Bonds will mature on May 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on May 1 and November 1 of each year, commencing May 1, 2021, to the registered owners of the Bonds 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"). All Bonds 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 Bonds 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 Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds 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 Bonds shall be payable as provided in the Parameters Resolution.

The City has selected Bond Trust Services Corporation, Roseville, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after May 1, 2029 shall be subject to optional redemption prior to maturity on May 1, 2028 or any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to redemption. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, 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 sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

AUTHORITY; PURPOSE

The Bonds are authorized pursuant to Section 67.04, Wisconsin Statutes, for the purpose of current refunding the City's Note Anticipation Notes, Series 2017B, dated June 28, 2017 (the "2017B Notes") as follows:

Issue Being Refunded	Date of Refunded Issue	Call Date	Call Price	Maturities Being Refunded	Interest Rates	Principal to be Refunded	CUSIP Base 568508
2017B Notes	06/28/17	12/04/20	Par	2021	1.65%	\$570,000	NU5
				2022	1.80%	<u>5,340,000</u>	NV3
Total 2017B Notes Being Refunded						<u>\$5,910,000</u>	

ESTIMATED SOURCES AND USES*

Sources

Par Amount of Bonds	<u>\$6,085,000</u>	
Total Sources		\$6,085,000

Uses

Estimated Underwriter's Discount	\$76,063	
Costs of Issuance	73,650	
Deposit to Current Refunding Fund	5,931,691	
Rounding Amount	<u>3,596</u>	
Total Uses		\$6,085,000

*Preliminary, subject to change.

SECURITY

For the prompt payment of the Bonds 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 Bonds when it becomes due and also to pay and discharge the principal on the Bonds 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.

RATING

General obligation debt of the City is currently rated "A1" by Moody's Investors Service, Inc. ("Moody's").

The City has requested a rating on the Bonds 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 Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, 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 Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

CONTINUING DISCLOSURE

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events. The Disclosure Undertaking includes the two new material events effective February 27, 2019 under the Rule.

On the date of issue and delivery, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

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

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 has reviewed its continuing disclosure responsibilities, including the two new material events, to help ensure compliance in the future. Ehlers is currently engaged as dissemination agent for the City.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting

creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B.)

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

TAX EXEMPTION

Quarles & Brady LLP, Milwaukee, Wisconsin, Bond Counsel, will deliver a legal opinion with respect to the federal income tax exemption applicable to the interest on the Bonds under existing law substantially in the following form:

"The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The City has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the City comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds."

The interest on the Bonds is not exempt from present Wisconsin income or franchise taxes.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds may result in collateral federal income tax consequences to certain taxpayers. Bond Counsel will not express any opinion as to such collateral tax consequences. Prospective purchasers of the Bonds should consult their tax advisors as to collateral federal income tax consequences.

From time to time legislation is proposed, and there are or may be legislative proposals pending in the Congress of the United States that, if enacted, could alter or amend the federal tax matters referred to above or adversely affect the market value of the Bonds. It cannot be predicted whether, or in what form, any proposal that could alter one or more of the federal tax matters referred to above or adversely affect the market value of the Bonds may be enacted. Prospective purchasers of the Bonds 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.

ORIGINAL ISSUE DISCOUNT

To the extent that the initial public offering price of certain of the Bonds is less than the principal amount payable at maturity, such Bonds ("Discounted Bonds") will be considered to be issued with original issue discount. The original issue discount is the excess of the stated redemption price at maturity of a Discounted Bond over the initial offering price to the public, excluding underwriters or other intermediaries, at which price a substantial amount of such Discounted Bonds were sold (issue price). With respect to a taxpayer who purchases a Discounted Bond in the initial public offering at the issue price and who holds such Discounted Bond to maturity, the full amount of original

issue discount will constitute interest that is not includible in the gross income of the owner of such Discounted Bond for federal income tax purposes and such owner will not, subject to the caveats and provisions herein described, realize taxable capital gain upon payment of such Discounted Bond upon maturity.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discounted Bond, on days that are determined by reference to the maturity date of such Discounted Bond. The amount treated as original issue discount on a Discounted Bond for a particular semiannual accrual period is generally equal to (a) the product of (i) the yield to maturity for such Discounted Bond (determined by compounding at the close of each accrual period) and (ii) the amount that would have been the tax basis of such Discounted Bond at the beginning of the particular accrual period if held by the original purchaser; and less (b) the amount of any interest payable for such Discounted Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discounted Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If a Discounted Bond is sold or exchanged between semiannual compounding dates, original issue discount that would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

For federal income tax purposes, the amount of original issue discount that is treated as having accrued with respect to such Discounted Bond is added to the cost basis of the owner in determining gain or loss upon disposition of a Discounted Bond (including its sale, exchange, redemption, or payment at maturity). Amounts received upon disposition of a Discounted Bond that are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain.

The accrual or receipt of original issue discount on the Discounted Bonds may result in certain collateral federal income tax consequences for the owners of such Discounted Bonds. The extent of these collateral tax consequences will depend upon the owner's particular tax status and other items of income or deduction.

The Code contains additional provisions relating to the accrual of original issue discount. Owners who purchase Discounted Bonds at a price other than the issue price or who purchase such Discounted Bonds in the secondary market should consult their own tax advisors with respect to the tax consequences of owning the Discounted Bonds. Under the applicable provisions governing the determination of state and local taxes, accrued interest on the Discounted Bonds may be deemed to be received in the year of accrual even though there will not be a corresponding cash payment until a later year. Owners of Discounted Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Discounted Bonds.

BOND PREMIUM

To the extent that the initial offering price of certain of the Bonds is more than the principal amount payable at maturity, such Bonds ("Premium Bonds") will be considered to have bond premium.

Any Premium Bond purchased in the initial offering at the issue price will have "amortizable premium" within the meaning of Section 171 of the Code. The amortizable premium of each Premium Bond is calculated on a daily basis from the issue date of such Premium Bond until its stated maturity date (or call date, if any) on the basis of a constant interest rate compounded at each accrual period (with straight line interpolation between the compounding dates). An owner of a Premium Bond that has amortizable premium is not allowed any deduction for the amortizable premium; rather the amortizable premium attributable to a taxable year is applied against (and operates to reduce) the amount of tax-exempt interest payments on the Premium Bonds. During each taxable year, such an owner must reduce his or her tax basis in such Premium Bond by the amount of the amortizable premium that is allocable to the portion of such taxable year during which the holder held such Premium Bond. The adjusted tax basis in a Premium Bond will be used to determine taxable gain or loss upon a disposition (including the sale, exchange, redemption, or payment at maturity) of such Premium Bond.

Owners of Premium Bonds who did not purchase such Premium Bonds in the initial offering at the issue price should consult their own tax advisors with respect to the tax consequences of owning such Premium Bonds. Owners of Premium Bonds should consult their own tax advisors with respect to the state and local tax consequences of owning the Premium Bonds.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

MUNICIPAL ADVISOR

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this 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. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Official Statement, and its assistance in preparing this Official Statement should not be construed as a representation that it has independently verified such information.

MUNICIPAL ADVISOR AFFILIATED COMPANIES

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, Colorado, 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, 2019, have been audited by KerberRose SC, Shawano, 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 not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Official Statement.

RISK FACTORS

Following is a description of possible risks to holders of the Bonds 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. Potential investors should read this Official Statement, including the appendices, in its entirety.

Taxes: The Bonds 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 Bonds. 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 Bonds 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 Bonds may fall for purposes of resale. Noncompliance by the City with the covenants in the Parameters Resolution relating to certain continuing requirements of the Code may result in inclusion of interest to be paid on the Bonds 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 Bonds. 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 Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

Book-Entry-Only System: The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds 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 Bonds.

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 Bonds in the secondary market.

Secondary Market for the Bonds: No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds 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 Bonds. 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 Bonds will be similarly qualified. See "MUNICIPAL BANKRUPTCY" herein.

Cybersecurity: The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

Impact of the Spread of COVID-19: In late 2019, a novel strain of coronavirus (COVID-19) emerged in Wuhan, Hubei Province, China. COVID-19 has spread throughout the world, including to the United States, resulting in the World Health Organization proclaiming COVID-19 to be a pandemic and President Trump declaring a national emergency. In response to the spread of COVID-19, the United States government, state governments, local governments and private industries have taken measures to limit social interactions in an effort to limit the spread of COVID-19. The effects of the spread of COVID-19 and the government and private responses to the spread continue to rapidly evolve. COVID-19 has caused significant disruptions to the global, national and State economy. The extent to which the coronavirus impacts the City and its financial condition will depend on future developments, which are highly uncertain and cannot be predicted by the City, including the duration of the outbreak and measures taken to address the outbreak.

On March 12, 2020, Wisconsin Governor Tony Evers declared a public health emergency in the State in response to the growing threat of COVID-19. That declaration included direction to the state Department of Health Services to use any and all required resources to respond to and contain the outbreak. Governor Evers followed that up with a "safer at home" order (the "Order") on March 24, 2020, closing nonessential businesses, banning gatherings of any size and imposing strict travel restrictions through April 24, 2020. On April 16, 2020, the Order was extended from April 24, 2020 through May 26, 2020. Schools remained closed for the duration of the 2019-2020 school year, but certain non-essential businesses were allowed to open operations on a limited basis during this time, including curbside pickup, delivery, mailings and minimum basic operations.

Also on April 16, 2020, President Trump outlined "Guidelines for Opening Up America Again," a three-phased approach to restarting the economy based on public health experts' advice. The guidelines start with a set of criteria that should be met before starting phases one to three. The criteria include a downward trajectory of people with flu-like and COVID-19-like symptoms for 14 days; a downward trajectory of documented cases for 14 days or a downward trajectory of positive tests as a percentage of total tests over a 14-day period; and hospitals with the ability to treat all patients without crisis care and a robust testing program for at-risk healthcare workers.

On April 20, 2020, Governor Evers announced Wisconsin's three-phased approach to reopening the State's economy, based on President Trump's guidelines, including similar criteria to be met before phase one can begin. On April 21, 2020, Republican legislators in the State filed a lawsuit challenging the legality of the Order. On May 13, 2020, the Wisconsin Supreme Court ruled that the State's Order is unlawful, invalid and unenforceable because the emergency rulemaking procedures under Section 227.24 of the Wisconsin Statutes and procedures established by the Wisconsin

Legislature for rulemaking if criminal penalties were to follow were not followed in connection with the Order. The Supreme Court's decision does not invalidate any local health officials' orders or prevent future local health officials' orders related to the COVID-19 pandemic.

The Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act") provides for federal payments from the Coronavirus Relief Fund to the State for the discrete purpose of covering expenses directly incurred as a result of COVID-19 between March 1 and December 30, 2020. On May 27, 2020, Governor Tony Evers announced a program titled, "Routes to Recovery: Local Government Aid Grants," which will distribute \$190 million of the State's Coronavirus Relief Fund monies to all counties, cities, villages and towns across Wisconsin for unbudgeted eligible expenditures incurred due to COVID-19 between March 1 and October 31, 2020. The State allocated funds based on population with a guaranteed minimum allocation of \$5,000. The City's allocation is \$175,289. These funds will be disbursed up to the amount of the allocation after eligible expenditures are reported through the State's cost tracker application.

On July 30, 2020, Governor Evers issued Executive Order #82, declaring a public health emergency in Wisconsin to combat the spread of COVID-19. In conjunction with Executive Order #82, Governor Evers issued Emergency Order #1, requiring most people to wear face coverings when indoors, with certain exemptions in accordance with CDC guidelines. On September 22, 2020, Emergency Order #1 was extended through November 21, 2020.

On October 6, 2020, Emergency Order #3 was issued, which limits public gatherings to no more than 25% of the total occupancy limits for the room or building (or no more than 10 people for indoor spaces without occupancy limits), with certain exceptions. Emergency Order #3 is in effect until November 6, 2020.

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.

The economic impact of COVID-19 may impact assessed and equalized valuations of property in the State, including in the City. The City cannot predict the extent of any such changes, but a material decrease in the equalized valuations of property in the City may materially adversely affect the financial condition of the City (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

CURRENT PROPERTY VALUATIONS

2020 Equalized Value	\$773,565,600
2020 Equalized Value Reduced by Tax Increment Valuation	\$708,719,800
2019 Assessed Value ¹	\$708,142,500

2020 EQUALIZED VALUE BY CLASSIFICATION

	2020 Equalized Value²	Percent of Total Equalized Value
Residential	\$ 336,609,600	43.514%
Commercial	306,861,900	39.669%
Manufacturing	87,675,700	11.334%
Undeveloped	113,800	0.015%
Forest	370,600	0.048%
Personal Property	41,934,000	5.421%
Total	<u>\$ 773,565,600</u>	<u>100.000%</u>

TREND OF VALUATIONS

Year	Assessed Value	Equalized Value²	Percent Increase/Decrease in Equalized Value
2016	\$648,580,100	\$658,740,300	4.87%
2017	679,077,000	693,618,200	5.29%
2018	688,714,300	720,162,400	3.83%
2019	708,142,500	756,179,800	5.00%
2020	N/A ¹	773,565,600	2.30%

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

¹ 2020 Assessed Values are not yet available.

² Includes tax increment valuation.

LARGER TAXPAYERS

Taxpayer	Type of Business/Property	2019 Equalized Value¹	Percent of City's Total Equalized Value
Bay Area Medical Center	Healthcare	\$ 48,061,366	6.36%
Marinette Marine	Manufacturing	29,299,499	3.87%
Tyco	Manufacturing	25,894,697	3.42%
North Star Health Care	Healthcare	24,012,050	3.18%
Menard Inc	Retail	13,632,665	1.80%
Kimberly Clark	Manufacturing	13,193,264	1.74%
Walmart ²	Retail	12,475,272	1.65%
Pine Tree Partners	Retail	11,140,302	1.47%
Waupaca Foundry	Manufacturing	8,304,319	1.10%
EFX Mobility Center	Healthcare	5,263,638	0.70%
Total		\$191,277,072	25.30%

City's Total 2019 Equalized Value³

\$756,179,800

Source: The City.

¹ Calculated by dividing the 2019 Assessed Values by the 2019 Aggregate Ratio of assessment for the City.

² Assessment under appeal by taxpayer.

³ Includes tax increment valuation. 2019 taxpayer information is the latest available.

DEBT

DIRECT DEBT¹

General Obligation Debt (see schedules following)

Total General Obligation Debt (includes the Bonds)*	<u><u>\$ 18,279,102</u></u>
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Revenue Debt (see schedules following)

Total revenue debt secured by water revenues	<u><u>\$303,750</u></u>
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Total revenue debt secured by sewer revenues	<u><u>\$10,635,590</u></u>
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*Preliminary, subject to change.

¹ Outstanding debt is as of the dated date of the Bonds and excludes the obligations to be refunded.

City of Marinette, Wisconsin
Schedule of Bonded Indebtedness
General Obligation Debt Secured by Taxes
(As of 11/19/2020)

Storm Water System Promissory Notes			Taxable Refunding Bonds		Taxable Community Development Bonds		Community Development Bonds		Taxable Promissory Note	
Series 2009			Series 2012A		Series 2012B		Series 2013A		2017	
Dated	12/23/2009		01/19/2012		12/20/2012		06/06/2013		06/01/2017	
Amount	\$273,219		\$1,520,000		\$1,490,000		\$3,100,000		\$7,500,000	
Maturity	05/01		02/01		06/01		06/01		05/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	0	0	0	0	0	10,498	0	32,751	0	0
2021	14,876	5,101	155,000	12,780	115,000	19,845	125,000	64,253	335,000	101,574
2022	15,393	4,575	170,000	8,018	115,000	17,430	125,000	61,753	6,515,000	49,514
2023	15,929	4,030	50,000	4,550	120,000	14,725	130,000	58,878		
2024	16,483	3,466	50,000	2,800	120,000	11,755	135,000	55,565		
2025	17,056	2,883	55,000	963	120,000	8,605	140,000	51,953		
2026	17,649	2,280			120,000	5,305	145,000	48,034		
2027	18,263	1,655			125,000	1,813	150,000	43,790		
2028	18,898	1,009					250,000	37,790		
2029	19,555	340					255,000	30,088		
2030							265,000	22,028		
2031							275,000	13,520		
2032							285,000	4,560		
2033										
2034										
2035										
2036										
2037										
2038										
2039										
2040										
	154,102	25,338	480,000	29,110	835,000	89,975	2,280,000	524,960	6,850,000	151,088

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City of Marinette, Wisconsin
Schedule of Bonded Indebtedness continued
General Obligation Debt Secured by Taxes
(As of 11/19/2020)

		Promissory Notes Series 2017A		Refunding Bonds Series 2020A							
Dated Amount		06/28/2017 \$2,065,000		11/19/2020 \$6,085,000*							
Maturity		04/01		05/01							
Calendar Year Ending		Principal	Interest	Principal	Estimated Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2020		0	0	0	0	0	43,249	43,249	18,279,102	.00%	2020
2021		200,000	34,725	850,000	76,031	1,794,876	314,309	2,109,184	16,484,226	9.82%	2021
2022		205,000	30,675	135,000	76,688	7,280,393	248,652	7,529,045	9,203,833	49.65%	2022
2023		220,000	26,150	300,000	75,107	835,929	183,439	1,019,368	8,367,904	54.22%	2023
2024		230,000	21,088	305,000	72,884	856,483	167,557	1,024,040	7,511,421	58.91%	2024
2025		240,000	15,500	315,000	70,574	887,056	150,477	1,037,533	6,624,365	63.76%	2025
2026		250,000	9,375	310,000	68,075	842,649	133,068	975,717	5,781,716	68.37%	2026
2027		250,000	3,125	0	66,758	543,263	117,140	660,403	5,238,453	71.34%	2027
2028				250,000	65,320	518,898	104,119	623,017	4,719,555	74.18%	2028
2029				260,000	62,193	534,555	92,620	627,175	4,185,000	77.11%	2029
2030				270,000	58,613	535,000	80,640	615,640	3,650,000	80.03%	2030
2031				245,000	54,885	520,000	68,405	588,405	3,130,000	82.88%	2031
2032				255,000	51,008	540,000	55,568	595,568	2,590,000	85.83%	2032
2033				260,000	46,758	260,000	46,758	306,758	2,330,000	87.25%	2033
2034				270,000	42,185	270,000	42,185	312,185	2,060,000	88.73%	2034
2035				280,000	37,303	280,000	37,303	317,303	1,780,000	90.26%	2035
2036				295,000	32,054	295,000	32,054	327,054	1,485,000	91.88%	2036
2037				310,000	26,380	310,000	26,380	336,380	1,175,000	93.57%	2037
2038				430,000	19,243	430,000	19,243	449,243	745,000	95.92%	2038
2039				445,000	10,600	445,000	10,600	455,600	300,000	98.36%	2039
2040				300,000	3,075	300,000	3,075	303,075	0	100.00%	2040
		1,595,000	140,638	6,085,000	1,015,730	18,279,102	1,976,838	20,255,940			

* Preliminary, subject to change.

**City of Marinette, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Sewer Revenues
(As of 11/19/2020)**

**Sewerage System Revenue Bonds
(CWFL)
Series 2005**

Dated Amount	03/09/2005 \$1,254,553
Maturity	05/01
Calendar Year Ending	Principal
2021	73,296
2022	75,030
2023	76,804
2024	78,620
	303,750
Interest	Interest
2021	6,317
2022	4,563
2023	2,768
2024	930
	14,577

Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
73,296	6,317	79,613	230,454	24.13%	2021
75,030	4,563	79,593	155,424	48.83%	2022
76,804	2,768	79,572	78,620	74.12%	2023
78,620	930	79,550	0	100.00%	2024
303,750	14,577	318,327			

City of Marinette, Wisconsin
Schedule of Bonded Indebtedness
Revenue Debt Secured by Water Revenues
(As of 11/19/2020)

Dated Amount	Waterworks System Revenue Bonds (SDWFL) Series 2003		Waterworks System Revenue Bonds (SDWFL) Series 2004		Waterworks System Revenue Bonds (SDWFL) Series 2009		Waterworks System Revenue Bonds Series 2014A		Taxable Waterworks System Revenue Bonds Series 2015A		Total Principal		Total Interest		Total P & I		Principal Outstanding		% Paid		Calendar Year Ending	
Maturity	02/12/2003	05/01	04/28/2004	05/01	12/23/2009	05/01	01/07/2014	05/01	08/26/2015	05/01												
	\$3,875,190		\$1,151,786		\$10,871,073		\$2,850,000		\$2,850,000													
2021	251,254	10,554	74,112	4,507	612,960	155,733	80,000	94,200	320,000	34,995	1,338,326	299,989	1,638,315	9,297,264	12.58%	2021						
2022	258,163	3,550	75,865	2,734	629,314	139,161	80,000	91,400	335,000	26,061	1,378,342	262,905	1,641,248	7,918,922	25.54%	2022						
2023			77,659	918	646,104	122,147	345,000	82,900	345,000	16,113	1,413,764	222,077	1,635,841	6,505,158	38.84%	2023						
2024					663,342	104,679	425,000	67,500	350,000	5,469	1,438,342	177,647	1,615,990	5,066,816	52.36%	2024						
2025					681,040	86,745	455,000	49,900			1,136,040	136,645	1,272,685	3,930,775	63.04%	2025						
2026					699,210	68,332	475,000	31,300			1,174,210	99,632	1,273,842	2,756,565	74.08%	2026						
2027					717,865	49,428	545,000	10,900			1,262,865	60,328	1,323,194	1,493,700	85.96%	2027						
2028					737,018	30,020					737,018	30,020	767,038	756,682	92.89%	2028						
2029					756,682	10,094					756,682	10,094	766,776	0	100.00%	2029						
	509,417	14,104	227,637	8,159	6,143,537	766,338	2,405,000	428,100	1,350,000	82,638	10,635,590	1,299,338	11,934,929									

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	\$ 773,565,600
Multiply by 5%	<u>0.05</u>
Statutory Debt Limit	\$ 38,678,280
Less: General Obligation Debt (includes the Bonds)*	<u>(18,279,102)</u>
Unused Debt Limit*	<u><u>\$ 20,399,178</u></u>

*Preliminary, subject to change.

OVERLAPPING DEBT¹

Taxing District	2020 Equalized Value ²	% In City	Total G.O. Debt ³	City's Proportionate Share
Marinette County	\$ 4,130,824,400	18.73%	\$ 20,590,000	\$ 3,856,507
Marinette School District	1,178,850,205	65.62%	14,045,000	9,216,329
Northeast Wisconsin Technical College District	45,980,052,709	1.68%	95,430,000	<u>1,603,224</u>
City's Share of Total Overlapping Debt				<u><u>\$ 14,676,060</u></u>

¹ Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section.

² Includes tax increment valuation.

³ Outstanding debt based on information obtained on EMMA and the Municipal Advisor's records.

DEBT RATIOS

	G.O. Debt	Debt/Equalized Value \$773,565,600	Debt/ Per Capita 10,720¹
Total General Obligation Debt*	\$ 18,279,102	2.36%	\$ 1,705.14
City's Share of Total Overlapping Debt	<u>14,676,060</u>	<u>1.90%</u>	<u>1,369.04</u>
Total*	\$ 32,955,162	4.26%	\$ 3,074.18

*Preliminary, subject to change.

DEBT PAYMENT HISTORY

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

FUTURE FINANCING

The City has no current plans for additional financing in the next 12 months.

¹ Estimated 2020 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
2015/16	\$4,777,140	100%	\$8.24
2016/17	4,812,181	100%	8.14
2017/18	5,293,030	100%	8.49
2018/19	5,625,256	100%	8.53
2019/20	5,970,177	100%	8.55

Property tax statements are distributed to taxpayers by the town, village, and city treasurers 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.

The spread of COVID-19 and responses taken by the United States government, state governments, local governments and private industries have caused significant disruptions to the national and State economy. See "RISK FACTORS - Impact of the Spread of COVID-19" herein. On April 15, 2020, Governor Tony Evers signed into law 2019 Wisconsin Act 185, which provides that for property taxes payable in 2020, a taxation district may, after making a general or case-by-case finding of hardship, choose to waive interest or penalties on property tax installment payments paid after April 1, 2020 but on or before October 1, 2020. In order to take such action, the county board of supervisors must first adopt a resolution authorizing such waiver and determining criteria for determining hardship and the taxation district must subsequently adopt a similar resolution. In the case of a county adopting such a resolution, the county shall proportionally settle with the taxation districts any taxes, interest and penalties collected on or before July 31, 2020 on August 20, 2020, and settle the remaining unpaid taxes, interest, and penalties on

September 20, 2020. The County and the City did not adopt such resolutions. The City cannot predict whether and how much payment of property taxes will be impacted by COVID-19 in future years. Any delays or reduction in the receipt of property taxes may materially adversely impact the City's finances and payment of debt obligations, including the Bonds.

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	Schools¹	County	Local	Other²	Total
2015/16	\$10.22	\$4.63	\$8.24	\$0.18	\$23.27
2016/17	9.63	4.56	8.14	0.19	22.52
2017/18	10.00	4.51	8.49	0.00	23.00
2018/19	9.99	4.44	8.53	0.00	22.96
2019/20	9.54	4.40	8.55	0.00	22.49

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

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

² 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.

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

THE ISSUER

CITY GOVERNMENT

The City was incorporated March 24, 1887 and is governed by a Mayor and a nine-member Common Council. The Mayor does not vote except in the case of a tie. All Council Members are elected to staggered three-year terms. The appointed City Clerk and Finance Director/Treasurer are responsible for administrative details and financial records.

EMPLOYEES; PENSIONS

The City employs a staff of 99 full-time, 21 part-time, and 32 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 generally required to contribute half of the actuarially determined contributions, and the City generally may not pay the employees' required contribution. During the fiscal year ended December 31, 2017 ("Fiscal Year 2017"), the fiscal year ended December 31, 2018 ("Fiscal Year 2018") and the fiscal year ended December 31, 2019 ("Fiscal Year 2019"), the City's portion of contributions to WRS (not including any employee contributions) totaled \$487,412, \$508,306 and \$519,083, respectively.

The City implemented Governmental Accounting Standards Board Statement No. 68 ("GASB 68") for the fiscal year ended December 31, 2015.

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, 2018, the total pension liability of the WRS was calculated as \$100.39 billion and the fiduciary net position of the WRS was calculated as \$96.74 billion, resulting in a net pension liability of \$3.56 billion. The spread of COVID-19 has significantly impacted investment markets, which may impact the funded status of the WRS and future contribution requirements as a result (see "RISK FACTORS - Impact of the Spread of COVID-19" herein).

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 2019, the City reported an liability of \$1,845,756 for its proportionate share of the net pension liability of the WRS. The net pension liability was measured as of December 31, 2018 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 0.05188081% of the aggregate WRS net pension liability as of December 31, 2018.

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 Note 10 in "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:

Bargaining Unit	Expiration Date of Current Contract
Local 416, Marinette Police Department	December 31, 2020
International Association of Firefighters, AFL-CIO, Local 226	December 31, 2020

OTHER POST EMPLOYMENT BENEFITS

Along with the payment of certain unused sick leave benefits for eligible employees hired prior to June 30, 2011 and certain department heads, division heads and police and fire personnel, the City also provides other post-employment benefits ("OPEB") through participation in the Local Retiree Life Insurance Fund ("LRLIF"), which is a cost-sharing multiple-employer defined benefit plan established by Chapter 40. The ETF and the Group Insurance Board have statutory authority for program administration and oversight, including establishing contribution requirements for employers.

For Fiscal Year 2019, the City's portion of contributions to the LRLIF totaled \$2,375. For Fiscal Year 2019, the City reported a liability of \$305,014 for its proportionate share of the net OPEB liability of the LRLIF. The net OPEB liability was measured as of December 31, 2018 based on the City's share of contributions to the LRLIF relative to the contributions of all participating employers. The City's proportion was 0.11820700% of the aggregate LRLIF net OPEB liability as of December 31, 2018.

The calculation of the total OPEB 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 the net OPEB liability of the LRLIF, which may also cause ETF to change the contribution requirements for employers and employees. For more detailed information, see Note 11 in "APPENDIX A - FINANCIAL STATEMENTS" attached hereto.

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 Bonds or otherwise questioning the validity of the Bonds.

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 Bonds 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 Bonds could be modified in bankruptcy proceedings. Such modifications could be adverse to holders of the Bonds, and there could ultimately be no assurance that holders of the Bonds would be paid in full or in part on the Bonds. Further, under such circumstances, there could be no assurance that the Bonds would not be treated as general, unsecured debt by a bankruptcy court, meaning that claims of holders of the Bonds 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 Bonds.

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 Bonds would not occur.

FUNDS ON HAND (as of September 30, 2020)

Fund	Total Cash and Investments
General & Debt Service	\$ 6,514,067
Special Revenue	1,578,861
Capital Projects	1,984,213
Cemetery Fund	1,152,341
Storm Sewer Fund	775,575
Water Utility Fund	1,773,157
Wastewater Utility	<u>5,682,628</u>
Total Funds on Hand	<u><u>\$ 19,460,842</u></u>

ENTERPRISE FUNDS

Revenues available for debt service for the City's enterprise funds have been as follows as of December 31 each year:

	2017	2018	2019
Water			
Total Operating Revenues	\$ 4,879,146	\$ 4,829,644	\$ 4,632,603
Less: Operating Expenses	<u>(3,059,345)</u>	<u>(2,992,922)</u>	<u>(3,082,014)</u>
Operating Income	\$ 1,819,801	\$ 1,836,722	\$ 1,550,589
Plus: Depreciation	1,240,175	1,247,165	1,258,628
Interest Income	<u>28,727</u>	<u>65,185</u>	<u>87,974</u>
Revenues Available for Debt Service	<u><u>\$ 3,088,703</u></u>	<u><u>\$ 3,149,072</u></u>	<u><u>\$ 2,897,191</u></u>
Wastewater			
Total Operating Revenues	\$ 1,987,581	\$ 2,294,807	\$ 4,866,790
Less: Operating Expenses	<u>(2,222,926)</u>	<u>(1,802,991)</u>	<u>(4,719,484)</u>
Operating Income	\$ (235,345)	\$ 491,816	\$ 147,306
Plus: Depreciation	876,989	886,431	902,584
Interest Income	<u>49,358</u>	<u>103,981</u>	<u>136,570</u>
Revenues Available for Debt Service	<u><u>\$ 691,002</u></u>	<u><u>\$ 1,482,228</u></u>	<u><u>\$ 1,186,460</u></u>
Cemetery			
Total Operating Revenues	\$ 100,526	\$ 93,935	\$ 85,886
Less: Operating Expenses	<u>(205,286)</u>	<u>(205,685)</u>	<u>(248,424)</u>
Operating Income	\$ (104,760)	\$ (111,750)	\$ (162,538)
Plus: Depreciation	15,188	19,165	22,458
Interest Income	<u>63,356</u>	<u>0</u>	<u>49,631</u>
Revenues Available for Debt Service	<u><u>\$ (26,216)</u></u>	<u><u>\$ (92,585)</u></u>	<u><u>\$ (90,449)</u></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 2019 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2016 Audited	2017 Audited	2018 Audited	2019 Audited	2020 Adopted Budget ¹
Revenues					
Taxes	\$ 4,199,787	\$ 4,985,404	\$ 5,471,236	\$ 5,788,547	\$ 6,951,427
Intergovernmental	5,609,839	5,642,165	5,721,903	5,821,014	5,836,012
Licenses and permits	454,055	307,459	309,255	335,440	311,075
Fines and Forfeits	279,612	229,572	251,479	244,571	251,500
Public charges for services	196,404	177,821	176,689	130,049	150,150
Miscellaneous general revenues	411,065	212,471	2,830,617	600,430	196,320
Total Revenues	<u>\$11,150,762</u>	<u>\$11,554,892</u>	<u>\$14,761,179</u>	<u>\$12,920,051</u>	<u>\$13,696,484</u>
Expenditures					
Current:					
General government	\$ 1,689,475	\$ 1,600,825	\$ 1,770,151	\$ 1,872,741	\$ 2,088,545
Public safety	4,639,402	4,705,923	4,733,496	4,916,452	5,185,173
Public works	2,311,699	2,151,944	2,331,813	2,410,788	3,854,455
Culture and recreation	888,413	891,258	1,058,472	649,278	545,738
Conservation and development	182,925	200,699	177,536	187,554	186,152
Capital outlay	1,123,800	1,236,597	3,277,543	906,243	6,000
Total Expenditures	<u>\$10,835,714</u>	<u>\$10,787,246</u>	<u>\$13,349,011</u>	<u>\$10,943,056</u>	<u>\$11,866,063</u>
Excess of revenues over (under) expenditures	\$ 315,048	\$ 767,646	\$ 1,412,168	\$ 1,976,995	\$ 1,830,421
Other Financing Sources (Uses)					
Proceeds from long term debt	0	620,000	0	0	0
Bond Premium	0	22,583	0	0	0
Bond Discount	0	(5,511)	0	0	0
Transfers in	844,636	897,898	933,516	905,812	90,000
Transfers out	(1,075,174)	(1,793,624)	(2,269,799)	(3,100,751)	(1,920,182)
Total Other Financing Sources (Uses)	<u>\$ (230,538)</u>	<u>\$ (258,654)</u>	<u>\$ (1,336,283)</u>	<u>\$ (2,194,939)</u>	<u>\$ (1,830,182)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 84,510	\$ 508,992	\$ 75,885	\$ (217,944)	\$ 239
General Fund Balance January 1	<u>6,325,367</u>	<u>6,409,877</u>	<u>6,918,869</u>	<u>6,994,754</u>	<u>6,776,810</u>
General Fund Balance December 31	<u>\$ 6,409,877</u>	<u>\$ 6,918,869</u>	<u>\$ 6,994,754</u>	<u>\$ 6,776,810</u>	<u>\$ 6,777,049</u>
DETAILS OF DECEMBER 31 FUND BALANCE					
Nonspendable	\$ 33,880	\$ 46,312	\$ 48,538	\$ 61,614	
Restricted	0	0	0	0	
Committed	0	0	0	0	
Assigned	500,000	500,000	500,000	500,000	
Unassigned	5,875,997	6,372,557	6,446,216	6,215,196	
Total	<u>\$ 6,409,877</u>	<u>\$ 6,918,869</u>	<u>\$ 6,994,754</u>	<u>\$ 6,776,810</u>	

¹ The 2020 budget was adopted on November 21, 2019.

GENERAL INFORMATION

LOCATION

The City, with a 2010 U.S. Census population of 10,968 and a current estimated population of 10,720 comprises an area of 8.3 square miles and is located approximately 55 miles north of the City of Green Bay, Wisconsin, along the shores of Green Bay. The City of Marinette is the County Seat for Marinette County.

LARGER EMPLOYERS¹

Larger employers in the City include the following:

Firm	Type of Business/Product	Estimated No. of Employees
Marinette Marine Corp.	Ship builder and manufacturer	2,000
KS Kolbenschmidt, US ²	Piston Manufacturer	930
Waupaca Foundry, Inc.	Ductile Iron Foundry	746
Ansul Inc./Tyco	Fire repellent materials	725
Bay Area Medical Center	Medical Center	475
Marinette County	Government and Public Service	434
John Veriha Trucking, Inc.	Transportation of general goods	300
Walmart	Retail	275
Marinette School District	Educational facility	252
Chem Design Products Inc.	Chemical Manufacturer	230

Source: *ReferenceUSA, written and telephone survey (October 2020), Wisconsin Manufacturers Register, and the Wisconsin Department of Workforce Development.*

¹ 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. Estimates provided are accurate as of the date noted and may not reflect changes in the number of employees resulting from the current COVID-19 pandemic. (See "RISK FACTORS - Impact of the Spread of COVID-19").

² In July 2020, KS Kolbenschmidt notified the City that it has decided to shut down the plant in the City over the next three years, with final closure expected to occur in the third quarter of 2023.

BUILDING PERMITS

	2016	2017	2018	2019	2020 ¹
<u>New Single Family Homes</u>					
No. of building permits	2	0	2	0	0
Valuation	\$550,000	\$0	\$521,500	\$0	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	0	0	1	0	1
Valuation	\$0	\$0	\$275,000	\$0	\$349,391
<u>New Commercial/Industrial</u>					
No. of building permits	6	3	11	8	8
Valuation	\$76,770,739	\$1,582,163	\$3,699,713	\$6,176,498	\$11,551,559
<u>All Building Permits</u>					
<i>(including additions and remodelings)</i>					
No. of building permits	555	105	182	196	66
Valuation	\$117,850,293	\$1,735,990	\$13,327,831	\$11,501,124	\$16,208,484

Source: The City.

¹ As of October 5, 2020.

U.S. CENSUS DATA

Population Trend: The City

2000 U.S. Census	11,749
2010 U.S. Census	10,968
2020 Estimated Population	10,720
Percent of Change 2000 - 2010	-6.65%

Income and Age Statistics

	The City	Marinette County	State of Wisconsin	United States
2018 per capita income	\$24,529	\$26,959	\$32,018	\$32,621
2018 median household income	\$41,194	\$47,497	\$59,209	\$60,293
2018 median family income	\$52,863	\$58,637	\$75,313	\$73,965
2018 median gross rent	\$717	\$681	\$837	\$1,023
2018 median value owner occupied units	\$83,000	\$117,100	\$173,600	\$204,900
2018 median age	42.3 yrs.	48.3 yrs.	39.3 yrs.	37.9 yrs.

	State of Wisconsin	United States
City % of 2018 per capita income	76.61%	75.19%
City % of 2018 median family income	70.19%	71.47%

Housing Statistics

	<u>The City</u>		
	2010	2018	Percent of Change
All Housing Units	5,464	5,641	3.24%

Source: 2000 and 2010 Census of Population and Housing, and 2018 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov/cedsci>).

EMPLOYMENT/UNEMPLOYMENT DATA

Rates are not compiled for individual communities with populations under 25,000.

Year	<u>Average Employment</u>	<u>Average Unemployment</u>	
	Marinette County	Marinette County	State of Wisconsin
2016	19,157	5.5%	4.0%
2017	18,892	4.4%	3.3%
2018	18,816	4.0%	3.0%
2019	18,573	4.6%	3.3%
2020, August	18,192 ¹	7.0% ¹	6.1%

Source: Wisconsin Department of Workforce Development.

¹ Preliminary.

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 or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Official Statement, 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 Bonds, 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 MARINETTE, WISCONSIN

Annual Financial Report

December 31, 2019

CITY OF MARINETTE, WISCONSIN

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December 31, 2019

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Independent Auditors' Report

To the City Council
City of Marinette
Marinette, Wisconsin

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Marinette, Wisconsin (City), as of and for the year ended December 31, 2019, 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditor's 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 auditor considers internal control relevant to the entity'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 entity'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, each major fund, and the aggregate remaining fund information of the City of Marinette, Wisconsin, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

To the City Council
City of Marinette, Wisconsin

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America requires the management's discussion and analysis, schedules of employer's proportionate share of the net pension liability (asset) and employer contributions – Wisconsin Retirement System, schedules of employer's proportionate share of the net OPEB liability and employer contributions – other post-employment benefits other than pensions – cost sharing plan, and budgetary comparison information on pages 3 to 8 and 58 to 61 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements themselves, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Marinette, Wisconsin's basic financial statements. The combining financial statements and budgetary comparison schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The supplementary information is the responsibility of management.

The combining balance sheet – nonmajor governmental funds and combining statement of revenues, expenditures and changes in fund balances (deficits) – nonmajor governmental funds were derived from and relate 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 combining balance sheet – nonmajor governmental funds and combining statement of revenues, expenditures and changes in fund balances (deficits) – nonmajor governmental funds are fairly stated in all material respects, in relation to the basic financial statements as a whole.

The detailed budgetary comparison schedule – general fund and schedule of budgetary comparison – debt service fund 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.

KerberRose SC

KerberRose SC
Certified Public Accountants
July 2, 2020



City of Marinette

1905 HALL AVENUE
MARINETTE, WI 54443-1716

Management's Discussion and Analysis

This discussion and analysis of the City of Marinette's financial performance provides an overview of the financial activities of the City and Utilities for the fiscal year ended December 31, 2019. It should be read in conjunction with the City's financial statements, beginning on page 9.

Financial Highlights

- At the close of the fiscal year 2019, the assets and deferred outflows of resources of the City of Marinette exceeded its liabilities and deferred inflows of resources by \$89,658,031 (net position) versus \$87,508,245 at the close of 2018, an increase of \$2,149,786.
- During 2019, the General Fund balance decreased by \$217,944. At end of the fiscal year, the total general fund balance was \$6,776,810 and the portion that can be used for general operation (Unassigned Fund Balance) was \$6,215,196 which was approximately 56% of the total 2019 General Fund spending budget.

Overview of the Financial Statements

The basic financial statements include three (3) components:

- government-wide financial statements,
- fund financial statements,
- notes to the financial statements.

1. Government-wide Financial Statements (Reporting the City as a Whole)

The government-wide financial statements (pages 9-11) provide readers with a broad overview of the finances of the City government (including Utilities) as a total enterprise. The Statement of Net Position and the Statement of Activities are used to accomplish this.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources, and its liabilities and deferred inflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of the City's financial position. Table 1 on the next page shows the City's net position.

The total City assets and deferred outflows of resources exceeded total City liabilities and deferred inflows of resources by \$89,658,031 at the close of the fiscal year 2019 versus \$87,508,245 at the close of 2018, an increase of \$2,149,786. Chart 1 on the next page shows the City's net position history from 2012 to 2019.

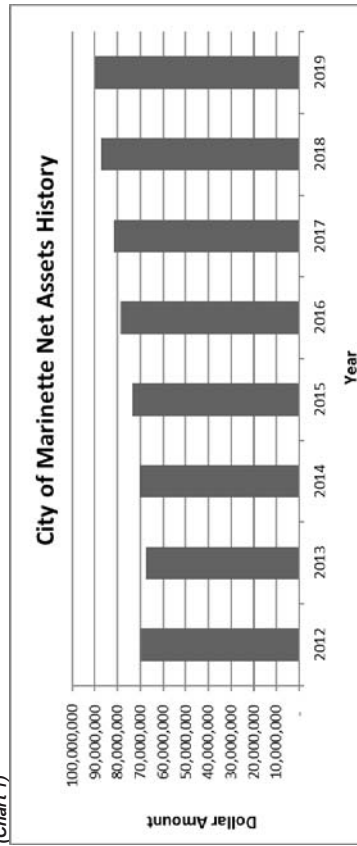
(Table 1)

CITY OF MARINETTE, WISCONSIN

Statement of Net Position
December 31, 2019 and 2018

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	2018
ASSETS					
Current and other assets	\$ 21,731,460	\$ 24,695,930	\$ 11,889,423	\$ 11,179,535	\$ 33,620,883
Capital Assets	43,449,956	42,778,219	55,199,523	55,607,462	98,649,479
Total Assets	65,181,416	67,474,149	67,088,946	66,786,997	132,270,362
					134,261,146
DEFERRED OUTFLOWS OF RESOURCES	4,277,020	2,530,295	776,114	308,375	5,053,134
					2,838,670
LIABILITIES					
Current and other liabilities	2,732,384	4,690,047	2,645,687	1,668,852	5,378,071
Long-term debt o/s	20,887,217	20,646,294	11,473,239	12,590,861	32,365,456
Total Liabilities	23,619,601	25,336,341	14,123,926	14,259,713	37,743,527
					39,596,054
DEFERRED INFLOWS OF RESOURCES	9,525,652	9,719,471	396,286	276,048	9,921,938
					9,995,517
NET POSITION					
Net investment in capital assets	24,396,310	21,380,013	42,636,179	41,687,566	67,032,489
Restricted	4,600,927	7,023,537	5,370,056	6,911,443	13,934,980
Unrestricted (deficit)	7,315,946	6,545,082	5,338,613	3,960,604	12,654,559
Total Net Assets	\$ 36,313,183	\$ 34,948,632	\$ 53,344,848	\$ 52,559,613	\$ 89,658,031
					\$ 87,508,245

(Chart 1)



The 2019 increase in net position is primarily from the increased values in capital assets.

The Statement of Net Position shows the restricted and unrestricted net position. Unrestricted net position can be spent under the City government's discretion. The restricted net position is not available for appropriation or are legally restricted by outside parties. Restricted net position is used for a specific purpose such as payments to creditors, grant contributors, and other legal requirements. It cannot be spent under the City government's discretion.

During 2019, the City's combined unrestricted net position increased by \$2,148,873. The Governmental activities unrestricted net positions increased by \$770,864 while the Business-type activities unrestricted net position increased by \$1,378,009. By far, the largest portion (nearly 75%) of the total net position reflects the net investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending.

The Statement of Activities presents information showing how the City's net position changed during 2019. Table 2 on the next page shows the Statement of Activities for the City of Marinette for fiscal years 2019 and 2018. The City of Marinette's total net position increased in value by 2 percent or \$2,149,786 from 2018.

As you may see, in both the Statement of Net Position and the Statement of Activities, we divided the City into two kinds of activities: Governmental activities and Business-type activities.

Governmental activities - Most of the City's basic services are reported here, including the police, fire, public works, park, recreation, and general administration. Property taxes, franchise fees, and state and federal grants and financial aids finance most of these activities. In addition, all the special revenue funds, capital project funds, debt service funds, and TIF districts totaling forty individual funds are also included here.

Business-type activities - The City charges a fee to customers to help cover all or most of the costs of certain services provided. The City's water, sanitary sewer, storm water, and cemetery activities are reported here.

Looking at the revenues, in 2019, in the Governmental activities section, an increase in grants and charges for services created increases in the City's revenues of \$363,437. When comparing to 2018, the Business-type activities saw an increase in revenues for charges for services and miscellaneous and interest income of \$2,378,650 due to a wastewater rate increase in the current year and higher earned interest rates. We will take a look at this in more details under the Fund Financial Statements on Page 12.

(Table 2)

	Governmental Activities		Business-type Activities		Total
	2019	2018	2019	2018	
Revenues					
Program Revenue					
Charges for Services	\$ 1,161,165	\$ 846,820	\$ 10,250,848	\$ 7,989,665	\$ 11,412,013
Operating grants and contributions	1,849,440	1,800,348	-	-	8,936,485
Capital grants and contributions	85,816	3,034,802	-	-	1,800,348
General Revenues					
Property taxes for general purposes	6,698,008	6,907,619	-	-	85,816
Other taxes	459,347	478,974	-	-	3,034,802
State/federal aids/other contributions					
not restricted to specific functions	4,920,981	4,835,233	-	-	6,698,008
Interests and investment earnings	301,218	284,527	292,265	181,313	6,907,619
Miscellaneous	719,175	303,750	6,495	-	459,347
Gain on sale of asset	54,112	27,610	-	-	4,835,233
Total Revenues	16,249,262	18,519,683	10,549,628	8,170,978	4,920,981
Expenses					
General government	1,877,404	1,774,741	-	-	4,320,981
Public safety	5,254,871	5,044,665	-	-	4,320,981
Public works	4,705,301	4,969,128	-	-	5,044,665
Culture and recreation	2,236,201	804,707	-	-	4,705,301
Conservation & Development	1,219,337	1,532,970	-	-	2,236,201
Interest and fiscal charges on debt	376,816	434,944	-	-	1,219,337
Water utility	-	-	3,459,239	3,400,103	1,532,970
Wastewater treatment facility	-	-	4,728,922	1,814,330	3,459,239
Storm Water Utility	-	-	542,589	619,123	4,728,922
Cemetery	-	-	248,424	209,526	542,589
Total Expenses	15,669,930	14,561,155	8,979,174	6,043,082	619,123
Increase in net position before transfers	579,332	3,958,528	1,570,454	2,127,896	1,814,330
Transfers	785,219	746,182	(785,219)	(746,182)	1,570,454
Increase in net position	1,364,551	4,704,710	785,235	1,381,714	2,127,896
Net position - January 1, 2019	34,948,632	30,243,922	52,559,613	51,777,899	87,508,245
Net position - December 31, 2019	\$ 36,313,183	\$ 34,948,632	\$ 53,344,848	\$ 52,559,613	\$ 89,658,031
					\$ 87,508,245

2. Fund Financial Statements (Reporting the City's Most Significant Funds)

The Fund Financial Statements begin on page 12 and provide detailed information about the most significant funds - not the City as a whole. The City has three kinds of funds: Governmental, Proprietary, and Fiduciary.

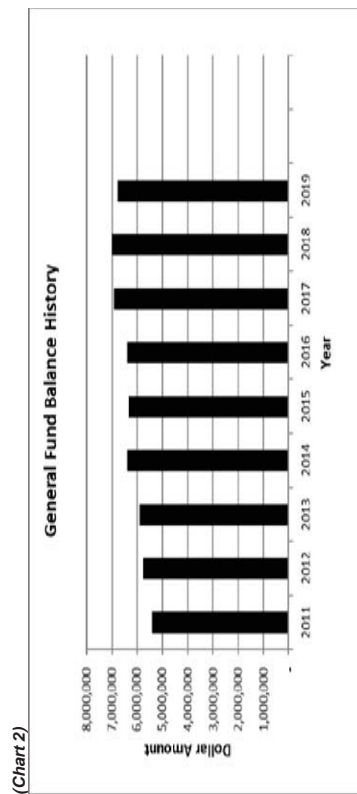
Governmental funds - include General Fund, Debt Service Funds, Special Revenue Funds, and Capital Projects Funds. The financial statements for governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. The fund balances are classified as 1) Nonspendable, 2) Restricted - obligated for specific purposes by external parties, 3) Assigned - designated for specific purposes by action of City Council, and 4) Unassigned - available for any purposes.

The last two categories are similar to unrestricted net position, and they can be spent under management's discretion, so they may serve as a useful measure of the City's net resources available for spending. At end of 2019, the total fund balances from these last two categories were \$6,715,196.

The General Fund is the chief operating fund of the City. Page 15 shows the summary of 2019 General Fund revenues, expenditures and changes of fund balances. As you may see, the general fund ended its year decreasing the fund balance by \$217,944.

Page 15 shows that at the end of 2019, the general fund had a fund balance of \$6,776,810. Of this amount, \$6,215,196 was unassigned so it can be spent at management's discretion. Further breakdown of these funds are as follows: the City assigned \$500,000 for vested employment benefit liabilities (the reported liabilities at end of 2019 were \$1,022,637). The unassigned general fund balance is approximately 56% of total 2019 General Fund spending budget. Maintaining a higher unassigned fund balance is necessary because the payment received from the State Shared Revenues comes in late November of each year. The Shared Revenue is approximately 34% of the total General Fund revenue. A healthy fund balance prevents short-term borrowing for operating cash, helps to meet emergency needs, generates interest revenues through investments, and helps to maintain the City's bond rating.

Chart 2 below shows the General Fund balance history from 2011 to 2019.



Proprietary funds - The City's proprietary funds (pages 18-21) provide the same type of information found in the government-wide financial statements, but in more detail.

Pages 20 and 21 shows the 2019 revenues, expenses and change in net position for proprietary funds. The Statement of Revenues and Expenses on Pages 20 and 21 shows that for enterprise funds, the total revenues increased \$2,261,183 and total expenses increased by \$2,968,384 in 2019. On the revenue side, the Wastewater Utility revenues from other charges increased by \$2,702,100 and the Water Utility's revenues from metered use decreased by \$188,602. On the expense side, the Water Utility's pumping maintenance and operations increased expenses by \$77,629, and increased the depreciation expense by \$11,463. The PILOT payment is a property tax equivalent payable to the City of Marinette (recorded as a transfer out) which decreased \$9,286. The increased value of the new water treatment facility is one of the main factors in the PILOT's calculation. Wastewater spent \$2,900,340 more on operations and maintenance.

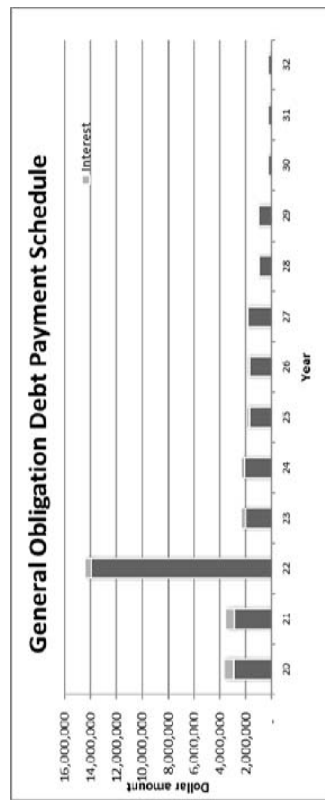
General Fund Budgetary Highlights

(See Page 60 for summary and Page 70-71 for details). Compared with the final budget, the actual revenues were \$514,464 higher than budgetary estimates. On the expenditure side, the total actual expenditures were \$150,200 higher than the adjusted final budget amount. Major budget deficits were: \$94,550 for street construction and lighting, \$15,111 for administration insurance costs, \$450,000 for recreation facility construction and \$435,648 for capital outlay projects.

Debt Administration

Long-term Obligations: At the end of the 2019 fiscal year, the City of Marinette had total long-term obligations of \$35,575,344. Of this amount, \$13,168,478 is comprised of government bonds and notes, \$171,871 as promissory notes, \$6,525,000 as Note Anticipation Note, \$12,314,903 represents bonds secured by specified revenue sources (i.e., revenue bonds), and \$1,022,637 as employees' compensated absences and \$305,014 as other post employment benefits.

The City maintained its Moody's A1 bond rating for both its general obligation debt and for the revenue bonds of the Water Utility. State statutes limit the amount of general obligation debt a governmental entity may issue to five percent of its total equalized valuation of \$756,179,800. The current debt limitation for the City of Marinette is \$37,808,990, which is considerably higher than the City's outstanding general obligation debt of \$19,693,478. The chart below shows the payment schedule.



Economic Factors

The unemployment rate for the City is currently 4.1%. This is higher than the State of Wisconsin's average unemployment rate of 2.9%. 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 based activities, which support out tax base. The City is working on several projects including street and utility projects as well as the operations of a new recreation center. All of these factors were considered in preparing the City's budget for the 2020 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Marinette's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Director, City Hall, 1905 Hall Ave., Marinette, Wisconsin 54143.

CITY OF MARINETTE, WISCONSIN
Statement of Net Position
As of December 31, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash and Investments	\$ 12,443,282	\$ 5,052,122	\$ 17,495,404
Receivables:			
Taxes	6,509,609	-	6,509,609
Accounts	307,591	1,469,231	1,776,822
Special Assessments	36,743	-	36,743
Delinquent Personal Property Taxes	53,381	-	53,381
Loans	1,606,723	-	1,606,723
Restricted Cash and Investments	765,898	5,281,316	6,047,214
Inventories and Prepaid Items	8,233	84,414	92,647
Other Current Assets	-	2,340	2,340
Total Current Assets	21,731,460	11,889,423	33,620,883
Noncurrent Assets			
Special Assessments	-	15,292	15,292
Capital Assets, Nondepreciable:			
Land	2,039,904	639,506	2,679,410
Construction in Progress	129,484	-	129,484
Capital Assets, Depreciable:			
Land Improvements	3,952,872	46,716,222	50,669,094
Buildings and Improvements	20,551,160	19,290,089	39,841,249
Machinery and Equipment	9,426,448	18,598,195	28,024,643
Infrastructure	33,468,532	13,981,760	47,450,292
Less: Accumulated Depreciation	(26,118,444)	(44,041,541)	(70,159,985)
Total Noncurrent Assets	43,449,956	55,199,523	98,649,479
TOTAL ASSETS	65,181,416	67,088,946	132,270,362
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	-	21,937	21,937
Deferred Outflows Related to Pension	4,236,178	746,976	4,983,154
Deferred Outflows Related to Other Post-Employment Benefits	40,842	7,201	48,043
Total Deferred Outflows of Resources	4,277,020	776,114	5,053,134
LIABILITIES			
Current Liabilities			
Accounts Payable	547,626	1,034,717	1,582,343
Accrued and Other Current Liabilities	411,956	16,493	428,449
Special Deposits	24,813	-	24,813
Accrued Interest Payable	59,066	62,366	121,432
Accrued Compensated Absences	-	132,146	132,146
Due to Other Governments	11,146	-	11,146
Current Portion of Long-Term Obligations	1,677,777	1,399,965	3,077,742
Total Current Liabilities	2,732,384	2,645,687	5,378,071
Noncurrent Liabilities			
Net Pension Liability	1,569,077	276,679	1,845,756
Net OPEB Liability	259,292	45,722	305,014
Noncurrent Portion of Long-Term Obligations	19,058,848	11,155,838	30,214,686
Total Noncurrent Liabilities	20,887,217	11,478,239	32,365,456
Total Liabilities	23,619,601	14,123,926	37,743,527
DEFERRED INFLOWS OF RESOURCES			
Taxes Levied for Subsequent Period	7,278,270	-	7,278,270
Deferred Inflows Related to Pension	2,163,851	381,557	2,545,408
Deferred Inflows Related to Other Post-Employment Benefits	83,531	14,729	98,260
Total Deferred Inflows of Resources	9,525,652	396,286	9,921,938
NET POSITION			
Net Investment in Capital Assets	24,396,310	42,636,179	67,032,489
Restricted for:			
Community Development	2,451,821	-	2,451,821
Tax Incremental Districts	796,817	-	796,817
Debt Service	113,476	1,426,139	1,539,615
Capital Projects	735,563	-	735,563
Plant Replacement	-	3,855,177	3,855,177
Pension Benefits	503,250	88,740	591,990
Unrestricted	7,315,946	5,338,613	12,654,559
TOTAL NET POSITION	\$ 36,313,183	\$ 53,344,848	\$ 89,658,031

CITY OF MARINETTE, WISCONSIN

Statement of Activities

For the Year Ended December 31, 2019

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
FUNCTIONS/PROGRAMS				
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES				
General Government	\$ 1,877,404	\$ 260,802	\$ -	\$ -
Public Safety	5,254,871	448,320	96,412	-
Public Works	4,705,301	71,221	1,215,165	13,125
Culture and Recreation	2,236,201	380,822	522,341	-
Conservation and Development	1,219,337	-	15,522	72,691
Interest on Debt	376,816	-	-	-
Total Governmental Activities	15,669,930	1,161,165	1,849,440	85,816
BUSINESS-TYPE ACTIVITIES				
Cemetery	248,424	85,886	-	-
Water Utility	3,459,239	4,632,603	-	-
Wastewater Utility	4,728,922	4,866,790	-	-
Storm Water Utility	542,589	665,569	-	-
Total Business-Type Activities	8,979,174	10,250,848	-	-
Total	\$ 24,649,104	\$ 11,412,013	\$ 1,849,440	\$ 85,816

GENERAL REVENUES

Taxes:

General Property Taxes

Tax Increments

Other Taxes

Federal and State Grants and Other Contributions

Not Restricted to Specific Functions

Interest and Investment Earnings

Insurance Dividends and Recoveries

Rental Income

Sale of Assets

Miscellaneous

Total General Revenues

TRANSFER

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

See Accompanying Notes

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business- Type Activities	Total
\$ (1,616,602)	\$ -	\$ (1,616,602)
(4,710,139)	-	(4,710,139)
(3,405,790)	-	(3,405,790)
(1,333,038)	-	(1,333,038)
(1,131,124)	-	(1,131,124)
(376,816)	-	(376,816)
<u>(12,573,509)</u>	<u>-</u>	<u>(12,573,509)</u>
-	(162,538)	(162,538)
-	1,173,364	1,173,364
-	137,868	137,868
-	122,980	122,980
<u>-</u>	<u>1,271,674</u>	<u>1,271,674</u>
<u>(12,573,509)</u>	<u>1,271,674</u>	<u>(11,301,835)</u>
5,625,265	-	5,625,265
1,072,743	-	1,072,743
459,347	-	459,347
4,920,981	-	4,920,981
301,218	292,285	593,503
53,229	-	53,229
149,188	-	149,188
54,112	-	54,112
516,758	6,495	523,253
<u>13,152,841</u>	<u>298,780</u>	<u>13,451,621</u>
<u>785,219</u>	<u>(785,219)</u>	<u>-</u>
1,364,551	785,235	2,149,786
<u>34,948,632</u>	<u>52,559,613</u>	<u>87,508,245</u>
<u>\$ 36,313,183</u>	<u>\$ 53,344,848</u>	<u>\$ 89,658,031</u>

CITY OF MARINETTE, WISCONSIN

Balance Sheet
Governmental Funds
As of December 31, 2019

	<u>General</u>	<u>Debt Service</u>	<u>TID No. 3</u>
ASSETS			
Cash and Investments	\$ 6,997,987	\$ 172,542	\$ 3,500
Receivables:			
Taxes	5,340,706	-	-
Accounts	74,253	-	-
Special Assessments	36,743	-	-
Delinquent Personal Property Taxes	53,381	-	-
Loans	-	-	-
Restricted Cash and Investments	640,494	-	-
Due from Other Funds	484,313	-	-
Inventories and Prepaid Items	8,233	-	-
TOTAL ASSETS	<u><u>\$ 13,636,110</u></u>	<u><u>\$ 172,542</u></u>	<u><u>\$ 3,500</u></u>
LIABILITIES			
Accounts Payable	\$ 413,636	\$ -	\$ 3,500
Accrued and Other Current Liabilities	404,832	-	-
Special Deposits	24,813	-	-
Due to Other Fund	-	-	-
Due to Other Governments	9,095	-	-
Total Liabilities	<u><u>852,376</u></u>	<u><u>-</u></u>	<u><u>3,500</u></u>
DEFERRED INFLOWS OF RESOURCES			
Taxes Levied for Subsequent Period	5,970,180	-	-
Unavailable - Special Assessments	36,744	-	-
Total Deferred Inflows of Resources	<u><u>6,006,924</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
FUND BALANCES			
Nonspendable:			
Inventories and Prepaid Items	8,233	-	-
Delinquent Personal Property Taxes	53,381	-	-
Restricted:			
Tax Incremental Districts	-	-	-
Loans	-	-	-
Debt Service	-	172,542	-
Capital Projects	-	-	-
Assigned:			
Vacation and Sick Leave	500,000	-	-
Special Revenue Funds	-	-	-
Capital Projects	-	-	-
Unassigned (Deficit)	6,215,196	-	-
Total Fund Balances	<u><u>6,776,810</u></u>	<u><u>172,542</u></u>	<u><u>-</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u><u>\$ 13,636,110</u></u>	<u><u>\$ 172,542</u></u>	<u><u>\$ 3,500</u></u>

Capital Projects Recreation Center	Other Governmental Funds	Total Governmental Funds
\$ 752,656	\$ 4,516,597	\$ 12,443,282
-	1,168,903	6,509,609
1,500	231,838	307,591
-	-	36,743
-	-	53,381
-	1,606,723	1,606,723
-	125,404	765,898
-	-	484,313
-	-	8,233
<u>\$ 754,156</u>	<u>\$ 7,649,465</u>	<u>\$ 22,215,773</u>
\$ 18,593	\$ 111,897	\$ 547,626
-	7,124	411,956
-	-	24,813
-	484,313	484,313
-	2,051	11,146
<u>18,593</u>	<u>605,385</u>	<u>1,479,854</u>
-	1,308,090	7,278,270
-	-	36,744
<u>-</u>	<u>1,308,090</u>	<u>7,315,014</u>
-	-	8,233
-	-	53,381
-	1,246,788	1,246,788
-	2,451,821	2,451,821
-	-	172,542
735,563	-	735,563
-	-	500,000
-	1,402,878	1,402,878
-	1,142,099	1,142,099
-	(507,596)	5,707,600
<u>735,563</u>	<u>5,735,990</u>	<u>13,420,905</u>
<u>\$ 754,156</u>	<u>\$ 7,649,465</u>	<u>\$ 22,215,773</u>

CITY OF MARINETTE, WISCONSIN

Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position

As of December 31, 2019

Total Fund Balances - Governmental Funds	\$ 13,420,905
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Total net position reported for governmental activities in the statement of net position is different from the amount reported above as total governmental funds fund balance because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. Amounts reported for governmental activities in the statement of net position:

Capital Assets	69,568,400	
Accumulated Depreciation	<u>(26,118,444)</u>	43,449,956

Some receivables that are not currently available are reported as deferred inflows of resources in the fund statements but are recognized as revenue when earned in the government-wide statements.

Special Assessments	36,744
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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 Related to Pension	4,236,178
Deferred Inflows Related to Pension	(2,163,851)

The City's proportionate share of the OPEB is not an available financial resource; therefore, it is not reported in the fund financial statements.

Deferred Outflows of Resources Related to Other Post-Employment Benefits:	
Cost-Sharing Plan	40,842
Deferred Inflows of Resources Related to Other Post-Employment Benefits:	
Cost-Sharing Plan	(83,531)

Some liabilities, including bonds and notes payable, are not due and payable in the current period and therefore are not reported in the fund statements. Liabilities reported in the statement of net position that are not reported in the funds balance sheet:

General Obligation Debt	(19,696,871)	
Debt Premium	(40,050)	
Debt Discount	22,933	
Net Pension Liability	(1,569,077)	
Net OPEB Liability	(259,292)	
Compensated Absences	(1,022,637)	
Accrued Interest	<u>(59,066)</u>	<u>(22,624,060)</u>

Total Net Position - Governmental Activities	\$ <u>36,313,183</u>
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CITY OF MARINETTE, WISCONSIN
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	<u>General</u>	<u>Debt Service</u>	<u>TID No. 3</u>
REVENUES			
Taxes	\$ 5,788,547	\$ -	\$ 231,533
Intergovernmental	5,821,014	-	16,810
Licenses and Permits	335,440	-	-
Fines and Forfeits	244,571	-	-
Public Charges for Services	130,049	-	-
Miscellaneous	600,430	13,524	2,508
Total Revenues	<u>12,920,051</u>	<u>13,524</u>	<u>250,851</u>
EXPENDITURES			
Current:			
General Government	1,872,741	1,170	-
Public Safety	4,916,452	-	-
Public Works	2,410,788	-	-
Culture and Recreation	649,278	-	-
Conservation and Development	187,554	-	294,758
Debt Service:			
Principal	-	1,185,000	-
Interest and Fiscal Charges	-	262,753	-
Capital Outlay	906,243	-	-
Total Expenditures	<u>10,943,056</u>	<u>1,448,923</u>	<u>294,758</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,976,995</u>	<u>(1,435,399)</u>	<u>(43,907)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	905,812	1,435,328	-
Transfers Out	(3,100,751)	-	(13,003)
Total Other Financing Sources (Uses)	<u>(2,194,939)</u>	<u>1,435,328</u>	<u>(13,003)</u>
NET CHANGE IN FUND BALANCES	(217,944)	(71)	(56,910)
FUND BALANCES - BEGINNING	<u>6,994,754</u>	<u>172,613</u>	<u>56,910</u>
FUND BALANCES - ENDING	<u>\$ 6,776,810</u>	<u>\$ 172,542</u>	<u>\$ -</u>

Capital Projects Recreation Center	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,138,420	\$ 7,158,500
-	361,285	6,199,109
-	-	335,440
-	25	244,596
-	500,436	630,485
513,953	553,701	1,684,116
513,953	2,553,867	16,252,246
22	-	1,873,933
-	159,514	5,075,966
-	456,680	2,867,468
-	1,226,949	1,876,227
-	694,759	1,177,071
-	500,618	1,685,618
-	141,968	404,721
523,604	1,028,569	2,458,416
523,626	4,209,057	17,419,420
(9,673)	(1,655,190)	(1,167,174)
450,000	1,944,012	4,735,152
(531,485)	(304,694)	(3,949,933)
(81,485)	1,639,318	785,219
(91,158)	(15,872)	(381,955)
826,721	5,751,862	13,802,860
\$ 735,563	\$ 5,735,990	\$ 13,420,905

CITY OF MARINETTE, WISCONSIN

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ (381,955)
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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 these assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlay reported in governmental fund statements	2,458,416	
Depreciation expense reported in the statement of activities	<u>(1,760,030)</u>	
Amount by which capital outlays are more than depreciation in current period		698,386

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations, developer credits for land purchases, and donations) is to decrease net position.	(26,649)
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Amounts related to the pension plan that affect the statement of activities but do not affect the fund financial statements.	(651,691)
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Amounts related to the OPEB that affect the statement of activities but do not affect the fund financial statements.	(17,045)
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Special assessments are recognized as income as the payments are received in the fund financial statements but were recognized as revenue in the statement of activities at the time they were earned.	2,418
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Repayment of principal on long-term debt is reported in the governmental funds as an expenditure but is reported as a reduction in long-term debt in the statement of net position and does not affect the statement of activities.

The amount of long-term debt principal payments in the current year is:	1,685,618
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Vested 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.

Amounts earned in current year are less than amounts paid by	27,564
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In governmental funds interest payments on outstanding debt are reported as an expenditure when paid. In the statement of activities interest is reported as incurred.

The amount of interest paid during the current period	404,721	
The amount of interest accrued during the current period	<u>(375,416)</u>	
Interest paid is more than interest accrued by		29,305

Debt premium, discount and amortization are allocated over the period the debt is outstanding and is reported as amortization revenue/expense in the statement of activities. The amortization for the current year is

Debt Discount		(6,740)
Issuance Premium		<u>5,340</u>

Change in Net Position - Governmental Activities	\$ <u>1,364,551</u>
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CITY OF MARINETTE, WISCONSIN

Statement of Net Position

Proprietary Funds

As of December 31, 2019

	<u>Cemetery</u>	<u>Water Utility</u>	<u>Wastewater Utility</u>
CURRENT ASSETS			
Cash and Investments	\$ 1,246,387	\$ 1,089,802	\$ 2,087,088
Accounts Receivable	6,622	571,867	823,367
Inventories and Prepaid Expenses	37,531	46,883	-
Other Current Assets	-	2,340	-
Total Current Assets	<u>1,290,540</u>	<u>1,710,892</u>	<u>2,910,455</u>
NON-CURRENT ASSETS			
Special Assessments	-	15,292	-
Restricted Cash	-	1,426,139	3,855,177
Capital Assets:			
Land	-	619,406	20,100
Land Improvements	-	26,748,733	19,967,489
Buildings	1,019,528	11,891,792	6,378,769
Machinery and Equipment	-	9,600,779	8,997,416
Infrastructure	-	-	-
Less: Accumulated Depreciation	(726,826)	(13,601,810)	(21,628,087)
Total Noncurrent Assets	<u>292,702</u>	<u>36,700,331</u>	<u>17,590,864</u>
Total Assets	<u>1,583,242</u>	<u>38,411,223</u>	<u>20,501,319</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charge on Refunding	-	21,937	-
Deferred Outflows Related to Pension	-	435,030	311,946
Deferred Outflows Related to Other			
Post-Employment Benefits	-	4,194	3,007
Total Deferred Outflows of Resources	<u>-</u>	<u>461,161</u>	<u>314,953</u>
CURRENT LIABILITIES			
Accounts Payable	665	299,845	733,485
Accrued and Other Current Liabilities	7,585	5,505	3,349
Accrued Interest Payable	-	60,628	1,738
Accrued Compensated Absences	-	72,730	59,416
Current Portion of Long-Term Obligations	-	1,313,986	71,603
Total Current Liabilities	<u>8,250</u>	<u>1,752,694</u>	<u>869,591</u>
NON-CURRENT LIABILITIES			
Net Other Post-Employment Benefits	-	26,628	19,094
Net Pension Liability	-	161,135	115,544
Long-Term Obligations	-	10,697,986	303,750
Total Noncurrent Liabilities	<u>-</u>	<u>10,885,749</u>	<u>438,388</u>
Total Liabilities	<u>8,250</u>	<u>12,638,443</u>	<u>1,307,979</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pension	-	222,215	159,342
Deferred Inflows Related to Other			
Post-Employment Benefits	-	8,578	6,151
Total Deferred Outflows of Resources	<u>-</u>	<u>230,793</u>	<u>165,493</u>
NET POSITION			
Net Investment in Capital Assets	292,702	23,254,679	13,360,334
Restricted for:			
Debt Service	-	1,426,139	-
Plant Replacement	-	-	3,855,177
Pension Benefits	-	51,680	37,060
Unrestricted	1,282,290	1,270,650	2,090,229
TOTAL NET POSITION	<u>\$ 1,574,992</u>	<u>\$ 26,003,148</u>	<u>\$ 19,342,800</u>

Storm Water Utility	Total
\$ 628,845	\$ 5,052,122
67,375	1,469,231
-	84,414
-	2,340
<u>696,220</u>	<u>6,608,107</u>
-	15,292
-	5,281,316
-	639,506
-	46,716,222
-	19,290,089
-	18,598,195
13,981,760	13,981,760
(8,084,818)	(44,041,541)
<u>5,896,942</u>	<u>60,480,839</u>
<u>6,593,162</u>	<u>67,088,946</u>
-	21,937
-	746,976
-	7,201
<u>-</u>	<u>776,114</u>
722	1,034,717
54	16,493
-	62,366
-	132,146
<u>14,376</u>	<u>1,399,965</u>
<u>15,152</u>	<u>2,645,687</u>
-	45,722
-	276,679
<u>154,102</u>	<u>11,155,838</u>
<u>154,102</u>	<u>11,478,239</u>
<u>169,254</u>	<u>14,123,926</u>
-	381,557
-	14,729
<u>-</u>	<u>396,286</u>
5,728,464	42,636,179
-	1,426,139
-	3,855,177
-	88,740
<u>695,444</u>	<u>5,338,613</u>
<u>\$ 6,423,908</u>	<u>\$ 53,344,848</u>

CITY OF MARINETTE, WISCONSIN

Statement of Revenues, Expenses and Changes in Net Position

Proprietary Funds

For the Year Ended December 31, 2019

	Cemetery	Water Utility	Wastewater Utility
OPERATING REVENUES			
Charges for Services	\$ 38,290	\$ 4,547,186	\$ 2,164,690
Sale of Lots and Crypts	15,388	-	-
Bio-waste Disposal	-	-	2,621,777
Other	32,208	85,417	80,323
Total Operating Revenues	85,886	4,632,603	4,866,790
OPERATING EXPENSES			
Operation and Maintenance	225,966	1,823,386	3,816,900
Depreciation	22,458	1,258,628	902,584
Total Operating Expenses	248,424	3,082,014	4,719,484
OPERATING INCOME (LOSS)	(162,538)	1,550,589	147,306
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	49,631	87,974	136,570
Miscellaneous Revenues	-	6,495	-
Loss on Disposal of Capital Asset	-	-	-
Interest and Fiscal Charges	-	(377,225)	(9,438)
Total Non-Operating Revenues (Expenses)	49,631	(282,756)	127,132
INCOME (LOSS) BEFORE TRANSFERS	(112,907)	1,267,833	274,438
TRANSFERS	89,000	(794,088)	(9,558)
CHANGE IN NET POSITION	(23,907)	473,745	264,880
NET POSITION - BEGINNING	1,598,899	25,529,403	19,077,920
NET POSITION - ENDING	\$ 1,574,992	\$ 26,003,148	\$ 19,342,800

Storm Water Utility	Total
\$ 665,569	\$ 7,415,735
-	15,388
-	2,621,777
-	197,948
<u>665,569</u>	<u>10,250,848</u>
204,753	6,071,005
<u>327,853</u>	<u>2,511,523</u>
<u>532,606</u>	<u>8,582,528</u>
<u>132,963</u>	<u>1,668,320</u>
18,110	292,285
-	6,495
(3,881)	(3,881)
<u>(6,102)</u>	<u>(392,765)</u>
<u>8,127</u>	<u>(97,866)</u>
141,090	1,570,454
<u>(70,573)</u>	<u>(785,219)</u>
70,517	785,235
<u>6,353,391</u>	<u>52,559,613</u>
<u><u>\$ 6,423,908</u></u>	<u><u>\$ 53,344,848</u></u>

CITY OF MARINETTE, WISCONSIN

Statement of Cash Flows

Proprietary Funds

For the Year Ended December 31, 2019

	Cemetery	Water Utility	Wastewater Utility
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from User Charges	\$ 95,920	\$ 4,596,316	\$ 4,300,824
Other Receipts	-	30,674	-
Cash Payments to Suppliers	(83,237)	(1,044,313)	(2,769,743)
Cash Payments to Employees and for Benefits	(129,279)	(513,610)	(341,698)
Net Cash Flows From Operating Activities	<u>(116,596)</u>	<u>3,069,067</u>	<u>1,189,383</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfer from (to) Municipality	<u>89,000</u>	<u>(794,088)</u>	<u>(9,558)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Income	<u>49,631</u>	<u>87,974</u>	<u>136,570</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of Capital Assets	-	(879,290)	(676,260)
Special Assessment Collections from Customers	-	7,450	-
Principal Payments on Long-Term Debt	-	(1,270,228)	(69,948)
Interest Payments on Long-term Debt	-	(368,140)	(9,704)
Net Cash Flows From Capital and Related Financing Activities	<u>-</u>	<u>(2,510,208)</u>	<u>(755,912)</u>
NET CHANGE IN CASH AND INVESTMENTS	22,035	(147,255)	560,483
CASH AND INVESTMENTS - BEGINNING	<u>1,224,352</u>	<u>2,663,196</u>	<u>5,381,782</u>
CASH AND INVESTMENTS - ENDING	<u><u>\$ 1,246,387</u></u>	<u><u>\$ 2,515,941</u></u>	<u><u>\$ 5,942,265</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (162,538)	\$ 1,550,589	\$ 147,306
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows From Operating Activities:			
Depreciation	22,458	1,258,628	902,584
Meter Depreciation Charged to Sewer	-	30,674	(30,674)
(Increase) Decrease in Operating Assets and Deferred Outflows of Resources:			
Accounts Receivable	10,034	(36,287)	(565,966)
Inventories and Prepaid Expense	12,891	(674)	-
Net Pension Asset	-	103,610	49,110
Deferred Outflows Related to Pension	-	(268,852)	(218,818)
Deferred Outflows Related to OPEB	-	(668)	(1,336)
(Decrease) Increase in Operating Liabilities:			
Accounts Payable	(1,076)	218,541	711,369
Accrued and Other Liabilities	1,635	2,115	1,848
Net Pension Liability	-	161,134	115,544
Net OPEB Liability	-	2,842	7,820
Compensated Absences	-	(8,947)	6,718
Deferred Inflows Related to Pension	-	49,481	58,532
Deferred Inflows Related to OPEB	-	6,881	5,346
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u><u>\$ (116,596)</u></u>	<u><u>\$ 3,069,067</u></u>	<u><u>\$ 1,189,383</u></u>
RECONCILIATION OF CASH AND INVESTMENTS PER STATEMENT OF NET POSITION TO STATEMENT OF CASH FLOWS			
Cash and Investments	\$ 1,246,387	\$ 1,089,802	\$ 2,087,088
Restricted Cash	-	1,426,139	3,855,177
TOTAL CASH PER STATEMENT OF CASH FLOWS	<u><u>\$ 1,246,387</u></u>	<u><u>\$ 2,515,941</u></u>	<u><u>\$ 5,942,265</u></u>

Storm Water		Utility		Total	
\$	668,554	\$	9,661,614		
	-		30,674		
	(148,232)		(4,045,525)		
	(58,853)		(1,043,440)		
	<u>461,469</u>		<u>4,603,323</u>		

	<u>(70,573)</u>		<u>(785,219)</u>		
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	<u>18,110</u>		<u>292,285</u>		
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	(522,438)		(2,077,988)		
	-		7,450		
	(13,893)		(1,354,069)		
	(6,102)		(383,946)		
	<u>(542,433)</u>		<u>(3,808,553)</u>		

	(133,427)		301,836		
	<u>762,272</u>		<u>10,031,602</u>		

<u>\$</u>	<u>628,845</u>	<u>\$</u>	<u>10,333,438</u>		
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\$	132,963	\$	1,668,320		
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	327,853		2,511,523		
	-		-		

	2,985		(589,234)		
	-		12,217		
	-		152,720		
	-		(487,670)		
	-		(2,004)		

	(2,386)		926,448		
	54		5,652		
	-		276,678		
	-		10,662		
	-		(2,229)		
	-		108,013		
	-		12,227		
	<u>461,469</u>		<u>4,603,323</u>		

\$	628,845	\$	5,052,122		
	-		5,281,316		
<u>\$</u>	<u>628,845</u>	<u>\$</u>	<u>10,333,438</u>		

CITY OF MARINETTE, WISCONSIN

Statement of Net Position

Fiduciary Fund

As of December 31, 2019

	Custodial Fund
	Tax Collection Fund
ASSETS	
Restricted Cash and Investments	\$ 1,035,606
Taxes Receivable	8,697,136
Total Assets	9,732,742
LIABILITIES	
Due to Other Governments	9,732,742
NET POSITION	\$ -

CITY OF MARINETTE, WISCONSIN

Statement of Changes in Net Position

Fiduciary Fund

For the Year Ended December 31, 2019

	Custodial Fund
	Tax Collection Fund
ADDITIONS	
Taxes Collected on Behalf of Other Taxing Entities	\$ 4,997,444
DEDUCTIONS	
Taxes Remitted to Other Taxing Entities	<u>4,997,444</u>
CHANGE IN NET POSITION	-
NET POSITION - BEGINNING OF YEAR	<u>-</u>
NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

Note 1 - Summary of Significant Accounting Policies

This summary of significant accounting policies of the City of Marinette, Wisconsin (City) is presented to assist in understanding the City's financial statements. The financial statements and notes are representations of the City's management who is responsible for the integrity and objectivity of the financial statements. These accounting policies conform to generally accepted accounting principles (GAAP) and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board (GASB) is the accepted standards setting body for establishing governmental accounting and financial reporting principles.

Reporting Entity

The City is a municipal corporation governed by an elected nine member council. In accordance with generally accepted accounting principles (GAAP), the 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 not identified any component units that are required to be included in the basic financial statements.

City officials are responsible for appointing the board members of the Housing Authority of the City of Marinette, but the City's accountability of this organization does not extend beyond making the appointments. The City is not financially accountable for the Housing Authority as defined by standards in GASB Statement No. 61. Therefore this organization is not included in the City's reporting entity. Additional information on the Housing Authority follows:

The Housing Authority was established by the City to administer low and moderate income housing programs funded by federal grants and rental income. Although board members of the Housing Authority are appointed by the City Council, there is no financial interdependency with the City nor does the City have any significant influence over the Housing Authority operations. The City does not provide funding for the Housing Authority. Additionally, the City does not hold title to any Housing Authority assets, nor does it have any right to the Housing Authority's surpluses. The City has no legal obligation to fund Housing Authority programs should grant funding no longer be available.

Government-Wide and Fund Financial Statements

Government-Wide 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 activities of the City. 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 services.

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, 2) grants and contributions that are restricted to meeting the operational requirements of a particular function, and 3) capital grants and contributions. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. Governmental funds include general, special revenue, capital projects and debt service funds. Proprietary funds include enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund financial statements of the reporting entity are organized into individual funds each of which are considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts which constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/ expenses.

Funds are organized as major funds or non-major funds within the governmental and proprietary statements. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

- Total assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or proprietary fund are at least 10 percent of the corresponding total for all funds of that category or type and
- The same element that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and proprietary funds combined.
- In addition, any other governmental fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's 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 nonoperating revenues and expenses.

Governmental Funds

Governmental funds are identified as either general, debt service, special revenue or capital projects based upon the following guidelines:

General Fund

The general fund is the primary operating fund of the City and is always classified as a major fund. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds

Special revenue funds are used to account for the specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes.

Note 1 - Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

Governmental Funds (Continued)

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term principal, interest, and related costs.

Capital Projects Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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 required to be 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, except debt issued to finance project plan expenditures of the City's tax incremental financing Districts.

Tax Incremental Financing District No. 3 Capital Projects Fund (TID #3)

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt issued to finance project plan expenditures of the City's tax incremental financing district No. 3.

Recreation Center

This fund accounts for the resources accumulated and payments made for the construction of the City recreation center.

Proprietary Funds

The City reports the following major proprietary funds:

Cemetery

This is the City's fund to account for operations of the City cemetery and mausoleum.

Note 1 - Summary of Significant Accounting Policies (Continued)

Government-Wide and Fund Financial Statements (Continued)

Proprietary Funds (Continued)

Water Utility

This is the City's fund to account for the operations of the City-owned water facilities.

Wastewater Utility

This is the City's fund to account for the operations of the City-owned sewage facilities.

Storm Water Utility

This is the City's fund to account for the operations of the City-owned storm water services to City residents, business entities and public authorities.

Fiduciary Funds

The City follows the presentation requirements of accounting principles generally accepted in the United States of America as prescribed by the Government Accounting Standards Board. As such, the presentation requirements of GASB Statement No. 84, *Fiduciary Activities* were adopted for the year ended December 31, 2019. This statement revised the criteria on whether the government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. Four types of fiduciary funds that should be reported, if applicable, include pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. As a result of adopting this statement, the City has reclassified the tax collection fund to a custodial fund.

The City reports the following custodial fund:

Tax Collection Fund

This fund accounts for taxes and deposits collected by the City, acting in the capacity of a custodian, for distribution to other governmental units or designated beneficiaries.

Measurement Focus And Basis Accounting

The government-wide financial statements and fiduciary fund 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity

Cash and Investments

Cash and investments are combined. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. For purpose 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.

The City categorizes the fair value measurement of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Restricted Cash

Governmental Funds - Cash has been set aside to provide for advance tax collections.

Enterprise Funds - Cash has been set aside to provide for debt service of water utility and replacement of certain wastewater utility plant equipment.

Accounts Receivable

Accounts receivable are recorded at their gross amount with uncollectible amounts being 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 financial statements.

Delinquent personal property taxes remain the collection responsibility of the City. The City is able to recover a portion of these delinquent personal property taxes from other taxing jurisdictions.

The City has received federal and state grants for HCRI, rehabilitation, and business development loan programs provided to area businesses and homeowners. A loan receivable is recorded when loan funds are disbursed to area businesses or homeowners.

Inventories

Inventories of governmental fund types are offset by a nonspendable fund balance to indicate they do not represent spendable available financial resources.

Inventories of governmental and proprietary fund types are recorded at cost, which approximates market, using the first-in, first-out method of valuation. The cost is recorded as an expenditure/expense at the time individual inventory items are consumed rather than when purchased.

Prepaid Items

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

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

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 \$5,000 or more 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 acquisition cost at the date of donation.

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

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

Property, plant and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

	Years	
	Governmental Activities	Business-Type Activities
Land Improvements	-	25 - 100
Buildings and Improvements	25	25 - 50
Machinery and Equipment	5 - 20	3 - 10
Infrastructure	25	40 - 50

Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation, sick leave, and other benefits at various rates depending on classification and length of service. Terminated employees are paid their unused balances based on their current salary rates. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. In the governmental funds, accrued vacation and sick pay are recognized as expenditures when liquidated with expendable available financial resources.

Deferred Outflows of Resources and Deferred Inflows of Resources

In addition to assets, the balance sheet and/or 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 three items that qualify for reporting in this category. Accordingly, deferred charge on refunding, deferred outflows of resources related to pension, and deferred outflows are resources related to other post-employment benefits are reported in the statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

In addition to liabilities, the balance sheet and/or statement of net position will sometimes report a separate section for deferred inflows of resources. The separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has three types of deferred inflows of resources, one which arises under both modified accrual and the full accrual basis of accounting, one that only arises under the modified accrual basis of accounting on the governmental funds balance sheet and two that arise under the full accrual basis of accounting. Taxes levied for the subsequent period have not met the time requirement to be recognized as an acquisition of resources and is therefore reported as deferred inflows of resources on both the governmental funds balance sheet and the governmental activities statement of net position. The governmental funds report unavailable revenues from special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred inflows of resources related to pension and deferred inflows of resources related to other post-employment benefits are reported in the statement of net position.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types 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.

In the fund financial statements, governmental fund types recognize bond premiums and discounts 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.

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" on the balance sheet.

Interfund Transactions

During the course of normal operations, the City has various transactions between funds, including expenditures and transfers of resources to provide services, construct assets and service debt. The governmental funds generally record such transactions as operating transfers if within governmental funds. Transactions between governmental and proprietary funds are usually recorded as revenues and either expenditures or expenses of the respective funds.

Note 1 - Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position or Equity (Continued)

Equity Classifications

Government-Wide 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, less outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.
- Restricted net position – Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, 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.

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.

Fund Financial Statements

Fund balance is classified as either 1) nonspendable, 2) restricted, 3) committed, 4) assigned, or 5) unassigned.

Nonspendable fund balance represents amounts that cannot be spent due to form (such as inventories and prepaid amounts), or amounts that must be maintained intact legally or contractually (such as the principal of a permanent fund).

Restricted fund balance represents amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balance represents amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require action by the same group to remove or change the constraints placed on the resources. The action to constrain resources must occur prior to year-end; however, the amount can be determined in the subsequent period. The City Council is the decision-making authority that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance.

Assigned fund balance, in the general fund, represents amounts constrained by the City Council for a specific intended purpose. The City has not delegated that authority to others. Assigned fund balance in all other governmental funds represents any positive remaining amount after classifying nonspendable, restricted or committed fund balance.

Unassigned fund balance, represents amounts not classified as nonspendable, restricted, committed or assigned. The general fund is the only fund that would report a positive amount in the unassigned fund balance.

The City, unless otherwise required by law or agreements, spends funds in the following order: restricted first, then committed, then assigned, and lastly unassigned.

The City has not adopted a minimum fund balance policy.

Note 1 - Summary of Significant Accounting Policies (Continued)

Claims and Judgments

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. Claims and judgments expected to be liquidated with expendable available financial resources are recorded during the year as expenditures in the governmental funds. If they are not expected to be liquidated with expendable available financial resources, no liability is recognized in the governmental fund financial statements. Claims and judgments in the government-wide financial statements and proprietary funds are recorded as expenses when the related liabilities are incurred. There were no significant claims or judgments at the end of the year.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities and deferred inflows of resources and disclosure of contingent assets, deferred outflows of resources, liabilities and deferred inflows of resources at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results may differ from these estimates.

Note 2 - Cash and Investments

The City is required to invest its funds in accordance with Wisconsin Statutes. Allowable investments are as follows:

- Time deposits in any credit union, bank, savings bank or trust company maturing in three year or less.
- Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, local professional baseball park district, or the University of Wisconsin Hospitals and Clinics Authority.
- Bonds or securities issued or guaranteed by the federal government.
- The Wisconsin Local Government Investment Pool.
- Any security maturing in seven year or less and having the highest or second highest rating category of a nationally recognized rating.
- Securities of an open-end management investment company or investment trust subject to various conditions and investment options.
- Repurchase agreements with public depositories, with certain conditions.

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 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 policy.

Note 2 - Cash and Investments (Continued)

At December 31, 2019, the City's deposits had a bank balance of \$21,402,161. The City maintains its cash accounts at several financial institutions. Deposits in each bank are insured by the FDIC up to \$250,000 for the combined amounts of all time and savings accounts (including NOW accounts); up to \$250,000 for the combined amount of all interest and noninterest bearing demand deposit accounts.

Any losses caused by failure of public depositories are also covered by the State Deposit Guarantee Fund. The fund provides coverage of \$400,000 in each financial institution above the applicable insurance coverage provided by the FDIC. However, although the fund had reserves available at December 31, 2019, the future availability of resources to cover the losses cannot be projected because provisions of the 1985 Wisconsin Act 25 provided that the amount in the fund will be used to repay public depositories for losses until the appropriation is exhausted, at which time the fund will be abolished; therefore, the State Deposit Guarantee Fund is not considered in covered amounts noted below.

The following represents a summary of deposits as of December 31, 2019:

Fully Insured Deposits	\$ 1,010,733
Collateralized	20,391,428
Total	<u>\$ 21,402,161</u>

The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in transit at December 31, 2019.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value.

- Level 1 – Valuation for assets are from quoted prices in active markets. These valuations are obtained from readily available pricing sources for market transactions involving identical assets.
- Level 2 – Valuation for assets are from less active markets. These valuations are obtained from third party pricing services for identical or similar assets.
- Level 3 – Measurements that are least observable are estimated from related market data, determined from sources with little or no market activity for comparable contracts, or are positions with longer durations. These valuations incorporate certain assumptions and projections in determining fair value assigned to such assets.

Note 2 - Cash and Investments (Continued)

Investments

As of December 31, 2019 the City had the following investments:

Equity Securities	\$ 135,086
Fixed Income Bonds	50,047
Real Estate Securities	5,912
Global Infrastructure Securities	2,936
Nature Resource Securities	2,931
	<u>\$ 196,912</u>

The investments disclosed above are recorded at Fair Value using Level 1 inputs and will mature within a year. Since all of the balances disclosed above are mutual funds, they are unrated.

Interest Rate Risk – The City's does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. State Statutes limit the maturity of commercial paper and corporate bonds to not more than seven years.

As of December 31, 2019 the City's investments were as follows:

Investments	Less Than One Year	One to Two Years	Three to Four Years	More Than Five Years	Total
Equity Securities	\$ 135,086	\$ -	\$ -	\$ -	\$ 135,086
Fixed Income Bonds	50,047	-	-	-	50,047
Real Estate Securities	5,912	-	-	-	5,912
Global Infrastructure Securities	2,936	-	-	-	2,936
Nature Resource Securities	2,931	-	-	-	2,931
	<u>\$ 196,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,912</u>

Credit Risk – State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The City's investment policy does not further limit its investment choices.

Note 2 - Cash and Investments (Continued)

As of December 31, 2019 the City's credit quality ratings are as follows:

Investments	Fair Value	AA+	A+	Not Rated
Equity Securities	\$ 135,086	\$ -	\$ -	\$ 135,086
Fixed Income Bonds	50,047	-	-	50,047
Real Estate Securities	5,912	-	-	5,912
Global Infrastructure Securities	2,936	-	-	2,936
Nature Resource Securities	2,931	-	-	2,931
	<u>\$ 196,912</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 196,912</u>

Concentration of Credit Risk – The City does not have an additional custodial credit policy.

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. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. Investments in the local government investment pool are not insured. Investments in the LGIP are valued at amortized cost. The balance in the local government investment pool at December 31, 2019 was \$2,347,131.

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 3 - Restricted Assets

Restricted assets on December 31, 2019 totaled \$7,082,820 and consisted of cash and investments held for the following purposes:

Fund	Amount	Purpose
Governmental Funds:		
General Fund	\$ 640,494	Advance tax collections to finance 2020 operations
TID No. 6	15,587	Advance tax increment collections
TID No. 7	5,497	Advance tax increment collections
TID No. 8	14,577	Advance tax increment collections
TID No. 9	3,005	Advance tax increment collections
TID No. 10	22,520	Advance tax increment collections
TID No. 11	36,898	Advance tax increment collections
TID No. 12	3,499	Advance tax increment collections
TID No. 13	23,821	Advance tax collections to finance 2020 operations
Total Governmental Funds	<u>765,898</u>	
Fiduciary Funds:		
Tax Collection Fund	1,035,606	Advance tax collections for other taxing jurisdictions
Enterprise Funds:		
Water Utility	601,235	To accumulate for debt service payments over next 12 months
Water Utility	824,904	To make up potential future deficiencies in redemption account
	<u>1,426,139</u>	
Wastewater Utility	3,855,177	To provide funds for equipment to maintain plant capacity
Total Enterprise Funds	<u>5,281,316</u>	
Total Restricted Assets	<u>\$ 7,082,820</u>	

Note 4 - Property Taxes

Property taxes consist of taxes on real estate and personal property. They are levied during December and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes are payable on or before January 31 in full. Real estate taxes are payable in full by January 31, or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are assumed by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

Marinette County performs the function of billing and collecting the tax levy on behalf of the City. The County then deposits daily collection into the City's bank account. The City then settles with the other taxing jurisdictions (Marinette School District, Marinette County, and Northeast Wisconsin Technical College) on January 15 and February 20. Personal property taxes due after January 31 remains with the County. In August, the County will settle with each jurisdiction for the remaining property tax balance.

Under 2011 Wisconsin Act 32, a municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit.

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 5 - Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning	Increases	Decreases	Ending
Governmental Activities				
Capital Assets not Being Depreciated	\$ 1,969,904	\$ 70,000	\$ -	\$ 2,039,904
Land	16,597,176	63,517	16,531,209	129,484
Construction in Progress				
Total Capital Assets Not Being Depreciated	<u>18,567,080</u>	<u>133,517</u>	<u>16,531,209</u>	<u>2,169,388</u>
Capital Assets Being Depreciated				
Land Improvements	2,004,472	1,948,400	-	3,952,872
Buildings and Improvements	5,622,412	14,928,748	-	20,551,160
Machinery and Equipment	8,648,823	836,405	58,780	9,426,448
Infrastructure	32,389,331	1,142,555	63,354	33,468,532
Less Accumulated Depreciation	<u>(24,453,899)</u>	<u>(1,760,030)</u>	<u>(95,485)</u>	<u>(26,118,444)</u>
Total Capital Assets Being Depreciated, Net of Depreciation	<u>24,211,139</u>	<u>17,096,078</u>	<u>26,649</u>	<u>41,280,568</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 42,778,219</u>	<u>\$ 17,229,595</u>	<u>\$ 16,557,858</u>	<u>\$ 43,449,956</u>
Business-Type Activities				
Capital Assets not Being Depreciated				
Land	\$ 639,506	\$ -	\$ -	\$ 639,506
Capital Assets Being Depreciated				
Land Improvements	45,756,295	1,145,360	185,433	46,716,222
Buildings and Improvements	18,976,643	313,446	-	19,290,089
Machinery and Equipment	18,487,265	110,930	-	18,598,195
Infrastructure	13,543,055	522,438	83,733	13,981,760
Less Accumulated Depreciation	<u>(41,795,302)</u>	<u>(2,511,524)</u>	<u>(265,285)</u>	<u>(44,041,541)</u>
Total Capital Assets Being Depreciated, Net of Depreciation	<u>54,967,956</u>	<u>(419,350)</u>	<u>3,881</u>	<u>54,544,725</u>
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 55,607,462</u>	<u>\$ (419,350)</u>	<u>\$ 3,881</u>	<u>\$ 55,184,231</u>

Note 5 - Capital Assets (Continued)

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

Governmental Activities:	
General Government	\$ 63,745
Public Safety	187,758
Public Works	948,354
Culture and Recreation	560,173
Total Depreciation Expense - Governmental Activities	<u>\$ 1,760,030</u>
Business-Type Activities:	
Cemetery	\$ 22,458
Storm Water Utility	327,853
Water Utility Depreciation Charged to Accumulated Depreciation	1,289,302
Less: Share of Meter Depreciation	(30,674)
Water Utility Depreciation Expense	<u>1,258,628</u>
Wastewater Utility Depreciation Charged to Accumulated Depreciation	871,910
Plus: Share of Meter Depreciation	30,674
Wastewater Utility Depreciation Expense	<u>902,584</u>
Total Depreciation Expense - Business-Type Activities	<u>\$ 2,511,524</u>

Note 6 - Interfund Receivable, Payables and Transfers

The following is a schedule of interfund receivables and payables:

Receivable Fund	Payable Fund	Amount	Purpose
General Fund	Welcome Center	\$ 12,353	Year End Cash Flow Timing
General Fund	Rec Center	168,372	Year End Cash Flow Timing
General Fund	TID No. 12	6,692	Year End Cash Flow Timing
General Fund	DPW Garage	296,896	Year End Cash Flow Timing
		<u>\$ 484,313</u>	

Note 6 - Interfund Receivable, Payables and Transfers (Continued)

Interfund transfers for the year ended December 31, 2019 were as follows:

	General Fund	Debt Service	Recreation Center	Nonmajor Governmental Funds
Transfer From:				
General Fund	\$ -	\$ 903,843	\$ 450,000	\$ 1,657,908
TID No. 3	13,003	-	-	-
Recreation Center	-	531,485	-	-
Nonmajor Governmental Funds				
General Capital Projects	-	-	-	2,000
Fire Education	-	-	-	1,986
Hall Avenue	-	-	-	38,114
Room Tax	89,163	-	-	163,000
Anti-Drug Abuse Grant	-	-	-	10,431
Storm Water Utility	-	-	-	70,573
Water Utility	794,088	-	-	-
Wastewater Utility	9,558	-	-	-
Total Transfers	<u>\$ 905,812</u>	<u>\$ 1,435,328</u>	<u>\$ 450,000</u>	<u>\$ 1,944,012</u>
	Cemetery	Total	Purpose	
Transfer From:				
General Fund	\$ 89,000	\$ 3,100,751	Reimburse Expenditures and Capital Projects	
TID No. 3	-	13,003	Closeout Payment	
Recreation Center	-	531,485	Debt Service	
Nonmajor Governmental Funds				
General Capital Projects	-	2,000	Capital Projects	
Fire Education	-	1,986	Reimburse Expenditures	
Hall Avenue	-	38,114	Capital Projects	
Room Tax	-	252,163	Reimburse Expenditures	
Anti-Drug Abuse Grant	-	10,431	Reimburse Expenditures	
Storm Water Utility	-	70,573	Capital Projects	
Water Utility	-	794,088	Property Tax Equivalent	
Wastewater Utility	-	9,558	Property Tax Equivalent	
Total Transfers	<u>\$ 89,000</u>	<u>\$ 4,824,152</u>		

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 7 - Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2019:

	Balance 1/1/19	Increase	Decrease	Balance 12/31/19	Due Within One Year
Governmental Activities					
General Obligation Debt:					
G.O. Refunding Bonds	\$ 780,000	\$ -	\$ 135,000	\$ 625,000	\$ 145,000
G.O. Community Development	3,575,000	-	230,000	3,345,000	230,000
G.O. Promissory Notes	9,610,000	-	580,000	9,030,000	585,000
Note Anticipation Notes	7,135,000	-	610,000	6,525,000	615,000
Total Governmental Activity	21,080,000	-	1,555,000	19,525,000	1,575,000
Promissory Note	302,489	-	130,618	171,871	102,777
Adjustments For					
Premium on Debt	45,390	-	5,340	40,050	-
Debt Discount	(29,673)	-	(6,740)	(22,933)	-
Compensated Absences	1,050,201	375,381	402,945	1,022,637	-
Net Pension Liability	-	2,642,744 *	1,073,667	1,569,077	-
Net OPEB Liability	308,670	24,479	73,857	259,292	-
Total Business Type Activities	\$ 22,757,077	\$ 3,042,604	\$ 3,234,687	\$ 22,564,994	\$ 1,677,777
Long-Term Liabilities					
	Balance 1/1/19	Increase	Decrease	Balance 12/31/19	Due Within One Year
General Obligation Debt:	\$ 182,370	\$ -	\$ 13,892	\$ 168,478	\$ 14,376
G.O. Refunding Bonds	4,525,000	-	380,000	4,145,000	390,000
Revenue Bonds					
Adjustments For					
Premium on Debt	82,446	-	10,024	72,422	10,025
Clean Water Fund Loans	445,301	-	69,948	375,353	71,603
Safe Drinking Water Loans	8,684,779	-	890,229	7,794,550	913,961
Compensated Absences	134,375	23,510	25,739	132,146	-
Net Pension Liability	-	466,000 *	189,321	276,679	-
Net OPEB Liability	35,060	14,979	4,317	45,722	-
Total Business Activity	\$ 14,089,331	\$ 504,469	\$ 1,053,470	\$ 13,010,350	\$ 1,399,965
Long-Term Liabilities					

*The net pension liability additions have been adjusted for the beginning net pension asset balance at December 31, 2018.

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 7 - Long-Term Obligations (Continued)

	Date of Issuance	Final Maturity	Interest Rate	Original Indebtedness	Balance 12/31/19
Governmental Activities					
Long-Term Obligations					
G.O. Community Development	12/20/12	06/01/27	0.75-2.00%	\$ 1,490,000	\$ 945,000
G.O. Community Development	06/06/13	06/01/32	2.00-3.20%	3,100,000	2,400,000
G.O. Refunding Bonds	01/19/12	02/01/25	1.50-3.50%	1,520,000	625,000
G.O. Promissory Notes	09/28/11	09/01/20	2.00-2.30%	1,090,000	145,000
G.O. Promissory Notes	06/01/17	05/01/22	1.52%	7,500,000	7,100,000
G.O. Promissory Notes	06/28/17	04/01/27	1.00-2.50%	2,065,000	1,785,000
Promissory Note	03/08/02	02/28/22	5.00%	1,290,216	171,871
Note Anticipation Notes	06/28/17	05/01/22	1.15-1.80%	7,890,000	6,525,000
Total Governmental Activities Long-Term Obligations					\$ 19,696,871
Business Type Activities					
Long-Term Obligations					
Clean Water Fund Loan	03/09/05	05/01/24	2.365%	\$ 1,254,553	\$ 375,353
G.O. Promissory Notes - Storm	12/23/09	05/01/29	3.478%	336,443	168,478
Safe Drinking Water Loan	12/23/09	05/01/29	2.668%	11,107,562	6,740,567
Safe Drinking Water Loan	02/13/03	05/01/22	2.750%	4,226,755	753,946
Safe Drinking Water Loan	04/28/04	05/01/23	2.365%	1,284,296	300,037
Revenue Bonds	01/07/14	05/01/27	3.00-4.00%	2,850,000	2,480,000
Revenue Bonds	08/26/15	05/01/24	2.25-3.125%	2,830,000	1,665,000
Total Business Type Activities Long-Term Obligations					\$ 12,483,381

Total interest paid in 2019 was \$788,667.

The annual principal and interest maturities are as follows:

	Governmental Funds		Enterprise Funds		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 1,677,777	\$ 375,357	\$ 1,389,940	\$ 348,427	\$ 3,067,717	\$ 723,785
2021	1,569,094	340,714	1,426,499	311,407	2,995,593	652,121
2022	12,470,000	216,671	1,468,765	272,043	13,938,765	488,714
2023	520,000	104,303	1,506,496	228,875	2,026,496	333,178
2024	535,000	91,208	1,533,445	182,043	2,068,445	273,251
2025-2029	2,100,000	256,340	5,158,236	344,885	7,258,236	601,225
2030-2032	825,000	40,108	-	-	825,000	40,108
	\$ 19,696,871	\$ 1,424,700	\$ 12,483,381	\$ 1,687,681	\$ 32,180,252	\$ 3,112,381

Note 7 - Long-Term Obligations (Continued)

Legal Margin For Debt

The 2019 equalized valuation of the City as certified by the Wisconsin Department of Revenue is \$756,179,800. The legal debt limit and margin of indebtedness as of December 31, 2019, in accordance with Section 67.03 of the Wisconsin Statutes follows:

Debt Limit (5% of \$756,179,800)		\$	37,808,990
Deduct Long-Term Debt Applicable to Debt Margin	19,683,478		
Less: Amounts available for financing general obligation debt	172,542		19,520,936
Margin of Indebtedness		\$	18,288,054

Utility Revenues Pledged

The Utility has pledged future revenue derived from the Water and Sewer Utilities, net of specified operating expenses, to repay the Clean Water Fund Loan, Safe Drinking Water Loans, and Revenue Bonds. Proceeds from the debt provided financing for the construction or acquisition of capital assets used within the utilities.

The Clean Water Fund Loan is payable from Sewerage System net revenues and payable through 2024. The total principal and interest remaining to be paid on the loans is \$397,961. Principal and interest paid for the current year and total Sewerage System net revenues were \$79,652 and \$1,186,460, respectively. The Sewerage System did meet the Clean Water Fund Loan revenue requirements in 2019.

The Safe Drinking Water Loans and Revenues Bonds are payable from Water System net revenues and are payable through 2029 and 2027. The total principal and interest remaining to be paid on the loans is \$13,573,676. Principal and interest paid for the current year and total water system net revenues were \$1,638,369 and \$2,897,191, respectively. The Water System did meet the Safe Drinking Water Loans and Revenue Bonds revenue requirements in 2019.

Note 7 - Long-Term Obligations (Continued)

Promissory Note

The City has entered into an agreement with Lake Park Trails, LLC (Developer) whereby the Developer agreed to loan the City all amounts necessary for completion of a project for Tax Incremental District No. 6 (TID No. 6), up to a total of \$1,732,000. Interest at 5% will accrue on the outstanding balance. The note and interest will be repaid with tax increments generated by TID No. 6. Should the TID not generate sufficient revenues over its life to repay the note, any remaining balance will be forgiven by the Developer. The balance of the note outstanding at December 31, 2019 is \$171,871.

Note 8 - Fund Equity

Fund Financial Statements

At December 31, 2019 the assigned and restricted fund balances are as follows:

Assigned		\$	500,000
General Fund:			
Vacation and Sick Leave			22,502
Special Revenue and Capital Projects Funds:			
Taxi Program			2,429
Senior Center			306,663
Room Tax			245,472
Downtown Development			453,957
General Economic Development			157,033
Water Front Project			1,459
Historical Society			50,209
Fire Education			14,962
Hazardous Materials			3,608
Fire Department for Hazmat			63,500
Tri-County Drug Enforcement			66,294
Canine Unit			3,903
Crime Prevention			10,887
Police Rifle Range			17,959
Sidewalks			850,955
General Capital Projects			1,090
Riverside Project			429
Water Street Construction			74,640
Police Equipment			15,442
Recreation Equipment			11,567
Assessor Equipment			170,017
Fire Department Equipment			2,544,977
Total Assigned Fund Balance		\$	3,044,977

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 8 - Fund Equity (Continued)

Restricted	
Capital Projects:	
Recreation Center	\$ 735,563
Tax Incremental Districts:	
TID # 6	438
TID # 7	20,478
TID # 8	101,963
TID # 9	19,005
TID # 10	247,129
TID # 11	839,127
TID # 13	18,648
	<u>1,246,788</u>
Loans:	
HCRI Grant	41,248
Rehabilitation Loan	1,449,526
Business Development Loan	961,047
	<u>2,451,821</u>
Debt Service	<u>172,542</u>
Total Restricted Fund Balance	<u>\$ 4,606,714</u>

Government-Wide Financial Statements

At December 31, 2019 net position was as follows:

	Governmental Activities	Business-Type Activities	Total
Net Investment in Capital Assets			
Net Capital Assets	\$ 43,449,956	\$ 55,184,231	\$ 98,634,187
Less: Related Long-Term Debt	(18,916,900)	(12,483,381)	(31,400,281)
Premium on Capital Debt	(40,050)	(72,422)	(112,472)
Capital Accounts Payable	(119,629)	(14,186)	(133,815)
Add: Discount on Capital Debt	22,933	-	22,933
Deferred charge on			
Advanced Refunding	-	21,937	21,937
Total Net Investment in Capital Assets	<u>24,396,310</u>	<u>42,636,179</u>	<u>67,032,489</u>
Restricted			
Community Development Loans	2,451,821	-	2,451,821
Tax Incremental Districts	796,817	-	796,817
Debt Service	113,476	1,426,139	1,539,615
Capital Projects	735,563	-	735,563
Plant Replacement	-	3,855,177	3,855,177
Pension Benefits	503,250	88,740	591,990
Total Restricted	<u>4,600,927</u>	<u>5,370,056</u>	<u>9,970,983</u>
Unrestricted			
	7,315,946	5,338,613	12,654,559
Total Government-Wide Activities Net Position	<u>\$ 36,313,183</u>	<u>\$ 53,344,848</u>	<u>\$ 89,658,031</u>

CITY OF MARINETTE, WISCONSIN
Notes to Financial Statements
December 31, 2019

Note 8 - Fund Equity (Continued)

A portion of the 2012 G.O. Refunding Bonds were used to refinance the Wisconsin Retirement System unfunded liability and not for acquisition of capital assets. In addition portions of the 2008 G.O. Community Development Bonds and 2017 G.O. Notes are not for acquisition of capital assets. These issues therefore are excluded from the net investment in capital assets calculation.

Note 9 - Individual Fund Balance Disclosures

The following governmental funds have a deficit fund balance as of December 31, 2019.

Walcome Center	\$ 11,574
TID No. 12	\$ 7,075
DPW Garage	\$ 306,153
Rec Center	\$ 182,794

These deficit fund balances will be corrected with subsequent years' revenues.

Note 10 - Defined Benefit Pension Plan

General Information about the Pension Plan

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

ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://ef.wi.gov/publications/cafr.htm>.

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

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

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

Note 10 - Defined Benefit Pension Plan (Continued)

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

The WRS also provides death and disability benefits for employees.

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
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
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

Contributions. Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for General category employees, including Teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. 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 \$519,083 in contributions from the City.

Contribution rates as of December 31, 2019 are:

Employee Category	Employee	Employee
General	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

Note 10 - Defined Benefit Pension Plan (Continued)

Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pension

At December 31, 2019, the City reported a liability of \$1,845,756 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. 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, 2019, the City's proportion was 0.05188081%, which was an increase of 0.00145316% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2019, the City recognized pension expense of \$1,262,989.

At December 31, 2019, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ 1,437,564	\$ 2,541,097
Changes in assumptions	311,127	-
Net differences between projected and actual earnings on pension plan investments	2,695,601	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	19,779	4,311
Employer contributions subsequent to the measurement date	519,083	-
Total	\$ 4,983,154	\$ 2,545,408

Note 10 - Defined Benefit Pension Plan (Continued)

The \$519,083 reported as deferred outflows related to pension resulting from the WRS employer's contributions subsequent to the measurement date will be recognized as an adjustment of the net pension liability in the year ending December 31, 2020. Other amounts reported as deferred outflows and inflows of resources related to pension will be recognized in pension expense as follows:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2020	\$ 701,132
2021	177,913
2022	302,014
2023	737,604
	<u>\$ 1,918,663</u>

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	3.0%
Inflation	0.1% - 5.6%
Seniority/Merit	Wisconsin 2018 Mortality Table
Mortality:	1.9%
Post-retirement Adjustments*	

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total pension liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The total pension liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 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:

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.50%
Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

Note 10 - Defined Benefit Pension Plan (Continued)

Core Fund Asset Class	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	49.0	8.1	5.5
Fixed Income	24.5	4.0	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9.0	6.5	3.9
Private Equity/Debt	8.0	9.4	6.7
Multi-Asset	4.0	6.7	4.1
Total Core Fund	110.0	7.3	4.7
Variable Fund Asset Class			
U.S. Equities	70.0	7.6	5.0
International Equities	30.0	8.5	5.9
Total Variable Fund	100.0	8.0	5.4

Single Discount Rate. A single discount rate of 7.00% was used to measure the total pension liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase To Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 7,335,230	\$ 1,845,756	\$ (2,236,092)

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://efr.wi.gov/publications/cafr.htm>.

Payables to the Pension Plan

The City is required to remit the monthly required contribution for both the employee and City portions by the last day of the following month. The amount due to WRS as of December 31, 2019 is \$79,422.

Note 11 - Post-Employment Benefits Other Than Pension Benefits

Plan Description. The Local Retiree Life Insurance Fund (LRLIF) is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The Wisconsin Department of Employee Trust Funds (ETF) and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

OPEB Plan Fiduciary Net Position. ETF issues a standalone Comprehensive Annual Financial Report (CAFR), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

Benefits Provided. The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired employees and pre-65 retirees who pay for their coverage.

Contributions. The Group Insurance Board approves contribution rates annually, based on recommendations from the insurance carrier. Recommended rates are based on an annual valuation, taking into consideration an estimate of the present value of future benefits and the present value of future contributions. A portion of employer contributions made during a member's working lifetime funds a post-retirement benefit.

Employers are required to pay the following contributions based on employee contributions for active members to provide them with Basic Coverage after age 65. There are no employer contributions required for pre-age 65 annuitant coverage. If a member retires prior to age 65, they must continue paying the employee premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution Rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post Retirement Coverage	40% of employee contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are as listed below.

Life Insurance Employee Contribution Rates* For the year ended December 31, 2018			
Attained Age	Basic	Supplemental	
Under 30	\$ 0.05	\$ 0.05	
30-34	0.06	0.06	
35-39	0.07	0.07	
40-44	0.08	0.08	
45-49	0.12	0.12	
50-54	0.22	0.22	
55-59	0.39	0.39	
60-64	0.49	0.49	
65-69	0.57	0.57	

*Disabled members under age 70 receive a waiver-of-premium benefit.

Note 11 - Post-Employment Benefits Other Than Pension Benefits (Continued)

During the reporting period, the plan recognized \$2,375 in contributions from the employer.

OPEB Liabilities, OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2019, the City reported a liability of \$305,014 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. 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 OPEB liability was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.11820700%, which was an increase of 0.003957% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$28,795.

At December 31, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experiences	\$ -	\$ 15,473
Changes in assumptions	29,103	66,115
Net differences between projected and actual earnings on OPEB plan investments	7,289	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	9,276	16,672
Employer contributions subsequent to the measurement date	2,375	-
Total	\$ 48,043	\$ 98,260

Note 11 - Post-Employment Benefits Other Than Pension Benefits (Continued)

The \$2,375 reported as deferred outflows related to OPEB resulting from the WRS employer's contributions subsequent to the measurement date will be recognized as an adjustment of the net OPEB liability in the year ending December 31, 2020. The deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	Net Deferred Outflows (Inflows) of Resources
2020	\$ (7,510)
2021	(7,510)
2022	(7,510)
2023	(8,534)
2024	(9,588)
Thereafter	(11,940)
	<u>\$ (62,592)</u>

Actuarial Assumptions. The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the total OPEB liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The total OPEB liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

Long-term Expected Return on Plan Assets. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. Investments for the LRLIF are held with Securitan, the insurance carrier. Interest is calculated and credited to the LRLIF based on the rate of return for a segment of the insurance carriers' general fund, specifically 10-year A- Bonds (as a proxy, and not tied to any specific investments). The overall aggregate interest rate is calculated using a tiered approach based on the year the funds were originally invested and the rate of return for that year. Investment interest is credited based on the aggregate rate of return and assets are not adjusted to fair market value. Furthermore, the insurance carrier guarantees the principal amounts of the reserves, including all interest previously credited thereto.

Note 11 - Post-Employment Benefits Other Than Pension Benefits (Continued)

**Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2018**

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

Single Discount Rate. A single discount rate of 4.22% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total OPEB liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate. The following presents the City's proportionate share of the net OPEB liability calculated using the discount rate of 4.22 percent, as well as what the City's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	1% Decrease (3.22%)	Discount Rate (4.22%)	1% Increase (5.22%)
Net OPEB Liability	\$ 433,903	\$ 305,014	\$ 205,606

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

Payables to the OPEB Plan

As of December 31, 2019, the City had no outstanding payables to the OPEB plan.

Note 12 - Tax Incremental Financing Districts

The City has established separate capital projects funds for the Tax Incremental Financing Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the TID's were created, the property tax base within each TID was "frozen" and increment taxes resulting from increases to the property tax base are used to finance TID improvements, including principal and interest on long-term debt issued by the City to finance such improvements. State Statutes allow a tax incremental district to incur eligible project costs up to five years from the maximum termination date.

Note 12 - Tax Incremental Financing Districts (continued)

Since creation of the above TID's, the City has provided various financing sources to each TID and has also recorded eligible TID project costs in other funds of the City. The foregoing amounts are not recorded as liabilities in the TID capital project funds but can be recovered by the City from any future excess tax increment revenues. Detail of the amounts recoverable by the City as of December 31, 2019 from future excess tax increment revenues follows:

	Total	TID No.6	TID No.7	TID No.8	TID No.9
Net Unreimbursed Project Costs	\$3,620,216	\$ 171,435	\$ 274,521	\$ 928,037	\$ (19,005)
Net Unreimbursed Project Costs		TID No.10	TID No.11	TID No.12	TID No.13
		\$ (247,129)	\$2,260,874	\$ 252,075	\$ (18,648)

The intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective TID's. TID No. 3 terminated on May 31, 2019. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	Termination Date
TID No.6	11/06/28
TID No.7	02/01/32
TID No.8	07/23/27
TID No.9	04/08/36
TID No.10	03/25/30
TID No.11	09/06/31
TID No.12	04/04/39
TID No.13	01/01/38

Tax Abatements

The City has entered into agreements within some of the Districts that 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, 2019, the City abated property taxes of \$348,161 under this program which include the following tax abatement agreements:

- A property tax abatement of \$203,822 to a developer within Tax Incremental District No. 10.
- A property tax abatement of \$144,339 to a developer within Tax Incremental District No. 13.

Note 13 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employee health claims; unemployment compensation claims; and environmental damage for which the City purchases commercial insurance. There has been no reduction in insurance coverage from the prior year. Insurance settlements for claims resulting from the risks covered by commercial insurance have not exceeded the insurance coverage in past year.

Note 14 - Commitments and Contingencies

The City has a shared ride tax operating contract for years 2017-2020 for a total approximate amount of \$1,800,000.

The City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor. Custodial for expenditures disallowed under terms of the grants. The City believes such disallowances, if any, would be immaterial.

From time to time the City is involved in legal actions and claims, most of which normally occur in governmental operations. In the opinion of District management, these issues, and any other proceedings known to exist at December 31, 2019, are not likely to have a material adverse impact on the District's financial position.

Note 15 - Basis For Utility Existing Rates

Water

Current water rates were approved by the PSCW effective date of April 21, 2015.

Sewer

Current sewer rates were approved by the Utility commission with an effective date of June 21, 2018.

Note 16 - Subsequent Event

The City's operations may be affected by the recent outbreak of COVID-19 which was declared as a pandemic. The ultimate disruption which may be caused by the outbreak is uncertain and the related financial impact and duration cannot be reasonably estimated.

CITY OF MARINETTE, WISCONSIN
Schedule of Employer's Proportionate Share of the Net Pension Liability (Asset)
Wisconsin Retirement System
For the Year Ended December 31, 2019

WRS Fiscal Year End Date (Measurement Date)	City's Proportion of the Net Pension Asset/Liability	City's Proportionate Share of the Net Pension (Asset)/Liability	City's Covered Payroll	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/2018	0.05188081%	\$ 1,845,756	\$ 5,832,980	31.64%	96.45%
12/31/2017	0.05042765%	(1,497,256)	5,535,805	-27.05%	102.93%
12/31/2016	0.04985542%	410,928	5,452,525	7.54%	99.12%
12/31/2015	0.05039600%	818,925	5,364,873	15.26%	98.20%
12/31/2014	0.05163872%	(1,288,388)	5,391,970	-23.52%	102.74%

Schedule of Employer Contributions
Wisconsin Retirement System
For the Year Ended December 31, 2019

City Year End Date	Contributions in Relation to the Contractually Required Contributions			Contributions as a Percentage of Covered Payroll	
	Contractually Required Contributions	Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2019	\$ 519,083	\$ 519,083	\$ -	\$ 5,998,318	8.65%
12/31/2018	508,306	508,306	-	5,832,980	8.71%
12/31/2017	487,112	487,112	-	5,535,805	8.79%
12/31/2016	481,919	481,919	-	5,452,525	8.77%
12/31/2015	473,911	473,911	-	5,364,873	8.83%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year. Ten years of data will be accumulated beginning with 2014.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF MARINETTE, WISCONSIN

Schedule of Employer's Proportionate Share of the Net OPEB Liability
Other Post-Employment Benefits Other Than Pensions - Cost-Sharing Plan
For the Year Ended December 31, 2019

WRS Fiscal Year End Date (Measurement Date)	City's Proportion of the Net OPEB Liability	City's Proportionate Share of the Net OPEB Liability	City's Covered Payroll	City's Proportionate Share of the Net OPEB Liability as a percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability
12/31/2018	0.11820700%	\$ 305,014	\$ 5,545,000	5.50%	48.89%
12/31/2017	0.11425000%	343,730	4,804,539	7.15%	44.81%

Schedule of Employer Contributions Other Post-Employment Benefits Other Than Pensions - Cost-Sharing Plan For the Year Ended December 31, 2019				
City Year End Date	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Contributions as a Percentage of Covered Payroll
12/31/2019	\$ 2,375	\$ 2,375	\$ -	0.04%
12/31/2018	2,277	2,277	-	0.04%

*Ten years of data will be accumulated beginning with 2018.

See Notes to Required Supplementary Information
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CITY OF MARINETTE, WISCONSIN

Schedule of Budgetary Comparison
General Fund
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance Favorable (Unfavorable)
REVENUES			
Taxes	\$ 5,798,256	\$ 5,788,547	\$ (9,709)
Intergovernmental	5,769,406	5,821,014	51,608
Licenses and Permits	304,575	335,440	30,865
Fines and Forfeits	249,500	244,571	(4,929)
Public Charges for Services	126,250	130,049	3,799
Miscellaneous	157,600	600,430	442,830
Total Revenues	12,405,587	12,920,051	514,464
EXPENDITURES			
General Government	1,851,580	1,872,741	(21,161)
Public Safety	5,003,759	4,916,452	87,307
Public Works	2,377,865	2,410,788	(32,923)
Culture and Recreation	647,874	649,278	(1,404)
Conservation and Development	182,178	187,554	(5,376)
Capital Outlay	1,030,000	906,243	123,757
Total Expenditures	11,093,256	10,943,056	150,200
EXCESS OF REVENUES OVER EXPENDITURES	1,312,331	1,976,995	664,664
OTHER FINANCING SOURCES (USES)			
Transfers In	903,000	905,812	2,812
Transfers Out	(2,215,103)	(3,100,751)	(885,648)
Total Other Financing Sources (Uses)	(1,312,103)	(2,194,939)	(882,836)
NET CHANGE IN FUND BALANCE	228	(217,944)	(218,172)
FUND BALANCE - BEGINNING	6,994,754	6,994,754	-
FUND BALANCE - ENDING	\$ 6,994,982	\$ 6,776,810	\$ (218,172)

See Notes to Required Supplementary Information
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Defined Benefit Pension Plan

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

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop total pension liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates.

Post-Employment Benefits Other Than Pension Benefits

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

Changes of assumptions. Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015 – 2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop total OPEB liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

Budgetary Process

The City follows these procedures in establishing the budgetary data reflected in the budgetary comparison schedule:

- During November, City management submits to the Common Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.
- Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, certain special revenue, debt service funds, and certain capital projects funds. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
- During the year, formal budgetary integration is employed as a management control device for the general fund, certain special revenue funds, debt service funds, and certain capital projects funds.
- Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Common Council.

Excess of Actual Expenditures Over Budget

The following fund had an excess of actual expenditures over budget for the year ended December 31, 2019:

General Fund	Excess Expenditures
General Government	\$ 21,161
Public Works	32,923
Culture and Recreation	1,404
Conservation and Development	5,376

CITY OF MARINETTE, WISCONSIN

Combining Balance Sheet
Nonmajor Governmental Funds
As of December 31, 2019

Special Revenue Funds											
	HCRI Grant	Business			Taxi Program	Senior Center	Welcome Center	Room Tax	Downtown Development	General	
		Rehabilitation Loan	Development Loan	Economic Development						Water Front Project	
ASSETS											
Cash and Investments	\$ 11,424	\$ 115,621	\$ 715,293	\$ 30,765	\$ 3,871	\$ -	\$ 218,181	\$ 173,057	\$ 453,957	\$ 157,033	
Receivables:											
Taxes	-	-	-	-	-	-	-	-	-	-	
Accounts	-	-	2,760	45,886	356	5,000	88,482	75,952	-	-	
Loans	29,824	1,333,905	242,994	-	-	-	-	-	-	-	
Restricted Cash and Investments	-	-	-	-	-	-	-	-	-	-	
TOTAL ASSETS	\$ 41,248	\$ 1,449,526	\$ 961,047	\$ 76,651	\$ 4,227	\$ 5,000	\$ 306,663	\$ 249,009	\$ 453,957	\$ 157,033	
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts Payable	\$ -	\$ -	\$ -	\$ 52,098	\$ 1,251	\$ 3,447	\$ -	\$ 3,537	\$ -	\$ -	
Accrued and Other Current Liabilities	-	-	-	-	547	774	-	-	-	-	
Due to Other Funds	-	-	-	-	-	12,353	-	-	-	-	
Due to Other Governments	-	-	-	2,051	-	-	-	-	-	-	
Total Liabilities	-	-	-	54,149	1,798	16,574	-	3,537	-	-	
DEFERRED INFLOWS OF RESOURCES											
Taxes Levied for Subsequent Periods	-	-	-	-	-	-	-	-	-	-	
FUND BALANCES (DEFICITS)											
Restricted:											
Tax Incremental District	-	-	-	-	-	-	-	-	-	-	
Loans	41,248	1,449,526	961,047	-	-	-	-	-	-	-	
Assigned	-	-	-	22,502	2,429	-	306,663	245,472	453,957	157,033	
Unassigned (Deficits)	-	-	-	-	-	(11,574)	-	-	-	-	
Total Fund Balances	41,248	1,449,526	961,047	22,502	2,429	(11,574)	306,663	245,472	453,957	157,033	
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 41,248	\$ 1,449,526	\$ 961,047	\$ 76,651	\$ 4,227	\$ 5,000	\$ 306,663	\$ 249,009	\$ 453,957	\$ 157,033	

CITY OF MARINETTE, WISCONSIN
Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2019

		Special Revenue Funds									
	Rec Center	Historical Society	Fire Education	Hazardous Materials Grant	Fire Department for Hazmat	Anti-Drug Abuse Grant	Tri-County Drug Enforcement	Canine Unit	Crime Prevention	Police Rifle Range	Totals
ASSETS											
Cash and Investments	\$ -	\$ 1,459	\$ 50,209	\$ 14,962	\$ 3,608	\$ -	\$ 63,500	\$ 66,346	\$ 3,903	\$ 10,137	\$ 2,093,326
Receivables:											
Taxes	-	-	-	-	-	-	-	-	-	-	-
Accounts	12,000	-	-	-	-	-	-	-	-	750	231,186
Loans	-	-	-	-	-	-	-	-	-	-	1,606,723
Restricted Cash and Investments	-	-	-	-	-	-	-	-	-	-	-
TOTAL ASSETS	\$ 12,000	\$ 1,459	\$ 50,209	\$ 14,962	\$ 3,608	\$ -	\$ 63,500	\$ 66,346	\$ 3,903	\$ 10,887	\$ 3,931,235
LIABILITIES AND FUND BALANCES											
Liabilities:											
Accounts Payable	\$ 21,875	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52	\$ -	\$ -	\$ 82,260
Accrued and Other Current Liabilities	4,547	-	-	-	-	-	-	-	-	-	5,868
Due to Other Funds	168,372	-	-	-	-	-	-	-	-	-	180,725
Due to Other Governments	-	-	-	-	-	-	-	-	-	-	2,051
Total Liabilities	194,794	-	-	-	-	-	-	52	-	-	270,904
DEFERRED INFLOWS OF RESOURCES											
Taxes Levied for Subsequent Periods	-	-	-	-	-	-	-	-	-	-	-
FUND BALANCES (DEFICITS)											
Restricted:											
Tax Incremental District	-	-	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-	2,451,821
Assigned	-	1,459	50,209	14,962	3,608	-	63,500	66,294	3,903	10,887	1,402,878
Unassigned (Deficits)	(182,794)	-	-	-	-	-	-	-	-	-	(194,368)
Total Fund Balances	(182,794)	1,459	50,209	14,962	3,608	-	63,500	66,294	3,903	10,887	3,660,331
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 12,000	\$ 1,459	\$ 50,209	\$ 14,962	\$ 3,608	\$ -	\$ 63,500	\$ 66,346	\$ 3,903	\$ 10,887	\$ 3,931,235

CITY OF MARINETTE, WISCONSIN
Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2019

Capital Projects Funds										
	Sidewalk	General Capital Projects	Riverside Project	TID No. 6	TID No. 7	TID No. 8	TID No. 9	TID No. 10	TID No. 11	TID No. 12
ASSETS										
Cash and Investments	\$ 17,307	\$ 864,628	\$ 1,090	\$ 2,150	\$ 21,082	\$ 103,566	\$ 19,336	\$ 249,882	\$ 843,182	\$ 1
Receivables:										
Taxes	-	-	-	145,287	51,234	135,871	28,008	209,915	343,932	32,612
Accounts	652	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Restricted Cash and Investments	-	-	-	15,587	5,497	14,577	3,005	22,520	36,898	3,499
TOTAL ASSETS	\$ 17,959	\$ 864,628	\$ 1,090	\$ 163,024	\$ 77,813	\$ 254,014	\$ 50,349	\$ 482,317	\$ 1,224,012	\$ 36,112
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ 13,673	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 278	\$ -	\$ -
Accrued and Other Current Liabilities	-	-	-	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-	-	-	6,692
Due to Other Governments	-	-	-	-	-	-	-	-	-	-
Total Liabilities	-	13,673	-	-	-	-	-	278	-	6,692
DEFERRED INFLOWS OF RESOURCES										
Taxes Levied for Subsequent Periods	-	-	-	162,586	57,335	152,051	31,344	234,910	384,885	36,495
FUND BALANCES (DEFICITS)										
Restricted:										
Tax Incremental District	-	-	-	438	20,478	101,963	19,005	247,129	839,127	-
Loans	-	-	-	-	-	-	-	-	-	-
Assigned	17,959	850,955	1,090	-	-	-	-	-	-	-
Unassigned (Deficits)	-	-	-	-	-	-	-	-	-	(7,075)
Total Fund Balances	17,959	850,955	1,090	438	20,478	101,963	19,005	247,129	839,127	(7,075)
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 17,959	\$ 864,628	\$ 1,090	\$ 163,024	\$ 77,813	\$ 254,014	\$ 50,349	\$ 482,317	\$ 1,224,012	\$ 36,112

CITY OF MARINETTE, WISCONSIN

Combining Balance Sheet - Continued
Nonmajor Governmental Funds
As of December 31, 2019

Capital Projects Funds										
	TID No. 13	Hall Avenue	Water Street Reconstruction	DPW Garage	Police Equipment	Recreation Equipment	Assessor Equipment	Fire Department Equipment	Totals	Total Nonmajor Governmental Funds
ASSETS										
Cash and Investments	\$ 21,267	\$ -	\$ 429	\$ -	\$ 80,041	\$ 17,479	\$ 11,567	\$ 170,264	\$ 2,423,271	\$ 4,516,597
Receivables:										
Taxes	222,044	-	-	-	-	-	-	-	1,168,903	1,168,903
Accounts	-	-	-	-	-	-	-	-	231,838	231,838
Loans	-	-	-	-	-	-	-	-	652	1,606,723
Restricted Cash and Investments	23,821	-	-	-	-	-	-	-	125,404	125,404
TOTAL ASSETS	\$ 267,132	\$ -	\$ 429	\$ -	\$ 80,041	\$ 17,479	\$ 11,567	\$ 170,264	\$ 3,718,230	\$ 7,649,465
LIABILITIES AND FUND BALANCES										
Liabilities:										
Accounts Payable	\$ -	\$ -	\$ -	\$ 8,001	\$ 5,401	\$ 2,037	\$ -	\$ 247	\$ 29,637	\$ 111,897
Accrued and Other Current Liabilities	-	-	-	1,256	-	-	-	-	1,256	7,124
Due to Other Funds	-	-	-	296,896	-	-	-	-	303,588	484,313
Due to Other Governments	-	-	-	-	-	-	-	-	-	2,051
Total Liabilities	-	-	-	306,153	5,401	2,037	-	247	334,481	605,385
DEFERRED INFLOWS OF RESOURCES										
Taxes Levied for Subsequent Periods	248,484	-	-	-	-	-	-	-	1,308,090	1,308,090
FUND BALANCES (DEFICITS)										
Restricted:										
Tax Incremental District	18,648	-	-	-	-	-	-	-	1,246,788	1,246,788
Loans	-	-	-	-	-	-	-	-	-	2,451,821
Assigned	-	-	429	-	74,640	15,442	11,567	170,017	1,142,099	2,544,977
Unassigned (Deficits)	-	-	-	(306,153)	-	-	-	-	(313,228)	(507,596)
Total Fund Balances	18,648	-	429	(306,153)	74,640	15,442	11,567	170,017	2,075,659	5,735,990
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 267,132	\$ -	\$ 429	\$ -	\$ 80,041	\$ 17,479	\$ 11,567	\$ 170,264	\$ 3,718,230	\$ 7,649,465

CITY OF MARINETTE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

	Special Revenue Funds									
	Business			General						
	HCRI Grant	Rehabilitation Loan	Development Loan	Taxi Program	Senior Center	Welcome Center	Room Tax	Downtown Development	Economic Development	Water Front Project
REVENUES										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 297,210	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	251,457	-	6,041	-	-	-	-
Fines and Forfeits	-	-	-	-	-	-	-	-	-	-
Public Charges for Services	-	-	-	131,510	-	-	-	-	-	-
Miscellaneous	242	2,410	20,331	-	18,383	127,426	6,285	144,201	-	-
Total Revenues	<u>242</u>	<u>2,410</u>	<u>20,331</u>	<u>382,967</u>	<u>18,383</u>	<u>133,467</u>	<u>303,495</u>	<u>144,201</u>	<u>-</u>	<u>-</u>
EXPENDITURES										
Current:										
Public Safety	-	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	456,680	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	67,485	280,683	-	-	-	-
Conservation and Development	-	6,737	43,578	-	-	-	23,009	136,915	-	-
Debt service:										
Principal	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>6,737</u>	<u>43,578</u>	<u>456,680</u>	<u>67,485</u>	<u>280,683</u>	<u>23,009</u>	<u>136,915</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>242</u>	<u>(4,327)</u>	<u>(23,247)</u>	<u>(73,713)</u>	<u>(49,102)</u>	<u>(147,216)</u>	<u>280,486</u>	<u>7,286</u>	<u>-</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)										
Transfers In	-	-	-	73,860	49,000	128,500	-	-	-	-
Transfers Out	-	-	-	-	-	-	(252,163)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,860</u>	<u>49,000</u>	<u>128,500</u>	<u>(252,163)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>242</u>	<u>(4,327)</u>	<u>(23,247)</u>	<u>147</u>	<u>(102)</u>	<u>(18,716)</u>	<u>28,323</u>	<u>7,286</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICITS) - BEGINNING	<u>41,006</u>	<u>1,453,853</u>	<u>984,294</u>	<u>22,355</u>	<u>2,531</u>	<u>7,142</u>	<u>278,340</u>	<u>238,186</u>	<u>453,957</u>	<u>157,033</u>
FUND BALANCES (DEFICITS) - ENDING	<u>\$ 41,248</u>	<u>\$ 1,449,526</u>	<u>\$ 961,047</u>	<u>\$ 22,502</u>	<u>\$ 2,429</u>	<u>\$ (11,574)</u>	<u>\$ 306,663</u>	<u>\$ 245,472</u>	<u>\$ 453,957</u>	<u>\$ 157,033</u>

CITY OF MARINETTE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) - Continued
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

Special Revenue Funds											
REVENUES	Rec Center	Historical Society	Fire Education	Hazardous Materials Grant	Fire Department for Hazmat	Anti-Drug Abuse Grant	Tri-County Drug Enforcement	Canine Unit	Crime Prevention	Police Rifle Range	Totals
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 297,210
Intergovernmental	-	-	-	18,890	-	-	-	-	-	-	307,750
Fines and Forfeits	-	-	31,362	-	-	-	25	-	-	-	25
Public Charges for Services	387,270	-	-	-	-	-	-	-	-	1,656	500,436
Miscellaneous	50,251	-	3,483	314	7,022	-	2,447	26,998	16	-	409,809
Total Revenues	417,521	-	34,845	19,204	7,022	-	2,472	26,998	16	1,656	1,515,230
EXPENDITURES											
Current:											
Public Safety	-	-	25,107	24,132	5,400	3,600	-	11,596	-	-	69,835
Public Works	-	-	-	-	-	-	-	-	-	-	456,680
Culture and Recreation	878,781	-	-	-	-	-	-	-	-	-	1,226,949
Conservation and Development	-	-	-	-	-	-	-	-	-	-	210,239
Debt service:											-
Principal	-	-	-	-	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	878,781	-	25,107	24,132	5,400	3,600	-	11,596	-	-	1,963,703
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(461,260)	-	9,738	(4,928)	1,622	(3,600)	2,472	15,402	16	1,656	(448,473)
OTHER FINANCING SOURCES (USES)											
Transfers In	307,000	-	-	-	1,986	-	-	1,401	9,030	-	570,777
Transfers Out	-	-	(1,986)	-	-	(10,431)	-	-	-	-	(264,580)
Total Other Financing Sources (Uses)	307,000	-	(1,986)	-	1,986	(10,431)	-	1,401	9,030	-	306,197
NET CHANGE IN FUND BALANCES	(154,260)	-	7,752	(4,928)	3,608	(14,031)	2,472	16,803	9,046	1,656	(142,276)
FUND BALANCES (DEFICITS) - BEGINNING	(28,534)	1,459	42,457	19,890	-	14,031	61,028	49,491	(5,143)	9,231	3,802,607
FUND BALANCES (DEFICITS) - ENDING	\$ (182,794)	\$ 1,459	\$ 50,209	\$ 14,962	\$ 3,608	\$ -	\$ 63,500	\$ 66,294	\$ 3,903	\$ 10,887	\$ 3,660,331

CITY OF MARINETTE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

Capital Projects Funds											
	General										
	Sidewalk	Capital Projects	Riverside Project	TID No. 6	TID No. 7	TID No. 8	TID No. 9	TID No. 10	TID No. 11	TID No. 12	
REVENUES											
Taxes	\$ -	\$ -	\$ -	\$ 147,744	\$ 57,804	\$ 112,414	\$ 46,134	\$ 31,179	\$ 403,241	\$ 25,823	
Intergovernmental	-	-	-	-	7	118	181	2,304	44,957	5,968	
Fines and Forfeits	-	-	-	-	-	-	-	-	-	-	
Public Charges for Services	-	-	-	-	-	-	-	-	-	-	
Miscellaneous	1,106	6,774	-	-	215	37,592	668	11,368	18,942	15,523	
Total Revenues	<u>1,106</u>	<u>6,774</u>	<u>-</u>	<u>147,744</u>	<u>58,026</u>	<u>150,124</u>	<u>46,983</u>	<u>44,851</u>	<u>467,140</u>	<u>47,314</u>	
EXPENDITURES											
Current:											
Public Safety	-	-	-	-	-	-	-	-	-	-	
Public Works	-	-	-	-	-	-	-	-	-	-	
Culture and Recreation	-	-	-	-	-	-	-	-	-	-	
Conservation and Development	-	-	-	150	401	377	40,672	441,644	974	151	
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	-	
Interest and Fiscal Charges	-	-	-	130,618	45,000	95,000	-	-	200,000	30,000	
Capital Outlay	14,486	543,484	-	15,124	9,808	24,188	669	-	86,688	6,160	
Total Expenditures	<u>14,486</u>	<u>543,484</u>	<u>-</u>	<u>145,892</u>	<u>55,209</u>	<u>119,565</u>	<u>41,341</u>	<u>441,644</u>	<u>287,662</u>	<u>36,311</u>	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(13,380)</u>	<u>(536,710)</u>	<u>-</u>	<u>1,852</u>	<u>2,817</u>	<u>30,559</u>	<u>5,642</u>	<u>(396,793)</u>	<u>179,478</u>	<u>11,003</u>	
OTHER FINANCING SOURCES (USES)											
Transfers In	16,000	770,814	-	-	-	-	-	-	-	-	
Transfers Out	-	(2,000)	-	-	-	-	-	-	-	-	
Total Other Financing Sources (Uses)	<u>16,000</u>	<u>768,814</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
NET CHANGE IN FUND BALANCES	<u>2,620</u>	<u>232,104</u>	<u>-</u>	<u>1,852</u>	<u>2,817</u>	<u>30,559</u>	<u>5,642</u>	<u>(396,793)</u>	<u>179,478</u>	<u>11,003</u>	
FUND BALANCES (DEFICITS) - BEGINNING	<u>15,339</u>	<u>618,851</u>	<u>1,090</u>	<u>(1,414)</u>	<u>17,661</u>	<u>71,404</u>	<u>13,363</u>	<u>643,922</u>	<u>659,649</u>	<u>(18,078)</u>	
FUND BALANCES (DEFICITS) - ENDING	<u>\$ 17,959</u>	<u>\$ 850,955</u>	<u>\$ 1,090</u>	<u>\$ 438</u>	<u>\$ 20,478</u>	<u>\$ 101,963</u>	<u>\$ 19,005</u>	<u>\$ 247,129</u>	<u>\$ 839,127</u>	<u>\$ (7,075)</u>	

CITY OF MARINETTE, WISCONSIN
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits)
Nonmajor Governmental Funds
For the Year Ended December 31, 2019

Capital Projects Funds											Total Nonmajor Governmental Funds
	TID No. 13	Hall Avenue	Water Street Reconstruction	DPW Garage	Police Equipment	Recreation Equipment	Assessor Equipment	Fire Department Equipment	Totals		
REVENUES											
Taxes	\$ 16,871	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 841,210	\$ 1,138,420	
Intergovernmental	-	-	-	-	-	-	-	-	53,535	361,285	
Fines and Forfeits	-	-	-	-	-	-	-	-	-	25	
Public Charges for Services	-	-	-	-	-	-	-	-	-	500,436	
Miscellaneous	1,335	-	-	19,308	26,463	338	245	4,015	143,892	553,701	
Total Revenues	18,206	-	-	19,308	26,463	338	245	4,015	1,038,637	2,553,867	
EXPENDITURES											
Current:											
Public Safety	-	-	-	-	89,679	-	-	-	89,679	159,514	
Public Works	-	-	-	-	-	-	-	-	-	456,680	
Culture and Recreation	-	-	-	-	-	-	-	-	-	1,226,949	
Conservation and Development	151	-	-	-	-	-	-	-	484,520	694,759	
Debt service:											
Principal	-	-	-	-	-	-	-	-	-	500,618	
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	-	141,968	
Capital Outlay	-	-	-	368,641	36,000	8,100	-	57,189	1,028,569	1,028,569	
Total Expenditures	151	-	-	368,641	125,679	8,100	-	57,189	2,245,354	4,209,057	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	18,055	-	-	(349,333)	(99,216)	(7,762)	245	(53,174)	(1,206,717)	(1,655,190)	
OTHER FINANCING SOURCES (USES)											
Transfers In	-	-	-	407,632	100,030	12,000	-	66,759	1,373,235	1,944,012	
Transfers Out	-	(38,114)	-	-	-	-	-	-	(40,114)	(304,694)	
Total Other Financing Sources (Uses)	-	(38,114)	-	407,632	100,030	12,000	-	66,759	1,333,121	1,639,318	
NET CHANGE IN FUND BALANCES	18,055	(38,114)	-	58,299	814	4,238	245	13,585	126,404	(15,872)	
FUND BALANCES (DEFICITS) - BEGINNING	593	38,114	429	(364,452)	73,826	11,204	11,322	156,432	1,949,255	5,751,862	
FUND BALANCES (DEFICITS) - ENDING	\$ 18,648	\$ -	\$ 429	\$ (306,153)	\$ 74,640	\$ 15,442	\$ 11,567	\$ 170,017	\$ 2,075,659	\$ 5,735,990	

CITY OF MARINETTE, WISCONSIN
Detailed Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
TAXES			
General Property Taxes	\$ 5,625,256	\$ 5,625,265	\$ 9
Mobile Home Taxes	85,000	76,896	(8,104)
Payment in Lieu of Taxes	86,250	85,241	(1,009)
Interest and Penalties	1,750	1,145	(605)
Total Taxes	5,798,256	5,788,547	(9,709)
INTERGOVERNMENTAL			
State Shared Taxes	4,740,607	4,740,608	1
Exempt Computer Aid	34,744	35,070	326
Municipal Services Payment	77,440	74,958	(2,482)
Local Highway Aids	722,312	721,981	(331)
Connecting Streets	67,519	67,519	-
Recycling	43,000	42,698	(302)
Other Grants	83,784	138,180	54,396
Total Intergovernmental	5,769,408	5,821,014	51,606
LICENSES AND PERMITS			
Liquor and Malt Beverages	34,500	35,246	746
Operator's Licenses	12,000	13,801	1,801
Cigarette Licenses	2,000	1,900	(100)
Bicycle Licenses	225	60	(165)
Dog Licenses	1,800	1,982	182
Other Licenses	8,550	9,083	533
Cable TV Franchise Fee	138,500	182,675	44,175
Trailer Park	1,000	1,400	400
Building Permits	60,000	55,749	(4,251)
Electrical Permits	13,000	8,503	(4,497)
Plumbing Permits	8,000	3,637	(4,363)
Occupancy Permits	1,000	265	(735)
Other Permits	24,000	21,139	(2,861)
Total Licenses and Permits	304,575	335,440	30,865
FINES AND FORFEITS			
Municipal Court Penalties and Costs	235,000	220,636	(14,364)
Parking Violations	14,000	23,936	9,936
Miscellaneous	800	-	(800)
Total Fines and Forfeits	249,500	244,571	(4,929)
PUBLIC CHARGES FOR SERVICES			
Special Assessment Letters	8,000	10,330	2,330
Snow and Ice Removal	3,000	3,300	300
City Clerk	11,550	4,325	(7,225)
Police Department	1,700	2,333	633
Fire Department	2,000	2,093	93
Weed and Nuisance Control	800	3,000	2,200
Garbage and Refuse Collection	48,000	46,583	(1,417)
Park and Recreation	51,200	58,085	6,885
Total Public Charges for Services	126,250	130,049	3,799
MISCELLANEOUS REVENUES			
Interest Income	100,000	170,204	70,204
Rent	21,100	22,081	981
Insurance Dividends and Recoveries	15,000	45,123	30,123
Sale of Capital Assets	2,000	12,750	10,750
Other Revenues	19,500	350,272	330,772
Total Miscellaneous	157,600	600,430	442,830
TOTAL REVENUES	12,405,587	12,920,051	514,464

CITY OF MARINETTE, WISCONSIN
Detailed Budgetary Comparison Schedule (Continued)
General Fund
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
EXPENDITURES			
GENERAL GOVERNMENT			
Council	\$ 40,313	\$ 36,921	\$ 3,392
Mayor	131,215	122,935	8,280
Municipal Court	158,902	151,968	6,936
City Clerk	209,852	196,853	12,999
Finance	251,738	259,604	(7,866)
Assessment of Property	189,924	180,617	9,307
Human Resources	-	6,869	(6,869)
Legal	273,714	282,607	11,107
Technology Services	88,500	78,686	9,814
City Hall	86,110	80,073	6,037
Other General Government	421,312	495,610	(74,298)
Total General Government	1,851,580	1,872,741	(21,161)
PUBLIC SAFETY			
Police Department	3,081,349	3,025,005	56,344
Fire Department	1,911,030	1,880,067	30,963
Rescue Squad	11,380	11,380	-
Total Public Safety	5,003,759	4,916,452	87,307
PUBLIC WORKS			
Roadways and Streets	729,271	810,422	(81,151)
Engineering	146,172	141,669	4,503
Street Construction	109,145	66,717	42,428
Administration	258,633	272,032	(13,399)
Street Lighting	217,899	233,010	(15,111)
Garbage and Refuse Collection	758,202	750,969	7,233
Recycling	158,543	135,969	22,574
Total Public Works	2,377,865	2,410,788	(32,923)
CULTURE AND RECREATION			
Recreation Programs	376,258	381,120	(4,862)
Parks	271,616	268,158	3,458
Total Culture and Recreation	647,874	649,278	(1,404)
CONSERVATION AND DEVELOPMENT			
Community Development	24,371	32,204	(7,833)
Forestry	157,807	155,350	2,457
Total Conservation and Development	182,178	187,554	(5,376)
CAPITAL OUTLAY			
Street Construction	1,030,000	906,243	123,757
Total Expenditures	11,093,256	10,943,056	150,200
EXCESS OF REVENUES OVER EXPENDITURES	1,312,331	1,976,995	664,664
OTHER FINANCING SOURCES (USES)			
Transfers In	903,000	905,812	2,812
Transfers Out	(2,215,103)	(3,100,751)	(885,648)
Total Other Financing Sources (Uses)	(1,312,103)	(2,194,939)	(882,836)
NET CHANGE IN FUND BALANCE	228	(217,944)	(218,172)
FUND BALANCE - BEGINNING	6,994,754	6,994,754	-
FUND BALANCE - ENDING	\$ 6,994,982	\$ 6,776,810	\$ (218,172)

CITY OF MARINETTE, WISCONSIN
Schedule of Budgetary Comparison
Debt Service Fund
For the Year Ended December 31, 2019

	Original and Final Budget	Actual Amounts	Variance Favorable (Unfavorable)
REVENUES			
Miscellaneous	\$ 13,524	\$ 13,524	\$ -
EXPENDITURES			
General Government	1,100	1,170	(70)
Debt Service:			
Principal	1,185,000	1,185,000	-
Interest and Fiscal Charges	262,752	262,753	(1)
Total Expenditures	<u>1,448,852</u>	<u>1,448,923</u>	<u>(71)</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	<u>(1,435,328)</u>	<u>(1,435,399)</u>	<u>(71)</u>
OTHER FINANCING SOURCES			
Transfers In	1,435,328	1,435,328	-
NET CHANGE IN FUND BALANCE	-	(71)	(71)
FUND BALANCE - BEGINNING	172,613	172,613	-
FUND BALANCE - ENDING	<u>\$ 172,613</u>	<u>\$ 172,542</u>	<u>\$ (71)</u>

FORM OF LEGAL OPINION

(See following pages.)

Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

November 19, 2020

Re: City of Marinette, Wisconsin ("Issuer")
\$6,085,000 General Obligation Refunding Bonds, Series 2020A,
dated November 19, 2020 ("Bonds")

We have acted as bond counsel to the Issuer in connection with the issuance of the Bonds. In such capacity, we have examined such law and such certified proceedings, certifications, and other documents as we have deemed necessary to render this opinion.

Regarding questions of fact material to our opinion, we have relied on the certified proceedings and other certifications of public officials and others furnished to us without undertaking to verify the same by independent investigation.

The Bonds are numbered from R-1 and upward; bear interest at the rates set forth below; and mature on May 1 of each year, in the years and principal amounts as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2021	\$850,000	____%
2022	135,000	____
2023	300,000	____
2024	305,000	____
2025	315,000	____
2026	310,000	____
2028	250,000	____
2029	260,000	____
2030	270,000	____
2031	245,000	____
2032	255,000	____
2033	260,000	____
2034	270,000	____
2035	280,000	____
2036	295,000	____
2037	310,000	____
2038	430,000	____
2039	445,000	____
2040	300,000	____

Interest is payable semi-annually on May 1 and November 1 of each year commencing on May 1, 2021.

The Bonds maturing on May 1, 2029 and thereafter are subject to redemption prior to maturity, at the option of the Issuer, on May 1, 2028 or on any date thereafter. Said Bonds are

redeemable as a whole or in part, and if in part, from maturities selected by the Issuer, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

【The Bonds maturing in the years _____ are subject to mandatory redemption by lot as provided in the Bonds, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

We further certify that we have examined a sample of the Bonds and find the same to be in proper form.

Based upon and subject to the foregoing, it is our opinion under existing law that:

1. The Bonds have been duly authorized and executed by the Issuer and are valid and binding general obligations of the Issuer.
2. All the taxable property in the territory of the Issuer is subject to the levy of ad valorem taxes to pay principal of, and interest on, the Bonds, without limitation as to rate or amount. The Issuer is required by law to include in its annual tax levy the principal and interest coming due on the Bonds except to the extent that necessary funds have been irrevocably deposited into the debt service fund account established for the payment of the principal of and interest on the Bonds.
3. The interest on the Bonds is excludable for federal income tax purposes from the gross income of the owners of the Bonds. The interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed by Section 55 of the Internal Revenue Code of 1986, as amended (the "Code") on individuals. The Code contains requirements that must be satisfied subsequent to the issuance of the Bonds in order for interest on the Bonds to be or continue to be excludable from gross income for federal income tax purposes. Failure to comply with certain of those requirements could cause the interest on the Bonds to be included in gross income retroactively to the date of issuance of the Bonds. The Issuer has agreed to comply with all of those requirements. The opinion set forth in the first sentence of this paragraph is subject to the condition that the Issuer comply with those requirements. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

We express no opinion regarding the accuracy, adequacy, or completeness of the Official Statement or any other offering material relating to the Bonds. Further, we express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

The rights of the owners of the Bonds and the enforceability thereof may be subject to bankruptcy, insolvency, reorganization, moratorium and similar laws affecting creditors' rights and may be subject to the exercise of judicial discretion in accordance with general principles of equity, whether considered at law or in equity.

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.

QUARLES & BRADY LLP

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.
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 CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of Marinette, Marinette County, Wisconsin (the "Issuer") in connection with the issuance of \$6,085,000 General Obligation Refunding Bonds, Series 2020A, dated November 19, 2020 (the "Securities"). The Securities are being issued pursuant to a resolution adopted on October 26, 2020, as supplemented by a Certificate Approving the Preliminary Official Statement and Details of General Obligation Refunding Bonds, Series 2020A, dated _____, 2020 (the "Resolution") and delivered to _____ (the "Purchaser") on the date hereof. Pursuant to the Resolution, the Issuer has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. In addition, the Issuer hereby specifically covenants and agrees as follows:

Section 1(a). Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the holders of the Securities in order to assist the Participating Underwriters within the meaning of the Rule (defined herein) in complying with SEC Rule 15c2-12(b)(5). References in this Disclosure Certificate to holders of the Securities shall include the beneficial owners of the Securities. This Disclosure Certificate constitutes the written Undertaking required by the Rule.

Section 1(b). Filing Requirements. Any filing under this Disclosure Certificate must be made solely by transmitting such filing to the MSRB (defined herein) through the Electronic Municipal Market Access ("EMMA") System at www.emma.msrb.org in the format prescribed by the MSRB. All documents provided to the MSRB shall be accompanied by the identifying information prescribed by the MSRB.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any annual report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Audited Financial Statements" means the Issuer's annual financial statements, which are currently prepared in accordance with generally accepted accounting principles (GAAP) for governmental units as prescribed by the Governmental Accounting Standards Board (GASB) and which the Issuer intends to continue to prepare in substantially the same form.

"Final Official Statement" means the Final Official Statement dated October 30, 2020 delivered in connection with the Securities, which is available from the MSRB.

"Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include

municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" means the fiscal year of the Issuer.

"Governing Body" means the Common Council of the Issuer or such other body as may hereafter be the chief legislative body of the Issuer.

"Issuer" means the City of Marinette, Marinette County, Wisconsin, which is the obligated person with respect to the Securities.

"Issuer Contact" means the City Clerk of the Issuer who can be contacted at City Hall, 1905 Hall Avenue, Marinette, Wisconsin 54143, phone (715) 732-5140, fax (715) 732-5199.

"Listed Event" means any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriter(s) of the Securities (including the Purchaser) required to comply with the Rule in connection with the offering of the Securities.

"Rule" means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and official interpretations thereof.

"SEC" means the Securities and Exchange Commission.

Section 3. Provision of Annual Report and Audited Financial Statements.

(a) The Issuer shall, not later than 365 days after the end of the Fiscal Year, commencing with the year ending December 31, 2020, provide the MSRB with an Annual Report filed in accordance with Section 1(b) of this Disclosure Certificate and which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report and that, if Audited Financial Statements are not available within 365 days after the end of the Fiscal Year, unaudited financial information will be provided, and Audited Financial Statements will be submitted to the MSRB when and if available.

(b) If the Issuer is unable or fails to provide to the MSRB an Annual Report by the date required in subsection (a), the Issuer shall send in a timely manner a notice of that fact to the

MSRB in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 4. Content of Annual Report. The Issuer's Annual Report shall contain or incorporate by reference the Audited Financial Statements and updates of the following sections of the Final Official Statement to the extent such financial information and operating data are not included in the Audited Financial Statements:

1. DEBT - DIRECT DEBT
2. DEBT - DEBT LIMIT
3. VALUATIONS - CURRENT PROPERTY VALUATIONS
4. TAX LEVIES AND COLLECTIONS - TAX LEVIES AND COLLECTIONS

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on the MSRB's Internet website or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Listed Events.

(a) This Section 5 shall govern the giving of notices of the occurrence of any of the following events with respect to the Securities:

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 status of the Securities;
7. Modification to rights of holders of the Securities, if material;
8. Securities 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;
15. Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect holders of the Securities, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

For the purposes of the event identified in subsection (a)12. above, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer.

(b) When a Listed Event occurs, the Issuer shall, in a timely manner not in excess of ten business days after the occurrence of the Listed Event, file a notice of such occurrence with the MSRB. Notwithstanding the foregoing, notice of Listed Events described in subsections (a) (8) and (9) need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Securities pursuant to the Resolution.

(c) Unless otherwise required by law, the Issuer shall submit the information in the format prescribed by the MSRB, as described in Section 1(b) of this Disclosure Certificate.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under the Resolution and this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all the Securities.

Section 7. Issuer Contact; Agent. Information may be obtained from the Issuer Contact. Additionally, the Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if the following conditions are met:

(a)(i) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or the type of business conducted; or

(ii) This Disclosure Certificate, as amended or 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 beneficial owners of the Securities, as determined and certified to the Issuer by an underwriter, financial advisor, bond counsel or trustee.

In the event this Disclosure Certificate is amended for any reason other than to cure any ambiguities, inconsistencies, or typographical errors that may be contained herein, the Issuer agrees the next Annual Report it submits after such amendment shall include an explanation of the reasons for the amendment and the impact of the change, if any, on the type of financial statements or operating data being provided.

If the amendment concerns the accounting principles to be followed in preparing financial statements, then the Issuer agrees that it will give an event notice and that the next Annual Report it submits after such amendment will include a comparison between financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. (a) Except as described in the Final Official Statement, in the previous five years, the Issuer has not failed to comply in all material respects with any previous undertakings under the Rule to provide annual reports or notices of events.

(b) In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any holder of the Securities may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Issuer to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Securities and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

Section 11. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Participating Underwriters and holders from time to time of the Securities, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, we have executed this Certificate in our official capacities effective the 19th day of November, 2020.

(SEAL)

Steve Genisot
Mayor

Lana R. Bero
City Clerk

NOTICE OF SALE

\$6,085,000* GENERAL OBLIGATION REFUNDING BONDS, SERIES 2020A CITY OF MARINETTE, WISCONSIN

Bids for the purchase of \$6,085,000* General Obligation Refundings Bonds, Series 2020 (the "Bonds") of the City of Marinette, Wisconsin (the "City") will be received at the offices of Ehlers and 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 October 29, 2020, at which time they will be opened, read and tabulated. **The Common Council will adopt a resolution on October 26, 2020 (the "Parameters Resolution"), which will authorize the City Finance Director/Treasurer or Mayor to accept a bid for the Bonds if the parameters and conditions set forth in the Parameters Resolution are satisfied. If the parameters and conditions set forth in the Parameters Resolution are not met through the competitive bids received on October 29, 2020, neither the City Finance Director/Treasurer or Mayor will have the authority to accept a bid for the Bonds, and all bids for the Bonds will be rejected.**

PURPOSE

The Bonds are authorized pursuant to Section 67.04, Wisconsin Statutes, for the purpose of current refunding certain outstanding general obligations of the City as more fully described herein. The Bonds are general obligations of the City for which its full faith, credit and taxing powers are pledged.

DATES AND MATURITIES

The Bonds will be dated November 19, 2020, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on May 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2021	\$850,000	2029	\$260,000	2036	\$295,000
2022	135,000	2030	270,000	2037	310,000
2023	300,000	2031	245,000	2038	430,000
2024	305,000	2032	255,000	2039	445,000
2025	315,000	2033	260,000	2040	300,000
2026	310,000	2034	270,000		
2028	250,000	2035	280,000		

ADJUSTMENT OPTION

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each, up to a maximum of \$100,000 per maturity. 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 Bonds 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 May 1 and November 1 of each year, commencing May 1, 2021, to the registered owners of the Bonds 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. All Bonds 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 Bonds 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 Bonds, 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 Bonds. So long as Cede & Co. is the registered owner of the Bonds, 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 Bonds.

PAYING AGENT

The City has selected Bond Trust Services Corporation, Roseville, Minnesota, to act as paying agent (the "Paying Agent"). Bond Trust Services Corporation and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after May 1, 2029 shall be subject to optional redemption prior to maturity on May 1, 2028 or any date thereafter, at a price of par plus accrued interest.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, 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 sending a notice by registered or certified mail, facsimile or electronic transmission, overnight delivery service or in any other manner required by DTC, not less than 30 days nor more than 60 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

DELIVERY

On or about November 19, 2020, the Bonds 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 Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

LEGAL MATTERS

An opinion as to the validity of the Bonds and the exemption from federal taxation of the interest thereon will be furnished by Quarles & Brady LLP, Bond Counsel to the City, and will be available at the time of delivery of the Bonds. The legal opinion will be issued on the basis of existing law and will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). (See "FORM OF LEGAL OPINION" found in Appendix B of the Preliminary Official Statement.)

Quarles & Brady LLP has also been retained by the City to serve as Disclosure Counsel to the City with respect to the Bonds. Although, as Disclosure Counsel to the City, Quarles & Brady LLP has assisted the City with certain disclosure matters, Quarles & Brady LLP has not undertaken to independently verify the accuracy, completeness or sufficiency of this Official Statement or other offering material relating to the Bonds and assumes no responsibility whatsoever nor shall have any liability to any other party for the statements or information contained or incorporated by reference in this Official Statement. Further, Quarles & Brady LLP makes no representation as to the suitability of the Bonds for any investor.

SUBMISSION OF BIDS

Bids must not be for less than \$6,008,938 nor more than \$6,450,100 plus accrued interest on the principal sum of \$6,085,000 from date of original issue of the Bonds 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; or
- 2) 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, 2nd 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 \$121,700 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds 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 Bonds 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 Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

AWARD

The Bonds 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 Bonds will be awarded by lot. The City reserves the right to reject any and all bids and to waive any informality in any bid. **The Bonds will not be awarded if the TIC (taking the purchaser's compensation into account) exceeds 3.00% or if the other conditions set forth in the Parameters Resolution are not satisfied.**

BOND INSURANCE

If the Bonds 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 Bonds 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 Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

CUSIP NUMBERS

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds 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.

QUALIFIED TAX-EXEMPT OBLIGATIONS

The City will designate the Bonds as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

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 Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the 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 which will be provided by Bond Counsel upon request.

(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 satisfactory to Bond Counsel 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. 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 as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(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 (5th) 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 (5th) business day after the sale 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 representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with 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 rule 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, its agreement to comply with the hold-the-offering-price rule as 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 Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) 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 reasonable periodic intervals or otherwise upon 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 securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either 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 City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(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, each dealer who is a member of the selling group and each broker 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) 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

(B) 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.

(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 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 Bonds prior to the bid opening by request from Ehlers at 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

Lana R. Bero, City Clerk
City of Marinette, Wisconsin

BID FORM

October 29, 2020

City of Marinette, Wisconsin

RE: \$6,085,000* General Obligation Refunding Bonds, Series 2020A (the "Bonds")

DATED: November 19, 2020

For all or none of the above Bonds, 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 \$6,008,938 nor more than \$6,450,100) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due	2021	_____ % due	2029	_____ % due	2036
_____ % due	2022	_____ % due	2030	_____ % due	2037
_____ % due	2023	_____ % due	2031	_____ % due	2038
_____ % due	2024	_____ % due	2032	_____ % due	2039
_____ % due	2025	_____ % due	2033	_____ % due	2040
_____ % due	2026	_____ % due	2034		
_____ % due	2028	_____ % due	2035		

* The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each up to a maximum of \$100,000 per maturity. . 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.

All Bonds 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%.

A good faith deposit ("Deposit") in the amount of \$121,700 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the bid opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of bids. The City reserves the right to award the Bonds 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 Bonds 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. We agree to the conditions and duties of Ehlers and 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 Bonds to The Depository Trust Company, New York, New York, in accordance with the Notice of Sale. Delivery is anticipated to be on or about November 19, 2020.

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 the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, 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 Bonds within 24 hours of the bid acceptance.

This bid is a firm offer for the purchase of the Bonds 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 Bonds.

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 November 19, 2020 of the above bid is \$_____ and the true interest cost (TIC) is _____%.

The foregoing offer is hereby accepted by and on behalf of the City of Marinette, Wisconsin, on October 29, 2020.

By: _____

Title: _____