



Finance/Personnel Committee

Regular Meeting

335 South Broadway
De Pere, WI 54115
<https://www.deperewi.gov/>

Agenda

Tuesday, August 8, 2023

7:30 PM

Council Chambers and Virtual

Pursuant to Wisconsin Statute 19.84, Notice is hereby given to the public that a meeting of the **Finance/Personnel Committee** of the City of De Pere will be held on **August 8, 2023 at 7:30 PM** in the **COUNCIL CHAMBERS, 2ND FLOOR CITY HALL, 335 S. BROADWAY STREET, DE PERE.**

The public may attend the meeting either in person in the Council Chambers or electronically/telephonically. Electronic or telephonic access to the meeting is provided below:

Computer/smart phone accessing <https://www.gotomeet.me/DePere>

OR

You can also dial in using your phone.

United States (Toll Free): [1 866 899 4679](tel:18668994679)

United States: [+1 \(312\) 757-3117](tel:+13127573117)

Access Code: 154-883-285

This meeting may also be rebroadcast on Spectrum Cable Channel 4 and AT&T U-verse Channel 99 throughout the week and available on demand at <http://deperewi.igmp2.com/>.

Call to Order

1. Roll Call
2. Approval of the Minutes of the July 11, 2023, Regular Meeting of the Finance/Personnel Committee.
3. Public comment upon matters not on the agenda. Comments made during the public comment period shall pertain only to matters under the jurisdiction of the Finance and Personnel Committee. §6-3(f) DPMC
4. Consideration and possible action on the Fire Department Overtime and LifeQuest Services Billing Reports for July, 2023.
5. Consideration and Possible Action on the July 2023 Police Overtime Report.
6. Consideration and Possible Action on Request from the Chief of Police to authorize expenditure of \$1,040 to fund the costs of cellular internet connections for surveillance cameras for Optimist Park and Southwest Park. The funding source would be the Contracting Budget Line Item in the 2024 De Pere Police Department Budget. *
7. Recommendation and Possible Action to contract with the National Testing Network (NTN) Regional Hiring Process for Recruitment of Candidates for De Pere Fire Rescue Firefighter Vacancies*
8. Recommendation and Possible Action to use ScreeningOne to Conduct Background Checks for Various Recruitments *
9. Recommendation and Possible Action to Hire Prevea Health to Complete Job Analyses on Various Positions*

10. Recommendation and Possible Action to Approve Various Changes to the City Policy Manual.*
11. Consideration and Possible Action on Johnson Controls Planned Service Agreements for Fire Alarm Inspections/Monitoring (Municipal Service Center, Community Center and City Hall). *
12. Consideration and Possible Action on Copier Leases for City Hall second floor, Community Center, Fire Station 1 and Municipal Services Center/Cloud FAX Solution.*
13. Consideration and Possible Action on state debt collection agreement.*
14. Consideration and Possible Action on OPEB valuation agreement.*
15. Consideration and Possible Action on the City of De Pere Investments and Cash Detail report for June 2023.
16. Presentation and approval of the 2022 Management Letter and Financial Statements.*
17. Future agenda items.
18. Adjournment

Any person wishing to attend this meeting who, because of disability, requires special accommodations should contact the Clerk's office at 339-4050 by Noon, the previous day so that arrangements can be made.

***Items with an asterisk require City Council approval.**

Agenda Sent To:

Alderspersons

City Administrator

Mayor

Department Heads

TV, Newspapers & Radio Stations

Kress Family Library

De Pere Chamber of Commerce



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: City Attorney

FROM: Angela Zills

SUBJECT: Approval of the Minutes of the July 11, 2023, Regular Meeting of the Finance/Personnel Committee.

ATTACHMENTS:

- July 11, 2023 Minutes-DRAFT (PDF)



Finance/Personnel Committee

Regular Meeting

335 South Broadway
De Pere, WI 54115
<https://www.deperewi.gov/>

Draft Minutes

Tuesday, July 11, 2023

7:30 PM

Council Chambers and Virtual

1. Call to Order. The meeting was called to order at 7:30 PM by Mayor James Boyd.

Attendee Name	Title	Status	Arrived
Devin Perock	Aldersperson	Present	
Pamela Gantz	Aldersperson	Present	
James Boyd	Mayor	Present	
Amy Chandik Kundingner	Aldersperson	Present	
John Quigley	Aldersperson	Present	

City Administrator Lawrence Delo, Fire Chief Alan Matzke, Finance Director-Treasurer Pamela Manley, Justin Fischer of Baird, Police Chief Jeremy Muraski (remote), Human Resources Director Shannon Metzler (remote) and Human Resources Generalist Tracy Hood (remote).

2. Approval of the Minutes from the June 13, 2023, Regular Meeting of the Finance/Personnel Committee.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Devin Perock, Aldersperson
AYES:	Perock, Gantz, Boyd, Kundingner, Quigley

3. Public comment upon matters not on the agenda. Comments made during the public comment period shall pertain only to matters under the jurisdiction of the Finance and Personnel Committee. §6-3(f) DPMC.

None.

4. Fire Department Overtime and LifeQuest Services Billing Reports for June 2023.

In response to Aldersperson Gantz, Chief Matzke explained that the June staffing report reflects multiple staff members out pursuant to the Family Medical Leave Act and other employees are called back at the overtime rate.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Devin Perock, Aldersperson
SECONDER:	Pamela Gantz, Aldersperson
AYES:	Perock, Gantz, Boyd, Kundingner, Quigley

5. Consideration and Possible Action on the June 2023 Police Overtime Report.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	John Quigley, Aldersperson
SECONDER:	Pamela Gantz, Aldersperson
AYES:	Perock, Gantz, Boyd, Kundingner, Quigley

6. Consideration and Possible Action on Acceptance of Donations to Fund Therapy Dog Program for Fire Department.*

Chief Matzke gave an overview of this item indicating that Tammy Gossen presented an interest to support the Fire Department (FD) staff and has raised \$12,328 over and above

the goal of \$10,000 to fund a therapy dog program. Stanley has arrived and begun training; he is already making an impact and is appreciated by the FD staff and other city employees. The program is a great success. Ms. Gossen has ceased fundraising and has turned over the funds to the department. Staff would like to create a dedicated donation account with the Finance Department exclusive to Stanley's care and expenses, so as not to require approval for each disbursement. In response to Mayor Boyd, Chief Matzke did confirm other in-kind contributions: receiving Stanley's food at no cost, a 50 percent reduction for veterinary bills and grooming at no cost. Community members providing these services reached out to the department.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Pamela Gantz, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

7. Consideration and Possible Action on Acceptance of \$18,500 donation from the Cloud Family Foundation, Inc. to Police for use with the K-9 Unit. *

Chief Muraski advised that the Cloud Family Foundation is offering a donation in the amount of \$18,500 for purchasing and training a police K-9. Mayor Boyd acknowledged this generous Foundation.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Amy Chandik Kunding, Alderperson
SECONDER:	Pamela Gantz, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

8. Consideration and Possible Action on Acceptance of \$1,500 donation from Walmart for the Police Bike Safety Program.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Amy Chandik Kunding, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

9. Consideration and Possible Action on Police Request to Maintain a Credit Card for Travel and Training Purposes with a Credit line of \$2,500. *

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Devin Perock, Alderperson
SECONDER:	Amy Chandik Kunding, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

10. Recommendation and Possible Action to hire McGrath Human Resources Consulting Group to Update the City's Job Descriptions.*

Following the vote on this item, Alderperson Chandik Kunding asked how often the job descriptions are updated to which Human Resource Generalist Tracy Hood advised that the job descriptions are not reviewed on a scheduled basis and were intended to be part of last year's compensation study, but the funds for this task were carried forward to this year. Administrator Delo added that descriptions have been reviewed piecemeal in the past but are planned to be part of the compensation study. Human Resources Director Metzler indicated that this project has been on the to-do list for approximately 13 years and has not been done on a full scale since she has worked for the City.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	John Quigley, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

11. Recommendation and Possible Action on 2024 Non-Benefit Eligible Employees Wage Schedule.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Devin Perock, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

12. Recommendation and Possible Action to Approve Various Changes to the City Policy Manual.*

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	John Quigley, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

13. Approval of Initial Resolutions for 2023 Borrowing.*

Justin Fischer of Baird was introduced to the Committee; he is the City's consultant who handles the City's debt schedules and is tasked with finding favorable rates. Mr. Fisher is working with Finance Director-Treasurer Manley for the 2023 capital improvement projects funding; they are currently finalizing the list and she is doing a great job with the City thus far. He then reviewed his presentation/packet with the Committee:

Page 2 - Interest Rate Graph - debt refinanced while rates were low; rates went up last year and maxed out in Fall.

Page 3 - Borrowing Structure - \$8,370,000 general obligation promissory note for capital improvement projects and capitalized interest for TID #15 under 10-year financing; March 1, 2024, and due September 2030; 4% interest.

\$6,720,000 taxable general obligation promissory note for capital improvement projects, specifically for TID #s 9, 10, 11 12 and 15 and a land purchase for #12; under 10-year financing, callable in 2030 or any date thereafter; a 5.50% percent interest rate is projected, conservatively.

The Official Statement is in process and the City should receive its bond rating in a few weeks; City currently has a AA2 bond rating and it is recommended to maintain that rating as a goal. The initial resolutions are planned to be reviewed at the 7/18 Common Council (CC) meeting and final resolutions at the 8/15 CC meeting to lock in rates and close by 9/7/23.

Page 4 - Detailed Analysis of the purposes of the borrowings for TIDs and illustrating outstanding debt.

Page 5 - Detailed Analysis of tax-exempt notes and allocations to different tax increment districts.

Page 6 - Detailed Analysis allocated among TIDs for taxable general obligation notes; positive for rapid debt pay-down when possible.

Page 7 - Detailed Analysis summary of debt service after borrowings.

Page 8 - General Obligation Borrowing Capacity. The City is prudent in its borrowing and can borrow up to 5% of its equalized valuation; with \$146,000,000 in debt, there is still \$87,000,000 in borrowing capacity available. The City invests in itself with improvements and is paying down debt and investing at the same time.

In conclusion, Mr. Fischer advised the City to continue the good work and he is confident to bring good news in August.

In response to Alderperson Chandik Kunding, City Administrator Delo advised that the TID #12 land purchase is at the end of American Boulevard. Investing in land is very exciting for the City.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Amy Chandik Kunding, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

14. Consideration and Possible Action on the City of De Pere Investments and Cash Detail report for May 2023.

Finance Director Treasurer Manley advised that interest is going up in the Local Government Investment Pool; the market value is not as good in other investments, but investments will be held until term and the City is not losing money.

Mayor Boyd made a Motion to receive the Cash and Investment report for the month ending May 31, 2023, and to place the report on file; seconded by Alderperson Perock.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	James Boyd, Mayor
SECONDER:	Devin Perock, Alderperson
AYES:	Perock, Gantz, Boyd, Kunding, Quigley

15. Future agenda items.

None.

16. Adjournment

Upon Motion of Mayor Boyd, seconded by Alderperson Chandik Kunding, the meeting adjourned at 7:55 p.m. by unanimous vote.

***Items with an asterisk require City Council approval.**

Respectfully submitted,
Angela Zills



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Fire Department

FROM: Lea Taylor

SUBJECT: Consideration and possible action on the Fire Department Overtime and LifeQuest Services Billing Reports for July, 2023.

ATTACHMENTS:

- FIRE DEPT OT REPORT JULY 2023 (PDF)

DE PERE FIRE RESCUEOVERTIME BREAKDOWN BY REASON FOR THE YEAR 2022

REASON	Jan.*	Feb.**	Mar. ***	Apr.+	May++	June+++	July^	Aug.^^	Sept.^^^	Oct.#	Nov.##	Dec.###	TOTAL
DUTY CREW	66.75	29.75	15.00	36.00	24.00	20.50	46.75	18.00	12.00	6.00	30.00	9.00	313.75
EMS TRAINING	162.75	193.00	146.50	120.25	52.25	5.25	5.25	67.75	189.50	299.25	54.00	139.50	1,435.25
FIRE TRAINING	50.00	7.75	59.25	70.00	78.75	47.25	13.50	8.50	42.75	19.50	35.75	12.00	445.00
RESCUE CALLS	11.25	12.75	18.25	14.00	1.25	9.00	5.25	9.75	6.75	4.00	21.00	6.00	119.25
FIRE CALLS	0.00	2.00	4.50	0.00	17.50	0.00	9.00	0.00	3.75	2.25	0.00	0.75	39.75
MEETINGS	5.00	21.50	15.75	3.00	29.00	6.75	8.50	58.25	24.00	6.75	0.00	24.00	202.50
STAFFING REP.	232.50	139.75	387.50	180.00	89.75	336.00	1,032.75	589.75	404.25	566.25	400.25	127.50	4,486.25
MAINTENANCE	0.00	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50
PUB. ED.	0.00	5.50	0.00	0.00	0.00	27.25	0.00	0.00	45.00	5.50	6.00	0.00	89.25
SPECIAL EVENTS	11.00	17.00	10.25	24.50	14.25	41.25	6.00	51.00	9.75	12.00	0.00	11.00	208.00
# FIRE RUNS	35	31	35	22	38	32	43	25	31	31	34	31	388
# EMS RUNS	252	199	252	205	241	234	233	213	223	214	232	219	2,717
DISPATCH ERRORS	3	1	1	1	4	2	2	2	4	3	2	5	30
TOTAL HRS.	539.25	429.00	657.50	447.75	306.75	493.25	1,127.00	803.00	737.75	921.50	547.00	329.75	7,339.50

Special Events included in Overtime

Total Overtime Budget \$110,000, Expenditures through January 3, 2023, \$172,643

*Period: 12/24/21-01/21/22 +Period: 04/02/22-04/29/22 ^Period: 06/25/22-07/22/22 #Period: 10/01/22-10/28/22
 **Period: 01/22/22-02/18/22 ++Period: 04/30/22-05/27/22 ^^Period: 07/23/22-09/02/22 ##Period: 10/29/22-11/25/22
 ***Period: 02/18/22-04/01/22 +++Period: 05/28/22-06/24/22 ^^^Period: 09/03/22-09/30/22 ###Period: 11/26/22-12/23/22

OVERTIME BREAKDOWN BY REASON FOR THE YEAR 2023

REASON	Jan.*	Feb.**	Mar. ***	Apr.+	May++	June+++	July^	Aug.^^	Sept.^^^	Oct.#	Nov.##	Dec.###	TOTAL
DUTY CREW	69.00	40.50	53.00	22.50	51.00	37.75	15.00						288.75
EMS TRAINING	74.25	247.00	115.75	99.00	28.50	42.25	58.50						665.25
FIRE TRAINING	13.50	49.50	21.00	5.25	3.00	1.50	0.00						93.75
RESCUE CALLS	19.50	21.25	20.00	10.00	7.75	13.25	7.00						98.75
FIRE CALLS	8.75	6.25	9.50	1.75	0.00	0.00	0.75						27.00
MEETINGS	10.75	3.00	36.75	5.75	6.00	1.50	0.00						63.75
STAFFING REP.	39.75	509.25	220.50	234.75	216.25	375.75	447.00						2,043.25
MAINTENANCE	3.00	0.00	0.75	0.00	3.00	0.00	0.00						6.75
PUB. ED.	0.00	0.00	0.00	0.00	0.00	11.75	3.00						14.75
SPECIAL EVENTS	0.00	3.00	14.25	0.00	15.00	48.75	0.00						81.00
# FIRE RUNS	36	18	24	27	30	36	40						211
# EMS RUNS	216	189	226	209	228	209	220						1,497
DISPATCH ERRORS	5	2	6	3	2	6	3						27
TOTAL HRS.	238.50	879.75	491.50	379.00	330.50	532.50	531.25	0.00	0.00	0.00	0.00	0.00	3,383.00

Special Events included in Overtime

Total Overtime Budget \$115,000, Expenditures through August 1, 2023, \$59,371, 52%

*Period: 12/24/22-01/20/23 +Period: 04/01/23-04/28/23 ^Period: 06/24/23-07/21/23 #Period:
 **Period: 01/21/23-03/03/23 ++Period: 04/29/23-05/26/23 ^^Period: ##Period:
 ***Period: 03/04/23-03/31/23 +++Period: 05/27/23-6/23/23 ^^^Period: ###Period:



DE PERE FIRE RESCUE STRUCTURAL FIRE "STILL" ALARMS FOR JULY, 2023

Date	Incident Location	Reported Situation	Units Dispatched	Disposition	Mutual Aid Received
7/1/2023	1917 Andraya Lane (Town of Lawrence)	Garage fire	BC111, L111	Dispatched & canceled en route	N/A
7/3/2023	324 S. Ninth Street	Gas leak (natural gas or LPG)	BC111, E121	Hazardous materials leak control &	N/A
7/3/2023	978 Willard Drive (Village of Ashwaubenon)	Building fire	L111	Dispatched & canceled en route	N/A
7/4/2023	200 S. Ninth Street	Overheated motor	BC111, E111, E121	Investigate	Ashwaubenon, Cty Rescue, Hobart & Lawrence
7/6/2023	2121 American Blvd.	Alarm system activation, no fire, unintentional	E111	Investigate	N/A
7/6/2023	100 William Street	Dumpster or other trash receptacle fire	E111	Extinguishment by fire service personnel	N/A
7/7/2023	1450 Main Avenue (Village of Ashwaubenon)	Alarm system sounded, due to malfunction	BC111, L111	Provide manpower	N/A
7/9/2023	2555 American Blvd.	Alarm system activation, no fire, unintentional	E121	Investigate	N/A
7/11/2023	510 N. Tenth Street	Arcing, shorted electrical equipment	E121	Investigate	N/A
7/13/2023	1808 Ridgeway Drive	Sprinkler activation, no fire, unintentional	E111	Investigate	N/A
7/13/2023	1380 Scheuring Road	Smoke detector activation, no fire, unintentional	E121	Investigate	N/A
7/14/2023	1605 Fort Howard Avenue	Detector activation, no fire, unintentional	BC111, L111	Investigate	N/A
7/18/2023	7555 Scheuring Road	Detector activation, no fire, unintentional	E121	Investigate	N/A
7/18/2023	1236 Pershing Road	Alarm system sounded, due to malfunction	E111	Investigate	N/A
7/18/2023	603 St. Joseph's Street	Gas leak (natural gas or LPG)	E121	Investigate	N/A
7/19/2023	1162 Flightway Drive (Village of Hobart)	Smoke detector activation, due to malfunction	BC111, E121	Investigate	N/A

Date	Incident Location	Reported Situation	Units Dispatched	Disposition	Mutual Aid Received
7/20/2023	2500 Kilrush Road	Alarm system sounded, due to malfunction	E121	Investigate	N/A
7/24/2023	1305 Lourdes Avenue	Smoke detector activation, due to malfunction	E121	Investigate	N/A
7/24/2023	1076 Valley View Road (Village of Ashwaubenon)	Possible structure fire	BC111, L111	Dispatched & canceled en route	N/A
7/27/2023	255 N. Tenth Street	Overheated motor	BC111, E111, E121	Investigate, ventilate	Ashwaubenon, Green Bay, Hobart & Lawrence
7/31/2023	411 Arborvitae Lane	Gas leak (natural gas or LPG)	BC111, E121	Investigate	N/A

DE PERE FIRE RESCUE
JULY, 2023
***OVERTIME CAUSED BY SICK LEAVE**

DATE	HOURS OF SICK LEAVE	OVERTIME PAID
7/1/2023	48	72
7/2/2023	24	36
7/3/2023	24	36
7/5/2023	24	36
7/6/2023	24	36
7/8/2023	24	36
7/21/2023	24	36
TOTAL	192	288

*Overtime generated when staffing levels fall below minimum as a result of sick leave.

**06/24/23-07/21/23

LIFEQUEST MEDICAL BILLING - 2023
MONTHLY REPORT

	JAN.	FEB.	MARCH	APRIL	MAY	JUNE
CHARGES	249,747	228,076	251,116	214,771	277,498	287,539
PAYMENTS	94,422	100,536	102,969	113,182	109,427	97,211
CREDIT ADJUSTMENTS	119,181	120,031	111,822	116,186	96,684	117,370

	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
CHARGES	215,698					
PAYMENTS	107,636					
CREDIT ADJUSTMENTS	140,065					

Payments to LifeQuest	
January	6,282
February	6,498
March	7,790
April	7,648
May	6,130
June	5,830
July	5,957
August	
September	
October	
November	
December	
Total Paid	\$46,137

**See attached details

City Of De Pere
Income and Expenditures
July 2023
All Phases

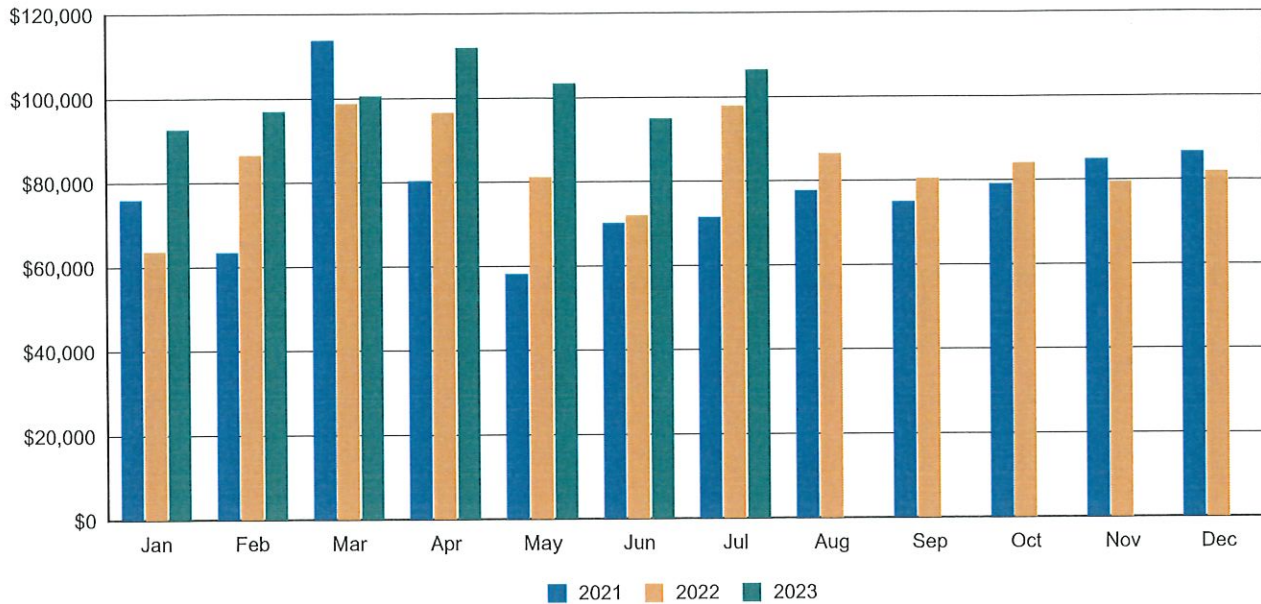
Charges		Billing	Collection	Total
Billing Charges / Collection Placements		\$184,612.00	\$31,086.22	\$215,698.22
Other	+	\$0.00	\$0.00	\$0.00
Subtotal of Charges		\$184,612.00	\$31,086.22	\$215,698.22
Account Transfers		\$16,337.80	\$14,748.42	\$31,086.22
Credit Summary				
Total Credits		\$235,652.21	\$11,439.94	\$247,092.15
Less Adjustments	-	\$135,797.04	\$4,267.55	\$140,064.59
Less Delinquent Closed Accounts Reconciliation	-	\$0.00	\$517.80	\$517.80
Less Overpayments	-	\$(923.29)	\$(203.41)	\$(1,126.70)
Gross Payments Received		\$100,778.46	\$6,858.00	\$107,636.46
Plus Overpayment Returns	+	\$(460.99)	\$0.00	\$(460.99)
Net Payments Received		\$100,317.47	\$6,858.00	\$107,175.47
Less Payments Kept By Service	-	\$0.00	\$0.00	\$0.00
Total Deposits Reconciliation		\$100,317.47	\$6,858.00	\$107,175.47
Summary of Disbursement				
Total Deposits & Payments Kept By		\$100,317.47	\$6,858.00	\$107,175.47
Plus Overpayment Refunds	+	\$(462.30)	\$(203.41)	\$(665.71)
Gross Revenue		\$99,855.17	\$6,654.59	\$106,509.76
LifeQuest Fee		\$4,493.48	\$1,464.01	\$5,957.49
Plus Probate Fees	+	\$0.00	\$0.00	\$0.00
Other / Fees		-	-	\$0.00
Total Due LifeQuest	Check # EFT	\$4,493.48	\$1,464.01	\$5,957.49
Service Revenue		\$95,361.69	\$5,190.58	\$100,552.27
Less Payments Kept By Service	-	\$0.00	\$0.00	\$0.00
Less Service Payable	-	\$0.00	\$0.00	\$0.00
Less Probate Fees	-	\$0.00	\$0.00	\$0.00
Other / Fees		\$0.00	\$0.00	\$0.00
Total Due Service	Check # EFT	\$95,361.69	\$5,190.58	\$100,552.27

Messages:

Total Deposits EOM differ from bank statement by \$14887.99 due to 3/2 \$69.00 shp, 3/24 \$550.91 hwho, 3/24 \$591.70 uhc, 3/24 \$522.53 compcare, 3/24 \$667.73 uhc, 5/11 \$450.79 uhc 5/12 \$846.93 uhc, 5/19 \$509.50 uhc, 5/19 \$1053.65 united behavior, 5/23 \$265.67 anthem, 6/14 \$363.13 umr, 6/23 \$117.09 va, 6/28 \$328.73 quartz, 6/28 \$1020.61 prevea, 6/28 \$2002.93 umr, 6/28 \$213.97 aarp. 6/28 \$2665.82 uhc, 6/28 \$225.47 wps, 6/29 \$249.42 hwho, 6/29 \$1605.11 humana, 6/30 \$548.02 ngs, 6/30 \$1325.05 uhc, 6/30 \$95.83 aarp, 6/30 \$646.40 umr, now posted, 7/17 \$1423.00 va, 7/18 \$275.00 va not posted jlc 8.1.23

All Phases Gross Revenue

City of De Pere
January 2021 to July 2023



	2021	2022	2023
January	\$76,068	\$63,841	\$92,717
February	\$63,602	\$86,624	\$96,954
March	\$113,896	\$98,825	\$100,571
April	\$80,392	\$96,607	\$112,135
May	\$58,325	\$81,259	\$103,493
June	\$70,239	\$72,087	\$94,967
July	\$71,566	\$97,965	\$106,510
August	\$77,763	\$86,527	\$0
September	\$75,107	\$80,584	\$0
October	\$79,194	\$84,134	\$0
November	\$85,024	\$79,587	\$0
December	\$86,681	\$81,992	\$0
Total Gross Revenue	\$937,858	\$1,010,034	\$707,347

City Of De Pere

Billing Summary

July 2023

Phase 1

Charges

Billing Charges		\$184,612.00	
Other	+	\$0.00	
Subtotal of Charges			\$184,612.00

Account Transfers

Billing to Collections Transfer Total			\$16,337.80
---------------------------------------	--	--	--------------------

Credit Summary

Total Credits		\$235,652.21	
Less Adjustments	-	\$135,797.04	
Less Overpayments	-	\$(923.29)	
Gross Payments Received			\$100,778.46
Plus Overpayment Returns	-	\$(460.99)	
Net Payments Received			\$100,317.47
Less Payments Kept By Service	-	\$0.00	
Total Deposits Reconciliation			\$100,317.47

Summary of Disbursement

Total Deposits & Payments Kept By		\$100,317.47	
Plus Overpayment Refunds	+	\$(462.30)	
Gross Revenue			\$99,855.17
LifeQuest Fee		\$4,493.48	
Plus Probate Fees	+	\$0.00	
Total Due LifeQuest	Check # EFT		\$4,493.48
Service Revenue		\$95,361.69	
Less Payment Kept By Service	-	\$0.00	
Less Service Payable	-	\$0.00	
Less Probate Fees	-	\$0.00	
Other / Fees	-	\$0.00	
Total Due Service	Check # EFT		\$95,361.69

Messages:**Legend:****Charges - Other:** Includes insurance interest, transaction fees, probate fees**Credit Summary - Less Overpayments:** Includes recoupments, refunds, returns, service payables**Credit Summary - Plus Overpayment Returns:** Includes NSF/bank returned type payments

Receivables Distribution Report

Receivables Cash

All Companies

All Directories

Charges	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023	Totals
Aug 2022	4148	39546	17217	3603	8227	705	1352	150	1540	-226	150	100 \$	76511
188907	2.2	20.9	9.1	1.9	4.4	0.4	0.7	0.1	0.8	-0.1	0.1	0.1 %	40.5
Sep 2022		5420	43706	23508	8301	3026	1852	1292	375	-725	-49	0 \$	86705
192420		2.8	22.7	12.2	4.3	1.6	1	0.7	0.2	-0.4	0	0 %	45.1
Oct 2022			8983	35308	15297	7932	3620	2587	30	30	0	25 \$	73813
183413			4.9	19.3	8.3	4.3	2	1.4	0	0	0	0 %	40.2
Nov 2022				5006	35903	22782	5091	1744	2164	227	997	31 \$	73945
176364				2.8	20.4	12.9	2.9	1	1.2	0.1	0.6	0 %	41.9
Dec 2022					5364	42270	17049	4898	1957	342	278	646 \$	72804
185954					2.9	22.7	9.2	2.6	1.1	0.2	0.1	0.3 %	39.2
Jan 2023						3506	49033	23626	6958	9251	1087	144 \$	93605
208255						1.7	23.5	11.3	3.3	4.4	0.5	0.1 %	44.9
Feb 2023							7272	39910	22361	7898	1780	2124 \$	81344
185421							3.9	21.5	12.1	4.3	1	1.1 %	43.9
Mar 2023								5502	53158	28598	5913	5421 \$	98592
229026								2.4	23.2	12.5	2.6	2.4 %	43
Apr 2023									8057	42743	21882	6678 \$	79361
205275									3.9	20.8	10.7	3.3 %	38.7
May 2023										10264	45017	25029 \$	80310
227424										4.5	19.8	11 %	35.3
Jun 2023											5639	46018 \$	51657
202474											2.8	22.7 %	25.5
Jul 2023												13385 \$	13385
155884												8.6 %	8.6
Averages	1st Mo	2nd Mo	3rd Mo	4th Mo	5th Mo	6th Mo	7th Mo	8th Mo	9th Mo	10th Mo	11th Mo	12th Mo	
Extended	3.5	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	
Weighted	3.5	21.6	11	3.3	2.3	0.8	0.3	0.2	0.1	0	0	0.1	



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Police

FROM: Jeremy Muraski

SUBJECT: Consideration and Possible Action on the July 2023 Police Overtime Report.

The July 2023 OT report for the department is attached.

Total overtime for the month of July was 677.25 hours. Non-Reimbursable Miscellaneous OT of 25.75 hours consists of 4.25 hours for an ERU Callout, 12.25 hours short shift, 1 hour shift differential, and 8.25 hours FTO staffing hours. Reimbursable Miscellaneous OT totaled 16 hours, is comprised of 4 hours Click-It Grant, 8 hours for bike/pedestrian grant, and 4 hours for traffic grant enforcements. Investigation totaled 34 hours of which represent Late Calls and Patrol Report Writing by Patrol. Special Event overtime of 20 hours is for the Pink Flamingo event at Legion Park.

The department also received reimbursement from several overtime sources including the Drug Task Force.

ATTACHMENTS:

- July 2023 PD OT Report (PDF)
- Trend Chart July 2023 (PDF)

**DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2023**

REASON	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEPT	OCT	NOV	DEC	TOTAL
OFFICER SICK RELIEF	11.00	15.75	8.00	39.00	18.50	22.50	19.50						134.25
OFFICER WORKED ON HOLIDAY	68.00	8.00	4.00	34.00	101.75	18.25	66.75						300.75
OFFICER FOR COURT	18.00	29.50	15.00	20.00	20.75	15.00	8.00						126.25
OFFICER TRAINING	53.50	98.50	91.75	151.00	174.00	144.25	56.75						769.75
OFFICER RELIEF FOR FUNERAL	0.00												0.00
OFFICER ATTEND MEETING	30.00	8.25	5.25			1.25	2.00						46.75
STAFFING LEVEL	152.00	81.75	263.00	127.75	97.00	168.75	428.50						1318.75
INVESTIGATION	16.00	67.50	76.25	31.75	46.50	39.50	34.00						311.50
HONOR GUARD FOR FUNERAL	0.00	20.00		30.00	31.50								81.50
SCHOOL LIAISON REIMBURSED	41.50	29.00	29.25	21.50	21.50	22.50							165.25
COMMUNITY RELATIONS	0.00												0.00
SPECIAL ASSIGNMENT	0.00						20.00						20.00
SPECIAL ASSIGNMENT REIMBURSED	0.00	14.00	5.25		187.50	34.50							241.25
MISCELLANEOUS	12.50	9.50	21.00	7.00	6.00	20.00	25.75						101.75
MISCELLANEOUS REIMBURSED	20.25	37.50	24.25	31.75	46.25	32.50	16.00						208.50
GROSS OFFICER OVERTIME	422.75	419.25	543.00	493.75	751.25	519.00	677.25	0.00	0.00	0.00	0.00	0.00	3826.25
SUBTOTAL REIMBURSED OVERTIME	(61.75)	(80.50)	(58.75)	(53.25)	(255.25)	(89.50)	(16.00)	0.00	0.00	0.00	0.00	0.00	(615.00)
NET OFFICER OVERTIME	361.00	338.75	484.25	440.50	496.00	429.50	661.25	0.00	0.00	0.00	0.00	0.00	3211.25

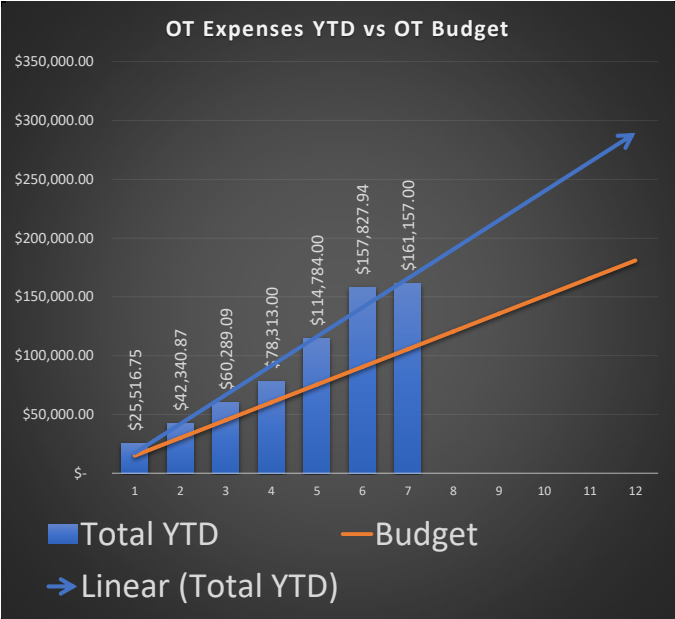
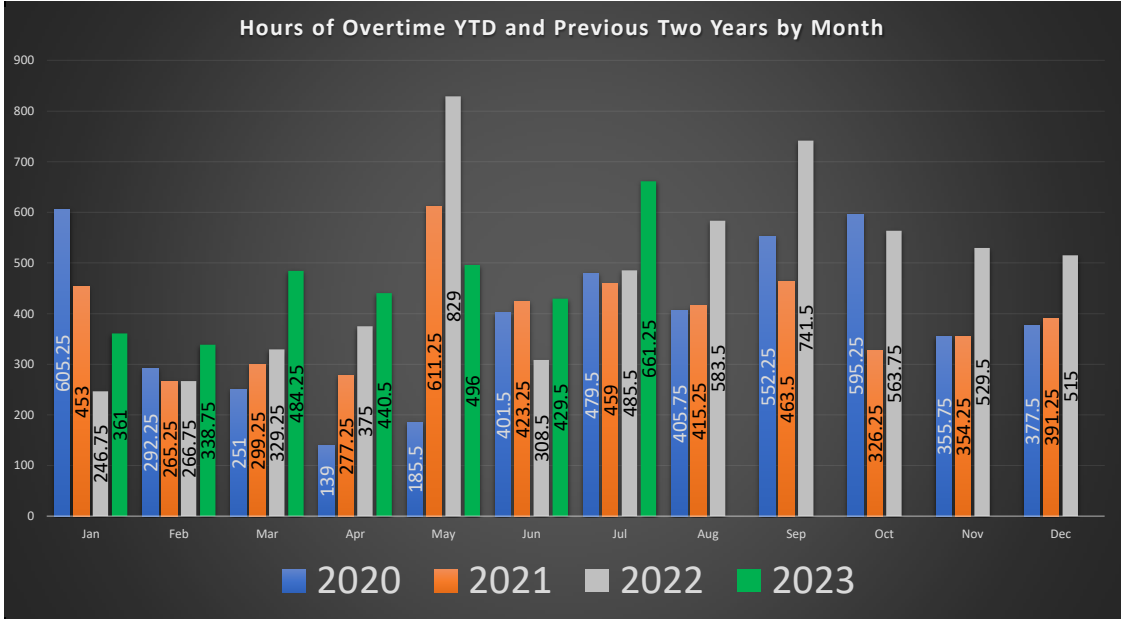
TOTAL OVERTIME BUDGET: \$ 181,000.00

EXPENDITURES THROUGH 06/30/2023 \$ 161,157.58

PERCENT OF TOTAL BUDGET: 89%

2023 PD Overtime Trends Report

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total Yearly Hours	Total Yearly Expendi	Total OT Budget
2020	605.25	292.25	251	139	185.5	401.5	479.5	405.75	552.25	595.25	355.75	377.5	4640.5	\$ 236,436.94	\$ 175,000.00
2021	453	265.25	299.25	277.25	611.25	423.25	459	415.25	463.5	326.25	354.25	391.25	4738.75	\$ 202,559.08	\$ 175,000.00
2022	246.75	266.75	329.25	375	829	308.5	308.5	485.5	583.5	741.5	563.75	529.5	5774	\$ 195,590.66	\$ 175,000.00
2023	361	338.75	484.25	440.5	496	429.5	661.25						3211.25	\$ 25,516.75	\$ 181,000.00
Total YTD	\$ 25,516.75	\$ 42,340.87	\$ 60,289.09	\$ 78,313.00	\$ 114,784.00	\$ 157,827.94	\$ 161,157.00								
% of Budget	14.0%	23.0%	33.0%	43.0%	63.0%	87.0%	89.0%								
Budget	\$ 15,083.33	\$ 30,166.66	\$ 45,249.99	\$ 60,333.32	\$ 75,416.65	\$ 90,499.98	\$ 105,583.31	\$ 120,666.64	\$ 135,749.97	\$ 150,833.30	\$ 165,916.63	\$ 180,999.96			





City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Police

FROM: Jeremy Muraski

SUBJECT: Consideration and Possible Action on Request from the Chief of Police to authorize expenditure of \$1,040 to fund the costs of cellular internet connections for surveillance cameras for Optimist Park and Southwest Park. The funding source would be the Contracting Budget Line Item in the 2024 De Pere Police Department Budget. *

Please see the attached justification memo.

ATTACHMENTS:

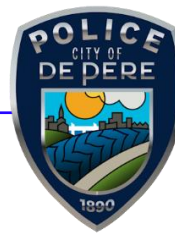
- Request for Cellular Data for Cameras August 2023 (PDF)

DE PERE

POLICE DEPARTMENT

325 S. Broadway
De Pere, WI 54115
920-339-4079

Jeremy A. Muraski
Chief of Police



To: Finance and Personnel Committee, De Pere City Council

From: Jeremy A. Muraski, Chief of Police

Date: August 4, 2023

Subject: Request for Authorization to Spend \$520 per year in Cellular Data Fees for Cameras Placed in Parks or Areas Without Internet Connectivity

As you know, the City Council approved the expenditure of ARP funds to purchase surveillance cameras to be placed in City parks or in areas around the city that are higher risk. Many of these locations do not have any internet connectivity. The two projects we have in mind initially are to place one 4 camera system at Optimist Park, and at least one 4 camera system at Southwest Park.

Each 4 camera module would require a cellular type data modem to connect the video stream back to City Hall allowing us to record video to the city video system like we do with the other cameras. Further, in the event of an incident we could go back and retrieve that footage as evidence, and also use it to potentially identify the perpetrator(s) much like we have with previous incidents of criminal damage in the Art Alley.

With the available ARPA funding already approved, it is possible to fund the purchase of 12 of the 4 camera systems. Some of them will likely be installed in areas that will have internet connectivity, such as cameras installed in and around the Nelson Pavilion in Voyageur Park. In those use cases, there would be no need for a cellular data modem.

In the cases of Southwest Park and Optimist Park, both would require a cellular modem. The yearly cost would be approximately \$520 each. I am therefore requesting permission to add those funds under a contracting budget line item to the 2024 and future budgets. Because this will be an ongoing operating expense, I am also seeking your direction on how to proceed with future camera deployments beyond the two proposed here that would also require the cellular service. Most city parks, for example, do not have internet connections, so any cameras deployed at future parks would have the same need for an additional cellular data plan.

Thank you for your time and consideration.

Jeremy A. Muraski, Chief of Police



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Human Resources

FROM: Shannon Metzler

SUBJECT: Recommendation and Possible Action to contract with the National Testing Network (NTN) Regional Hiring Process for Recruitment of Candidates for De Pere Fire Rescue Firefighter Vacancies*

ATTACHMENTS:

- Memo to Finance - National Testing Network (PDF)
- NTN Agreement Form - FVTC WI Fire Departments (PDF)

CITY OF DE PERE MEMO



To: Members of the Finance/Personnel Committee

From: Shannon Metzler, Human Resources Director

Date: August 8, 2023

**RE: Recommendation and Possible Action to contract with the National Testing Network (NTN)
Regional Hiring Process for Recruitment of Candidates for De Pere Fire Rescue Firefighter
Vacancies**

The Human Resources Department is seeking approval to contract with the National Testing Network (NTN) to aid in the recruitment and screening of potential candidates for De Pere's Fire Rescue Department. Previously, we contracted with Fox Valley Technical College in their Regional hiring process.

Beginning in 2023, FVTC partnered with NTN to provide recruitment support, application data collection, test administration, and reporting services on an ongoing basis. Through the previous FVTC Hiring Process, the department was provided with a list of qualified candidates one time per year. The FVTC/NTN partnership will give the department continuous access to the most recent list of active job seekers with valid test scores, which can be utilized any time a vacancy occurs.

Additionally, NTN provides the following services as part of the agreement:

- Job posting services on NTN's website and recruitment support through social media and job board postings.
- Targeted recruitment to candidates with valid test scores in NTN's system.
- Continuous written exam administration through NTN's Virtual Proctor system or at a brick-and-mortar facility (including FVTC).
- Quarterly Candidate Physical Ability Test (CPAT) administration.
- 24/7 access to NTN's online reporting tool to download the department's eligibility list as needed.

The annual membership fee to utilize National Testing Network's applicant testing and recruitment services is \$500 per year. This is half the cost that we have paid through FVTC. The cost will be paid from the Human Resource's budget.

If you have any questions in advance of the meeting, please contact me at 339-4045.



National Testing Network Agreement for **Department Name**

National Testing Network, Inc. (NTN) provides professional testing and recruitment services for public service agencies, including but not limited to: fire, law enforcement, communications, corrections, and transit. National Testing Network is owned and operated by professional testing experts with Ph.D.'s in Industrial/Organizational Psychology and over six decades of combined public sector testing experience. NTN is fully integrated with its parent company, Ergometrics and Applied Personnel Research, Inc., and uses Ergometrics' high quality simulations. NTN offers test administration virtually and at full time testing centers and satellite testing centers across the country.

This agreement is made and entered into, effective as of the date executed, by and **Department Name** ("Member Agency"), and National Testing Network, Inc., whose principal address is 2122 164th St. SW, Lynnwood WA 98087. In consideration of the mutual agreements incorporated herein, and subject to the terms and conditions stated in this Agreement, the Parties agree as follows:

CONTRACT PRICE

The annual membership cost for a department to utilize NTN's applicant testing and recruitment services is \$500 per year for each job classification. Upon the renewal date each year, an invoice will be issued to the department and will serve as a renewal notification. Payment of this invoice will continue membership services for one year following the same scope of agreement.

Annual Membership	Each Job Category Membership Fee
Firefighter Annual Membership	\$500



SCOPE OF AGREEMENT

NTN WILL PROVIDE

NTN will provide the testing services at designated testing facilities for the sole purpose of testing candidates for the specific job classifications stated in the scope of the agreement. NTN, at its sole discretion, may make changes to the testing materials, including, but not limited to alternate forms, scoring keys, additional sections, different test items, different tests and/or test administration strategy, including location.

NTN will provide an applicant website for test scheduling, testing facility, test administration, database of applicant scores and consultation regarding scores and services. NTN will provide authorized member agency personnel access to candidate information for candidates that submit scores to the Member Agency. This information will include basic application information as defined by NTN. NTN recruitment services will include, but are not limited to, internet advertising on job posting services.

The candidate information collected will be determined by NTN and reported to the Member Agency. Member department job description information and logo will be posted on the NTN website. Any additional application materials and assessments will be the responsibility of the Member Agency to collect.

The Member was offered a transportability analysis as part of the implementation process. If the Member chose not to conduct such an analysis, they hereby affirm they understand it is their responsibility to ensure the job is similar enough to the departments that participated in the criterion validation of the exam and/or have sufficient evidence of content validity.

MEMBER AGENCY WILL PROVIDE

The Member Agency will provide information regarding the organization and applications for use on the NTN website, including organization logos. The Member Agency will also provide links on Member Agency's websites to direct candidates to the NTN website for test sign-up. The Member Agency will also engage in reasonable recruitment and advertising measures to bring candidates both to the NTN website and Member Agency's website for pre-employment purposes.

MARKETING MATERIALS

The Member Agency grants NTN permission to use its name, logo, and other identifying information for the purposes of marketing NTN services. This permission may be revoked by Member Agency at any time.

National Testing Network sincerely appreciates the opportunity to fulfill your business needs and help support an efficient and cost-effective applicant recruitment and screening process.



 Signature

 Agency Name

 Primary Contact Name *(Please print)*

 Physical Address

 Title

 City

 Date

 State

 Email

 Zip Code

 Phone

Billing Contact

Please list who should receive the invoices from NTN.

 Billing Contact Name *(Please print)*

 Email

 Title

 Phone

Other Authorized Contacts

Please list anyone who is authorized to receive materials, including candidate scores, or discuss scores with NTN.

 Authorized Contact Name *(Please print)*

 Authorized Contact Name *(Please print)*

 Title

 Title

 Email

 Email

 Phone

 Phone



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Human Resources

FROM: Shannon Metzler

SUBJECT: Recommendation and Possible Action to use ScreeningOne to Conduct Background Checks for Various Recruitments *

ATTACHMENTS:

- Background Screening Memo for Finance (PDF)
- ScreeningOne Membership Packet (PDF)
- ScreeningOne Price Sheet (PDF)

CITY OF DE PERE MEMO



To: Members of the Finance/Personnel Committee

From: Shannon Metzler, Human Resources Director

Date: August 8, 2023

RE: Recommendation and Possible Action to use ScreeningOne to Conduct Background Checks for Various Recruitments

The Human Resources Department is seeking approval to begin using ScreeningOne to conduct our out of state background checks, credit checks and education and professional license verifications during the recruitment process. Currently the City uses Sterling for this, however they are unable to run credit checks.

ScreeningOne is well versed in the legal requirements, regulations, and best practices for each type of verification, including those specific to out of state processes. They ensure accurate and thorough reporting through quality control measures and adhere to all applicable laws, regulations, and industry standards to maintain compliance and mitigate potential risks associated with these verifications.

The funding for these services is already a part of the recruitment budget. ScreeningOne does not require any set up fees or ordering minimums and they do not have any monthly charges. All costs are lower than other companies that were researched. Turnaround time is immediate to 36 hours, depending on the type of report requested.

If you have any questions in advance of the meeting, please contact me at 339-4045.



Company Information

Business Name (End-User)			Year Established	
Street Address		City	State	Zip
SSN or Federal Id Number	Main Office Phone	Business Fax	Is this a <u>Residential</u> Address? ☐ Yes ☐ No	
Business Owner/Officer/Principal		Company Website		
screeningONE Client Contact		Client Contact Title	Contact's Phone	
Contact's Email Address		Does this company have subsidiaries/branches? ☐ Yes ☐ No (If Yes, complete section below)		

Subsidiaries/Branches (if applicable – use an additional sheet if needed)

Subsidiary/Branch Name	Street	City	State	Zip
Subsidiary/Branch Name	Street	City	State	Zip
Subsidiary/Branch Name	Street	City	State	Zip
Subsidiary/Branch Name	Street	City	State	Zip

The above locations are valid subsidiaries/branches of our company and I certify that these locations have received and will comply with screeningONE's information security policies.

Signature of Company Representative: _____ Date: _____

Electronic Invoice

Primary Billing Contact	Primary Billing Email	Primary Billing Phone	Primary Billing Fax
Secondary Billing Contact(s)	Secondary Billing Email(s)	Secondary Phone	Secondary Fax

Pay by Credit Card (*optional*) Complete the following if you prefer to have your monthly charges applied to a card.

Card Type: ☐ Visa ☐ MasterCard ☐ American Express Card Number: _____

Expiration Date: _____ Card Code: _____ Name on Card: _____

Address on Card: _____

Signature: _____

Permissible Purpose/Compliance Information

Please indicate your company's business type and your intended use of credit reports and related products and services
Type of Business:
Intended Use of Consumer Information:



Service Agreement

This service agreement ("Agreement") is entered into as of the date written below between screeningONE, Inc. ("screeningONE"), and _____ ("Client").

Client and screeningONE agree to the following terms:

1. Pricing: Set forth on the attached price list.
2. Client is familiar with the requirements of all applicable federal and state laws, including the Fair Credit Reporting Act ("FCRA") and the Fair and Accurate Credit Transactions ("FACT") Act, including without limitation the provisions set forth herein, and Client agrees to comply with all requirements of these laws in connection with ordering and using Consumer Reports and related products and services ("Consumer Reports"). Client agrees that it is solely responsible for this compliance. Client acknowledges that it has received and read the acknowledgement and access security requirements documents provided by screeningONE.
3. Client will order Consumer Reports and related products and services for its exclusive use only, solely for permissible purposes as defined by federal and state law. Client certifies that it will be the end user of all Consumer Reports and agrees that it will hold all information strictly confidential, and will not copy, sell or transfer any such information to any third party. Client agrees to implement appropriate procedures so that only employees with adequate training regarding the requirements of the FCRA, FACT Act and all applicable federal and state laws have access to the Consumer Reports.
4. Client will obtain a signed authorization from each person on whom Consumer Report is ordered (the "Subject"), prior to ordering a Consumer Report on such Subject, and will maintain the authorization on file for audit and inspection. This requires Client to maintain a clear copy of photographic identification of each Subject along with the authorization for three years. During this period, Client will provide screeningONE with a copy of such authorization, or the original, as may be requested by screeningONE or its authorized representatives. Client agrees that screeningONE, upon reasonable notice, may conduct audits to ensure Client's compliance with the FCRA, FACT Act and all applicable federal and state laws, and requirements of this Agreement, and Client agrees to provide reasonable cooperation with screeningONE in connection with such audits.
5. Client certifies that it has a permissible purpose for obtaining a Consumer Report as follows:
 - ☐ **EMPLOYMENT SCREENING:** Client is an employer and has a need for consumer credit information in connection with the evaluation of individuals for employment.
 - ☐ **TENANT SCREENING:** Client is a property management company and/or property owner and has a need for consumer credit information in connection with the evaluation of individuals as tenants.
 - ☐ **OTHER:** Please indicate (1) your company's business and (2) your intended use of Consumer Reports and related products and services from screeningONE:
6. Client certifies that it will request Consumer Reports only for the permissible purpose certified above, and will use the reports obtained for no other purpose.
7. Consumer Reports will be requested only by Client's designated representatives. Employees and/or agents of Clients are forbidden to attempt to obtain or obtain reports on themselves, associates, or any other person except in the exercise of their official duties and in compliance with the law.
8. THE LAW PROVIDES THAT ANY PERSON WHO KNOWINGLY AND WILLFULLY OBTAINS INFORMATION ON A CONSUMER FROM A CONSUMER REPORTING AGENCY UNDER FALSE PRETENSES SHALL BE FINED UNDER FEDERAL LAW OR IMPRISONED, OR BOTH.
9. Client's account is delinquent if not paid in full within 30 days from the date of the invoice. Client is responsible for a finance charge of 10 percent per annum (or the highest rate allowable by law) on all delinquent amounts until paid.
10. Client shall pay to screeningONE reasonable attorneys' fees and costs incurred by screeningONE in collecting a delinquent account, or to otherwise enforce the terms of this agreement, including permissible purpose compliance, whether or not litigation is instituted. In the event of any litigation or other action involving this Agreement, the prevailing party shall be paid reasonable attorneys' fees and costs.



11. This Agreement contains the entire understanding and agreement between screeningONE and the Client and no other representations, covenants, undertakings or other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically incorporated herein, shall be deemed in any way to exist or bind screeningONE or the Client. screeningONE and the Client acknowledge that they have not executed this agreement in reliance on any such promise, representation or warranty. This Agreement shall not be modified by any oral representation made before or after the execution of this agreement. All modifications must be in writing and signed by both screeningONE and the Client.

12. This agreement shall continue, month to month, unless either party gives 5 days written notice to the other party to terminate this agreement. This notice must be received by ScreeningOne via certified mail, fax or e-mail. In the event of an agreed upon trial period, which agreement shall be in writing, the trial period shall begin from the date that the Client first runs Company's Products and Services.

13. Client shall indemnify and hold harmless screeningONE, and each of its affiliated persons and entities, from and against any and all liability, losses, claims, damages, and expenses, including, but not limited to, attorneys' fees and court costs, arising from or in any way connected with any breach or claimed breach of the terms of this Agreement by Client or any third person, including any representation, warranty, covenant, or agreement herein including, without limitation, any improper publication or disclosure or other misuse of a Consumer Report or information by Client or any third person or entity, including in violation of federal or state law.

14. This Agreement and the covenants and conditions contained herein shall apply to, be binding upon and transfer to the benefit of the administrators, executors, legal representatives, assignees, successors, agents and assigns of screeningONE and Client. This Agreement shall be governed by and construed in accordance with California law.

15. The pricing set forth in this Agreement (including the attached pricing list) is based on the pricing agreement for Consumer Reports and/or related products and services presently in place between screeningONE and the credit repositories (the "Repositories"), and/or their authorized brokers/resellers. Accordingly, notwithstanding any other term in this agreement, screeningONE's provision of Consumer Reports and/or related products and services to Client may be terminated immediately if the Repositories terminate screeningONE's ability to provide Consumer Reporting services. In the event that the Repositories increase the price of Consumer Reports and/or related products and services to screeningONE, screeningONE, at its option, may pass on the price increase to the Client, or terminate the provision of Consumer Reports and/or related products and services to Client.

16. In the event that Client fails to pay any invoice when due, Client hereby grants to screeningONE and/or its affiliated agents or companies the right to receive direct payment for all amounts due directly from Client's checking or credit accounts. Client hereby grants screeningONE a power of attorney, coupled with an interest, such that screeningONE can instruct checking and credit accounts to pay invoices due.

17. Client must conform to the SUBSCRIBER CERTIFICATION OF COMPLANCE pursuant to California Civil Code section 1785.14 (a).

Please check the appropriate box:

Client ☐ **is**

☐ **is not**

a retail seller, as defined in Section 1802.3 of the California Civil Code ("Retail Seller") and issues credit to consumers who appear in person on the basis of applications for credit submitted in person ("Point of Sale").

18. Client agrees to each of the forgoing terms. By signing below, the following person declares and attests under the laws of the United States that the foregoing, and the information and documents provided with the application, are true and correct.

Name (Printed): _____ Position: _____

Signature: _____ Date: _____



ScreeningOne®

Search Product	Price
Social Security Trace	\$2.00
National Criminal with Sex Offender & OFAC	\$8.00
County Criminal (Unlimited Counties) - 7 years	\$30.00
Federal Criminal	\$6.00
Motor Vehicle Records	\$3.00
5 Panel Drug Test	\$34.00
Employment Verification	\$8.00
Education Verification	\$8.00
Bankruptcies Judgments and Leins (Credit)	\$4.50



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Human Resources

FROM: Shannon Metzler

SUBJECT: Recommendation and Possible Action to Hire Prevea Health to Complete Job Analyses on Various Positions*

ATTACHMENTS:

- Prevea Job Analysis Memo for Finance (PDF)
- Health and Wellness Two page service agreement City of De Pere CR 39173 (PDF)

CITY OF DE PERE MEMO



To: Members of the Finance/Personnel Committee

From: Shannon Metzler, Human Resources Director

Date: August 8, 2023

RE: Recommendation and Possible Action to Hire Prevea Health to Complete Job Analyses on Various Positions

The Human Resources Department is seeking approval to have Prevea Health conduct a Job Analysis of the City's positions that currently require a pre-employment physical. Currently, Prevea Health's occupational health department completes pre-employment physicals. The job duties have changed for positions throughout the years and therefore an updated analysis of the physical requirements of each position is important for determining what the appropriate pre-employment physical should entail.

The job analysis is important in ensuring employee qualifications for specific jobs and for maintaining safety in the workplace. A physical therapist from Prevea Health will perform a job analysis of each position, which will determine what physical requirements (amount of bending, twisting, reaching, overhead work, lifting, etc.) a person needs to meet in order to perform that specific job. The physical demands analysis will:

- Break down the physical job task including manual handling and positional requirements.
- Gather information about the equipment and/or tools required to be used during each task.
- Study the frequency and duration of each task.
- Provide objective measurements of weights, distances, heights, and forces associated with each job task.

The physical therapist will work with Human Resources to review each job description, as well as meet with multiple employees in each position to ensure that the job description reflects accurate physical demands. They will also observe the job in action to gather objective measurements. The analysis will customize a screening that is specific to each job and allow the provider to confirm if a potential employee is physically capable of completing the job safely. Additional benefits include:

- Setting a benchmark to understand the level of physical requirement needed to complete the job effectively and reduce the risk of injury.
- Effectively orientating new employees to a position.
- The potential to minimize time away from work for injured employees by providing medical professionals information on job demands and possible modified duties.
- The ability to identify risk factors and determine if job task or work environment modifications are needed.

Prevea Health's current rate for a job analysis is \$87 per hour. Each position will take approximately up to 5 hours (3 hours on site to study the position and meet with employees and 2 hours to write the analysis). We have 11 positions that currently require a pre-employment physical. If each position takes

the full 5 hours to study and prepare the analysis, the total cost would be \$4,785.00. The cost will be paid from the Human Resources 2023 budget.

If you have any questions in advance of the meeting, please contact me at 339-4045.

Services Agreement

This Services Agreement (“**Agreement**”) is entered into by and between St. Vincent Hospital d/b/a Prevea Health (“**Prevea**”) and City of De Pere (“**Entity**”) (individually, each a “**Party**,” or collectively, the “**Parties**”). This Agreement shall be effective as of the day on which the last of the Parties executes this Agreement (“**Effective Date**”).

WHEREAS, Prevea is an integrated healthcare services delivery system that provides a wide range of healthcare related services, including wellness programs;

WHEREAS, Entity desires to retain Prevea to provide certain services (as further described below) to Entity and its employees, if applicable; and

WHEREAS, Prevea and Entity wish to enter into this Agreement which sets forth the terms and conditions upon which Prevea will provide such services to Entity.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained in this Agreement, the Parties agree as follows:

I. PURPOSE.

Entity hereby engages Prevea to provide to Entity the services as further described on an Addendum attached to this Agreement (“**Purchased Services**”). Prevea shall ensure that its personnel performing the Purchased Services are appropriately qualified, trained and credentialed under applicable law to provide the Purchased Services. The Purchased Services will be provided on a schedule mutually agreeable to the Parties or as otherwise provided in the Addendum. The Purchased Services will be provided at the locations identified in the Addendum or at locations as otherwise agreed upon by the Parties from time to time.

II. TERM

2.1 Term. The initial term of this Agreement shall be for a period of one (1) year, commencing on the Effective Date, and terminating one (1) year thereafter unless terminated earlier as provided in this Agreement. If “yes” is checked, this Agreement shall automatically renew for additional one (1) year terms unless otherwise terminated pursuant to this Agreement. ☒ Yes ☐ No

2.2 Termination. This Agreement may be terminated by either Party with or without cause or penalty by delivering a written notice of termination to the other Party at least ten (10) days prior to such early termination. This Agreement may also be terminated as mutually agreed upon in writing by the Parties.

III. COMPENSATION

3.1 Compensation. Entity shall pay Prevea in accordance with the amount(s) as further set forth on the applicable Addendum. In addition, Entity shall compensate Prevea for mileage costs incurred for travel outside a twenty (20) mile radius of the De Pere metropolitan areas, as applicable, at the then-current IRS standard business mileage rates. Prevea shall invoice Entity at the end of each month for fees incurred in the prior month, if any. Entity shall pay Prevea within thirty (30) days of Entity’s receipt of each invoice from Prevea.

IV. CONFIDENTIALITY/PRIVACY

4.1 HIPAA. The Parties shall each comply with the Standards for Privacy of Individually Identifiable Health Information and all other regulations promulgated under Section 264 of the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”) and other state or federal health information privacy and security laws (collectively, “**Privacy Laws**”). Furthermore, the Parties shall promptly amend this Agreement to conform with any new or revised Privacy Laws in order to ensure that Prevea is at all times in conformance with all Privacy Laws. Records prepared by Prevea in the course of furnishing Purchased Services to individuals shall be and remain the property of Prevea. Without limiting the foregoing, “Protected Health Information” (as defined under HIPAA) shall not be furnished to Entity without a proper authorization, unless fully de-identified such that the information is no longer considered Protected Health Information under HIPAA.

4.2 Confidential Information. Entity shall treat all Purchased Services hereunder as proprietary and confidential. Neither Party shall under any circumstances release or use any data or information linked to the other Party outside of providing Purchased Services hereunder without the express written consent of the other Party, provided, however, that the foregoing shall not prohibit either Party from disclosing any data or information which: (i) is necessary to disclose in connection with the delivery of Purchased Services; (ii) is required by law to be disclosed; (iii) is in the public domain at the time of disclosure to the receiving Party or which later enters the public domain through no fault of the receiving Party; (iv) is independently developed by the receiving Party without reference to the other Party’s confidential

information, or (v) was known by the receiving Party prior to its disclosure to the other Party under this Agreement.

9.b

V. COMPLIANCE/STANDARDS

5.1 Compliance. The Parties believe and intend that this Agreement complies with all relevant federal and state laws and regulations and accreditation standards, including but not limited to, Federal Health Care Program (as defined under 42 U.C. § 1320a7(b)(f)) fraud and abuse laws (including the Anti-Kickback Statute) and the Stark Law, and all of the rules and regulations promulgated pursuant to, and all of the cases or opinions interpreting, such statutes and laws.

5.2 No Inducement. Entity shall not be obligated or required to refer any patients to Prevea, or any affiliate of Prevea, to obtain or receive any medical diagnosis, care or treatment from Prevea, or to purchase any health care related services or products from Prevea. Neither Party is entering into this Agreement with an expectation that unlawful patient referrals will occur between the Parties or that other unlawful business will be generated between the Parties.

5.3 Exclusion. Each Party represents and warrants to the other that it is not: excluded from participation in any Federal Health Care Program; debarred, suspended or otherwise excluded from participating in any other federal or state procurement or non-procurement program or activity; or designated a Specially Designated National or Blocked Person by the Office of Foreign Asset Control of the U.S. Department of Treasury. Each Party further represents and warrants to the other Party that, to its knowledge, there are no pending or threatened governmental investigations that may lead to such exclusion. Each Party shall notify the other Party in writing upon the commencement of any such exclusion or investigation of the Party immediately upon receiving first notice of such exclusion or investigation. Each Party shall have the right to terminate this Agreement immediately upon learning of any such exclusion of the other Party and a Party subject to investigation shall keep the other Party informed of the status of any such investigation.

VI. INDEMNIFICATION

6.1 Indemnification. Each Party shall indemnify and hold the other harmless from any and all claims, suits, damages, fines, penalties, judgments, liabilities and expenses (including reasonable attorney’s fees and court costs) arising from (a) any negligent or willful act or omission of the Party, its agents, or employees, (b) any breach of this Agreement by the Party, its agents, or employees or (c) any violation of a law by the Party, its agents, or employees. Notwithstanding anything to the contrary in this Agreement, a Party’s obligations with respect to indemnification for acts described in this Section shall not apply to the extent that such application would nullify any existing insurance coverage of such Party or as to that portion of any claim of loss in which an insurer is obligated to defend or satisfy. This Section shall survive the expiration or earlier termination of this Agreement.

VII. STATUS OF THE PARTIES

7.1 Independent Contractor. Except as set forth in this Agreement, no action taken by either Party, or its officers, employees or agents pursuant to this Agreement, shall be deemed to create any partnership, joint venture, association or syndicate between the Parties, nor shall any such action be deemed to confer upon either Party any express or implied right or authority to assume, or create any obligation or responsibility, on behalf of, or in the name of, the other Party. The Parties to this Agreement are independent entities, contracting with each other solely for the purpose of carrying out the terms and conditions of this Agreement.

VIII. GENERAL PROVISIONS

8.1 Amendments. Except as provided in this Agreement, this Agreement shall not be amended except in a written document signed by both Parties. Additional Purchased Services may be added to this Agreement by the Parties from time to time by execution of an addendum setting forth the Purchased Services and compensation in the format similar to the attached Addendum.

8.2 Counterparts; Facsimile and pdf Signatures. This Agreement may be executed in multiple originals, each of which shall be considered an original for all purposes and, collectively, shall be considered to constitute this Agreement. Signatures transmitted by facsimile or in Portable Document Format (pdf) may be considered an original for all purposes, including, without limitation, the execution of this Agreement and enforcement of this Agreement.

8.3 Governing Law. This Agreement shall be construed and governed by the laws of the State of Wisconsin, provided, however, that the conflicts of law principles of the State of Wisconsin shall not apply to the extent they would operate to apply the laws of another state. Unless otherwise required by law, this Agreement shall be subject to jurisdiction of the courts within Brown County, Wisconsin.

8.4 Nondiscrimination. Neither Party shall discriminate against any Party's workers, employees, applicants, or any member of the public because of race, creed, color, religion, age, sex, handicap, national origin or other protected classification.

8.5 Entire Agreement. This Agreement, including all Addenda, supersedes all previous contracts or agreements between the Parties for the same Purchased Services, and constitutes the entire Agreement between the Parties.

8.6 Ethical and Religious Directives. Prevea is operated in accordance with the *Ethical and Religious Directives for Catholic Healthcare Services*, as promulgated, from time to time, by the United States Conference of Catholic Bishops, Washington, D.C. of the Roman Catholic Church (the "**ERDs**") and the ERDs are a matter of conscience to Prevea. This Agreement shall not be construed to require Prevea to violate the ERDs in its operations and all parts of this Agreement must be interpreted in a manner that is consistent with the ERDs.

8.7 Notices. All notices, demands and other communications required under this Agreement shall be in writing and sent: (i) by registered or certified mail, return receipt requested; (ii) sent by nationally recognized overnight courier service; or (ii) personally delivered, to the address set forth below each Party's signature to this Agreement, or such other address as a Party shall provide by notice to the Party.

WHEREOF, a duly authorized officer and representative of each Party have executed this Agreement on the date indicated below.

PREVEA:

ENTITY:

By: _____
 Ashok N. Rai, M.D.
 President and CEO
 Date: _____

By: _____
 Name: _____
 Title: _____
 Date: _____

Address:
 Prevea Health
 2710 Executive Drive
 P.O. Box 19070
 Green Bay, WI 54307-9070
 Attn: Ashok N. Rai, M.D.

Address:

Program, Description of Services and Fees of Purchased Services:

Please Indicate in ☐ with a ☒ which services you request.

	Program	Description of Services:	Fee:
☐	Industrial Physical Therapy-workstation evaluations	Having an onsite industrial physical therapist can help you reduce OSHA recordable injuries and healthcare spend through injury prevention, first aid services, ergonomics, and onsite treatment of injury. Our Industrial PTs will observe and measure all physical aspects of your employees' work, provide recommendations for job description updates, establish a written ergonomics program, design self-help handouts, provide injury prevention exercise programs and can even provide onsite treatment for musculoskeletal injuries.	\$ _____.
☐	Nicotine and Tobacco Cessation Program	Six Smoke free classes; Smoke Free offers education, support, and encouragement to those who want to quit smoking; taking a positive approach, Smoke Free prepares participants to take the steps needed to quit and teaches how to maintain a new, nonsmoking lifestyle.	\$ _____.
☐	HRA-Biometric Screening	Finger stick blood draw: Lipid panel for total cholesterol, HDL, TC/HDL ratio, LDL, Triglycerides, and Glucose. Biometrics include: Height, Weight, Body Mass Index, Blood Pressure, Body Fat %. Cotinine swab is an optional add-on. Participant will receive an outcomes-based overall risk score and an informational booklet which provides an overview of their measurement values and associated health risks. Then during the included follow-up appointment with the participant, the Health Coach will review the results and discuss goal setting related to health and lifestyle changes. Company will receive an aggregate report covering all aspects of the screening and their employee's aggregate health risks by category. Year to year comparison and recommendations for associate engagement will be included.	\$ _____.
☐	HRA - Venipuncture	Bloodwork: Lipid and Cotinine for total cholesterol, HDL, TC/HDL ratio, LDL, Triglycerides, Glucose PSA for men over 50 years. Biometrics: Height, Weight, Body Mass Index, Blood Pressure, Body Fat %. Results Delivery: by Mail	\$ _____.
☐	Prevea Injury Care On-Demand (PIC)	Prevea Injury Care On-Demand provides workplace injury care, and triage services for employee's right at the workplace, 24 hours a day, 7 days a week, 365 days a year. Prevea providers or nurses virtually connect to the business, and through the use of high definition video telemedicine technology or telephonic technology, visually care for or triage injured workers of a reported injury. No subscription fees, start-up fees, or PMPM fees. You simply pay only for what you use.	\$ _____.
☐	Occupational Health – Reasonable Suspicion Training	Substance abuse reasonable suspicion training for supervisor. Helps employers, HR staff, and supervisors recognize the signs and symptoms of substance abuse and increase management awareness. Offered onsite at your place of business.	\$ _____.
☐	Onsite Coaching Services*	Health care professional provision of individual health consultations, including regarding cholesterol, blood pressure and body mass index. Assistance with the establishment of individual health goals along with provision of educational materials and interventions.	\$ _____.
☒	Job Analysis	1 job areas – Estimated time 3 hours on-site, 2 hours write up	\$ 87.00 per hour .
☐	Registered Dietician*	One on One Counseling with a registered dietician. Dietician monitors and updates personal nutrition plans and fitness goals	\$ _____.
☐	FitLyfe Wellness Platform	Employee wellness platform that provides a comprehensive, easy-to-read picture of employee health, allowing employers to access aggregate data and take actionable steps to ensure employee engagement and satisfaction with their health and wellness program. Includes personally branded FitLyfe website, smartphone App access, a customized programs with points and medallions, and a Gift Card mall (company is responsible for the direct value of the gift cards).	\$ _____.
☐	Fitness Challenges	Survivor Challenge, Maintain, Don't Gain, Wellness Bingo, Every Body Move	\$ _____.

PREVEA:

Ashok N. Rai, M.D.
President & CEO

Date:_____

ENTITY:

Name:
Title:

Date:_____



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Human Resources

FROM: Tracy Hood

SUBJECT: Recommendation and Possible Action to Approve Various Changes to the City Policy Manual.*

ATTACHMENTS:

- 2023 Policy Updates Memo to Finance and Council 8.2023 (PDF)
- 2023 Policy Updates Redline to Finance and Council 8.2023 (PDF)

CITY OF DE PERE MEMO



To: Members of the Finance/Personnel Committee

From: Tracy Hood, Human Resources Generalist

Date: August 3, 2023

RE: Recommendation and Possible Action to Approve Various Changes to the City Policy Manual*

In July we brought forward various changes to the *Employee Policy Manual*. After further review of additional changes, there are two more polices that we believe require formal approval. Listed below is a summary of the changes. The attached document has track changes excerpts of the policy manual.

4.19 (B) On the Job Use, Possession or Sale of Drugs or Alcohol

- Added language to clarify that Marijuana or Tetrahydrocannabinol ("THC") at work or in the scope of employment is strictly prohibited, even in states where it may be decriminalized under state law. Added clarification that in the event of a positive drug test for marijuana or an illegal level of THC, the use of CBD will not be accepted as an excuse for the positive test.

5.2 (C) Social Media and Networking Official City Sites

- In section 3, Notifications, added additional reasons for restriction or removal of articles and comments on City social media sites.

If you should have any questions in advance of the meeting, please contact me at 339-4045. Thank you.

4.19 Drug and Alcohol Testing Policy

B. On the Job Use, Possession or Sale of Drugs or Alcohol

Being under the influence of a drug or alcohol while performing City business or while in a City facility or using City property is strictly prohibited. “Under the influence” means, for the purposes of this policy, that the employee is affected by a drug or alcohol or the combination of a drug and alcohol in any detectable manner. The symptoms of influence are not confined to those consistent with misconduct, or to obvious impairment of physical or mental ability, such as slurred speech or difficulty in maintaining balance. A determination of influence can be established by professional opinion, a scientifically valid test, and, in many cases, by a layperson’s opinion.

The use or being under the influence of any prescribed, over-the-counter, or otherwise legally obtained drug while performing City business, or while at a City facility or using City property is prohibited if such use or influence may affect the safety of the employee, co-workers, members of the public, or the safe or efficient operation of the City. An employee must report such use of a legally-obtained drug to his or her supervisor. If the employee’s supervisor determines that the employee does not pose a threat to his or her own safety or the safety of co-workers, and that the employee’s job performance is not significantly affected by the drug, then the employee may continue to work. The City will take all steps necessary and reasonable to accommodate employees whose disabilities require them to take legal drugs.

Marijuana or Tetrahydrocannabinol (“THC”) at work or in the scope of employment is strictly prohibited, even in states where it may be decriminalized under state law, and regardless of the type of marijuana/THC (i.e. smoke-able, edible, creams, etc.). This includes without limitation the use, possession, or being under the influence of marijuana/THC on City property, during working hours, or while on City business. The City of De Pere complies with federal law and considers marijuana/THC to be an Illegal Drug under federal and Wisconsin law for purposes of this Policy, which shall apply in all states – even those states that allow for medical and/or decriminalized or recreational use. Hemp-derived cannabidiol (“CBD”) that meets certain requirements may not be defined as marijuana/THC at the federal level and, where permitted by law, the use of CBD/THC that is not contrary to these requirements and does not contain illegal levels of THC is not prohibited by this Policy. However, in the event of a positive drug test for marijuana or an illegal level of THC, the use of CBD will not be accepted as an excuse for the positive test.

The use, sale, purchase, transfer or possession of any alcohol, illegal drug, or prescribed drug or narcotic not prescribed to that employee while at a City facility or while performing City business is prohibited.

Employees will be subject to disciplinary action, up to and including termination, for violations of this policy. Violations include, but are not limited to, possessing illegal

or non-prescribed drugs and narcotics or alcohol at work; being under the influence of those substances while working; using them while working; or dispensing, distributing, or illegally manufacturing or selling them on City premises and work sites. Employees should note that a violation of this policy can result in disciplinary action, up to and including termination, even for the first offense.

5.2 Acceptable Use of Electronic and Social Media

C. Social Media and Networking Official City Sites

3. Notifications

- a. Users and visitors to social media sites shall be notified that the intended purpose of the site is communication from City departments to members of the public. City social media site articles and comments containing any of the following forms of content shall not be allowed and shall be subject to restriction and/or removal:

- i. Comments not topically related to the particular social media article being commented upon;

- ii. Continuous posting of repetitive text;

- iii. Defamation or false information;

- iv. Comments in support of or in opposition to political campaigns or ballot measures;

- v. Profane language or content;

- vi. Content that promotes, fosters or perpetuates discrimination on the basis of race, creed, color, age, religion, gender, marital status, status with regard to public assistance, national origin, physical or mental disability, or sexual orientation;

- vii. Sexual content or links to sexual content;

- viii. Solicitations of commerce;

- ix. Conducting or encouragement—ofencouraging illegal activity;

- x. Information that may tend to compromise the safety or security of the public or public systems; or

~~ix~~.xi. Content that violates a legal ownership or reputational interest of any other party.

- b. These guidelines shall be displayed to users or made available by hyperlink. Specific social media tool standards approved by the City Administrator shall provide that any content removed based on these guidelines must be retained, including the time, date and identity of the poster, when available.
- c. The City reserves the right to restrict or remove any content that is deemed in violation of this social media policy or any applicable law. Each department head is responsible for identifying a site monitor for each social networking site permitted under this policy.
- d. All new social media tools proposed for City use will be approved by the City Administrator and the IT Director. The City Administrator shall approve all tool standards. For each social media tool approved for use by the City, the following documentation will be developed by the Department Head:
 - i. Operational and use guidelines;
 - ii. Standards and processes for managing accounts on social media sites;
 - iii. Standards for the administration of social media sites; and
 - iv. Signed acknowledgements of policies by authorized users.
- e. Administration of City social media sites.
 - i. The IT Director will maintain a list of social media tools which are approved for use by City departments and staff.
 - ii. The department head of each department establishing a social media presence will maintain a list of all City social media sites, including login and password information.
 - iii. Employees with access to passwords shall provide those passwords to the City upon request. The password is the property of the City and not the employee. Employees shall not change passwords without the written authorization of the City Administrator or department head.



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: City Attorney

FROM: Eric Erdman

SUBJECT: Consideration and Possible Action on Johnson Controls Planned Service Agreements for Fire Alarm Inspections/Monitoring (Municipal Service Center, Community Center and City Hall). *

ATTACHMENTS:

- Memo.Johnson Control Agreements (PDF)
- De Pere Municipal building fire alarm inspection proposal - CPQ 409139 (PDF)
- De Pere Community Center fire alarm inspections proposal - CPQ 439380 (PDF)
- City of De Pere Planned Service Agreements - Changes to CPQs 409139 and 439380 (PDF)
- De Pere Community Center FA monitoring - CPQ 400734 (PDF)
- De Pere City Hall FA monitoring - CPQ 398315 (PDF)
- City of De Pere Planned Service Agreements - Changes to CPQs 400734 and 398315 (PDF)

**CITY OF DE PERE
MEMO**

To: Mayor James G. Boyd, Chair
Finance & Personnel Committee Members/Common Council

From: Eric Erdman, Assistant City Attorney

Date: August 8, 2023

RE: Discussion and Possible Action on Johnson Controls Agreements

In connection with a requested review of the City's various fire alarm inspection and monitoring agreements with Johnson Controls Fire Protection LP (the "Company"), staff identified and negotiated necessary revisions that are generally applicable to each of the four (4) agreements. Those changes are summarized as follows:

- Removal of language that limited the City's ability to dispute the validity of invoices and insertion of language clarifying that additional Company invoices should only be generated when the services are not covered under the scope of the services agreement.
- Company would provide the City with notice prior to the Company exercising its options in connection with a material breach of an agreement.
- Deletion of the requirement that the City look exclusively to its insurer to recover for injuries or damage in the event of loss or injury and the requirement that the City waive its subrogation right of recovery against the Company.
- Deletion of the language requiring that the City exempt the Company from liability for occurrences which its equipment or service was designed to detect or avert.
- Revision of the City's agreement to indemnify, hold harmless and defend the Company against loss from any act or omission of the City only, instead of both the City and Company.
- Deletion of provisions requiring the City to name the Company as an additional insured on its liability policies.
- Lengthen the time frame that a claim can be brought against the Company from one to three years.
- Clarification of the choice of law section so that Wisconsin is listed as the proper forum.
- Expansion of the provision regarding the Company's ability to recover reasonable legal fees in connection with enforcing the terms and conditions of the agreement to allow for the City to also recover such reasonable fees.

Staff recommends approving the agreements with the proposed revisions.

De Pere Municipal Building Fire Alarm Inspection Proposal - CPQ-409139

Planned Service Agreement



Johnson Controls Fire Protn LP
1941 Holmgren Way
Green Bay WI54304
US

Proposal Presented On:
05-10-2023

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SERVICE SOLUTION

Customer #: 556326
City of De Pere
Date: 10-May-23
Proposal #: CPQ-409139
Term: 1-May-23 to 30-Apr-26

Billing Customer:
 De Pere Municipal Bldg
 925 S 6th St
 DE PERE, WI 54115-1199

Service Location:
 De Pere Municipal Bldg
 925 S 6th St,
 DE PERE, WI 54115-1199

Johnson Controls Fire Protection LP
Sales Representative:
 Michael Price
 1941 Holmgren Way
 Green Bay WI 54304
 michael.price@jci.com

INVESTMENT SUMMARY (Service Solution Valid for 30 Days)

SERVICE/PRODUCT DESCRIPTION	QUANTITY	FREQUENCY	INVESTMENT
City of De Pere			\$1,451.72
SYSTEM-FA-SIMPLEX 4008			
SIMPLEX 4008 SYSTEM		Est. First Inspection: June	
Main Fire Alarm Panel	1	Annual	
Remote Power Supply/NAC Extender	2	Annual	
Fire Alarm Battery Test (each)	12	Annual	
Heat Detector Restorable	8	Annual	
Carbon Monoxide Detector	6	Annual	
Pull Station	20	Annual	

FIRE ALARM ENHANCED - TEST & INSPECT -
 PLUS SYSTEM LABOR AND PANEL PARTS

To the extent applicable, Johnson Controls has included an estimate for all state and local sales tax for this quote. The actual sales tax due will be calculated and billed upon issuance of an invoice, unless a valid exemption and/or resale certificate is received by Johnson Controls.



SERVICE SOLUTION

SUMMARY OF SERVICES

The summary of services is intended to cover the following locations:

Location	Address	City	State	Zip	Fire Alarm
De Pere Municipal Bldg	925 S 6th St,	DE PERE	WI	54115-1199	\$1,451.72

FIRE ALARM ENHANCED - TEST & INSPECT - PLUS SYSTEM LABOR AND PANEL PARTS

SYSTEM-FA-SIMPLEX 4008

FIRE ALARM LABOR COVERAGE PLUS PANEL PART REPLACEMENT OPTION FOR LISTED FIRE ALARM SYSTEMS:

The Enhanced Plan covers inspections and diagnostic tests for the accessible peripheral devices listed and currently connected to the facility fire alarm system. tests will be scheduled in advance. Includes maintenance and component replacement on the central processing unit, to include reprogramming of system due to failure, replacement of circuit boards, and all components in the control panels, annunciator panels, transponders, printers, keyboards and monitors associated with system. Includes general service labor Monday through Friday 8am-5pm. Replacement of the fire alarm panel, faulty wiring, ground faults, software updates and peripheral devices are not covered. Unless otherwise specified herein, batteries installed within wireless initiating and notification peripheral devices are not covered under this agreement. Replacement of such batteries will be at an additional cost.

DOCUMENTATION: Accessible components and devices logged for:

- Location of each device tested, including system address or zone location
- Test results and applicable voltage readings
- Any discrepancies found will be noted

Inspection documentation provided to Customer. NOTE: Certain additional services may be required by the Authority Having Jurisdiction. Internal organizational requirements may be more restrictive than state/provincial requirements. Building owners and managers should make themselves aware of applicable codes and references in order to ensure that contracted Services fulfill requirements.

Smoke Detector Cleaning Up To

SYSTEM-FA-SIMPLEX 4008

DETECTOR CLEANING SMOKE DETECTORS:

Accessible smoke detection devices will be cleaned using manufacturer's recommended procedures. Devices may be dismantled to expose the smoke chamber (where applicable.) NOTE: Certain types of analog smoke sensors will be cleaned as needed per panel readings. Inspector will determine the actual devices to be cleaned based on visual inspection or panel readings.

Smoke Detector Sensitivity Testing

SYSTEM-FA-SIMPLEX 4008

SENSITIVITY TESTING FOR CONVENTIONAL SMOKE DETECTORS:

Smoke detector sensitivity testing will be performed on smoke detectors. Testing will be performed using UL/ULC approved sensitivity testing equipment. Devices performing outside the listed sensitivity range will be re-cleaned and re-tested, and, if necessary, noted and recommended for replacement. NOTE: Certain types of analog smoke sensors automatically satisfy this testing requirement through sensitivity reports printed from the fire alarm panel. Excludes duct smoke detectors.



SERVICE SOLUTION

Customer Portal (Basic)

SYSTEM-FA-SIMPLEX 4008

Basic Customer Portal functionality will be provided.

Remote Service Support

SYSTEM-FA-SIMPLEX 4008

Remote Service Support package includes telephone support Monday through Friday, 8:00 am ET to 8:00 pm ET. Our technical support specialists have extensive experience to help troubleshoot problems with Fire Alarm Systems, Connected Sprinkler Systems and Security Systems including CCTV and access control. Common scenarios include timer test issues, clear/reset trouble conditions or add/delete user codes. Our technicians' focus on resolution will help ensure your service levels are successfully met while at the same time reducing the required on-site technical assistance. To reach one of our support specialists, please dial 800-746-7539.

The RSS team cannot help with the disqualifying conditions such as reconnecting or adding devices, damaged wiring, damaged equipment, or remounting devices.



SERVICE SOLUTION

This Service Solution (the "Agreement") sets forth the Terms and Conditions for the provision of equipment and services to be provided by Johnson Controls Fire Protection LP ("Company") to **City of De Pere** and is effective **1-May-23** (the "Effective Date") to **30-Apr-26** (the "Initial Term"). Customer agrees that initial inspections may be performed within 45 days from the Effective Date.

PAYMENT FREQUENCY: Annual In Advance

Initials

PAYMENT TERMS: Net 30

For applicable taxes, please see Section 3 of the Terms & Conditions

PAYMENT AMOUNT: \$1,451.72 - **Proposal #:** CPQ-409139

PAYMENT SUMMARY:

Year	Term	PSA Charges
1	05/01/2023 - 04/30/2024	\$1,451.72
2	05/01/2024 - 04/30/2025	\$1,451.72
3	05/01/2025 - 04/30/2026	\$1,451.72

CUSTOMER ACCEPTANCE: In accepting this Agreement, Customer agrees to the Terms and Conditions on the following pages and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that Customer may issue. Any changes in the system requested by Customer after the execution of Agreement shall be paid for by Customer and such changes shall be authorized in writing.

ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS CONTAINED IN THIS AGREEMENT.



SERVICE SOLUTION

Multi Year Contract Rider AGREEMENT

Acknowledgement of Multi-Year Term. Customer agrees that issuance of a Purchase Order does not amend any provision of the service agreement, including without limitation the duration/term of the service agreement. Customer agrees to issue Purchase Orders sufficient to satisfy its obligations under the multi-year service agreement. Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, and Customer shall not dispute the validity of such invoices.

Customer Initials:

Unless otherwise agreed to by the parties, pricing is based upon the following billing and payment terms: Invoices will be delivered via email, payment is due upon receipt, and invoices are to be paid via ACH/EFT bank transfer. Johnson Controls ACH/EFT bank transfer details will be forth coming upon contractual agreement.

This offer shall be void if not accepted in writing within thirty (30) days from the date first set forth above.

To ensure that JCI is compliant with your company's billing requirements, please provide the following information:

PO is required to facilitate billing:

☐

NO: This signed contract satisfies requirement

☐

YES: Please reference this PO Number: _____

AR Invoices are accepted via e-mail:

☐

YES: E-mail address to be used: _____

☐

NO: Please submit invoices via mail

☐

NO: Please submit invoices via _____



SERVICE SOLUTION

City of De Pere	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____

TERMS AND CONDITIONS

1. Term. The Initial Term of this Agreement shall commence on the date of this Agreement and continue for the period indicated in this Agreement. At the conclusion of the Initial Term, this Agreement shall automatically extend for successive terms equal to the Initial Term (subject to Section 3) unless either party gives written notice to the other party at least thirty (30) days prior to the end of the then-UgddW`f fWd` 'WSUZ S`oJW`Wi S`LWd`p(+

2. Payment and Invoicing. Unless otherwise agreed by the parties in writing, fees for Services to be performed shall be paid annually in advance. Unless otherwise agreed to by the parties, amounts are due upon receipt of the invoice by Customer. Invoices shall be paid by Customer via electronic delivery via EFT/ACH. Invoicing disputes must be identified in writing within 21 days of the invoice date. Payments of any disputed amounts are due and bSkSTW` gba` dWea`gffa`+ HSk`W`f`e S`Ua`Vffa` bdWUWVW`f fa` ; a`\_bS` kpe obligation to perform Services under the Agreement. Work performed on a time and material basis shall be at the thenprevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and ; gefa`\_Wdie`YS[gdW`fa`_S]W`bSk`_W`f` `Xg` i`ZW` VgW`[e S`_SfWd[S` TdW`SUZ`aX this Agreement. Customer further acknowledges that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy, the right to, without notice: (i) suspend, discontinue or terminate performing any Services and/or withhold further deliveries of equipment and other materials, terminate or suspend any g`bS[V` eaIf`i`SdW` (UW`eWe) S`V`ad`egebW`V` ; a`_bS` kpe aT[YSffa`e`g` V`Wd`ad` terminate this Agreement; and (ii) charge Customer interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is \_SWV`[`Xg`+ ; a`\_bS` kpe WUWffa` fa` Ua`f`[gW`bdah[V`Y`XgfgdW`eWdh[UW`e`V`aWe`af`[ `S`k`i`Sk`V`[ `eZ` ; a`_bS` kpe d[YZf`fa`fWd`[`SfW`ad`egebW`V`eWdh[UW`e`ad` exercise any or all rights or remedies under this Agreement. Company shall not be liable for any damages, claims, expenses, or liabilities arising from or relating to suspension of Services for non-payment. In the event that there are exigent circumstances requiring services or the Company otherwise performs Services at the premises following suspension, those services shall be governed by the terms of this Agreement unless a separate contract is WjWUgfvW`+`X` ; gefa`_Wd`VjebgW`e`S`k`SfW`bSk`\_W`f`af[UW`ad` ; a`_bS` kpe W`aaf`e` to collect payment, Customer shall immediately notify Company in writing and explain the basis of the dispute. ; gefa`\_Wd`SYdW`e`fa`bSk`S`+`aX` ; a`_bS` kpe reasonable collection costs, including legal fees and expenses.

3. Pricing. The pricing set forth in this Agreement is based on the number of devices and services to be performed as set forth in this Agreement. If the actual number of devices installed or services to be performed is greater than that set forth in this Agreement, the price will be increased accordingly. Company may increase prices upon notice to Customer to reflect increases in material and labor costs. All stated prices are exclusive of and Customer agrees to pay any taxes, fees, duties, tariffs, false alarm assessments, installation or alarm permits and levies or other similar charges imposed and/or enacted by a government, however designated or imposed, including but not limited to value-added and withholding taxes that are levied or based upon the amounts paid under this Agreement. Prices in any quotation or proposal from Company are subject to change upon notice sent to Customer at any time before the quotation or proposal has been accepted. Company will provide Customer with notice of any pricing adjustments applicable to any Renewal Term no later than 45 days prior to the commencement of that Renewal Term. Unless Customer terminates the Agreement at least thirty (30) days prior to the start of such Renewal Term, the adjusted price shall be the price for the Renewal Term. Prices for products covered by this Agreement may be adjusted by Company, upon notice to Customer at any f[_W`bdaf`fa`eZ[b`_W`f`S`V`dWYSdV`Wee`aX` ; gefa`_Wdie`SUUWbS`UW`aX`fZW` ; a`_bS` kpe bdaabS`ad`cgafSffa`) fa`dW`WUf`S`k`[ `UdW`SeW`[` ; a`_bS` kpe Uaef` of raw materials (e.g., steel, aluminum) inability to secure Products, changes or increases in law, labor, taxes, duties, tariffs or quotas, acts of government, any similar charges, or to cover any extra, unforeseen and unusual cost elements.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in this Agreement. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of protection services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are e`bU`QdUT`d`dXU`fQ`leU`V`9ecd`\_j`Ubric`b`_`Ubd`i`Q`AT`dXU`b`\_`Ubd`i`_V`dXUbc` located on the premises. Customer agrees to look exclusively to 9ecd`\_j`Ubric`Y`acebUbd`d`bUS`\_fU`b`V`b`Y`ZebUc`\_b`TQ`[ QWU`Y`dXU`UfU`d`_V`Q`i` loss or injury. Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no**

guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service Y`Q`i`bUc`Usd`(\_`9`\_`_`Q`i`nc`VQR`Vdi`V`\_b`I`Ubf`ISUC`\_`Ubb`\_b`UT`\_`^`-site`at`9ecd`_j`Ubric`b`U`[Y`cUc`cXQW`RU`V`[YdUT`d`\_`Q`QWbWUWQdU`Q`]\_`e`d`UaeQ`d`_`the Agreement price (as increased by the price for any additional work) or, where the t`[U`Q`AT`[QdUbb`Q`\_`Q`i`[U`d`dU`b`[Y`c`cUUSdUT`9ecd`_j`Ubric`time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments Q`V`_SQR`U`d`\_dXU`c`dU`g`XUbu`dXU`Y`ASITU`d`_`SSebbUT`_`9`_`\_`Q`i`nc`liability with respect to Monitoring Services is set forth in Section 18 of this Agreement. Such sum shall be complete and exclusive. IN NO EVENT SHALL COMPANY BE LIABLE, FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY CUSTOMER OR ANY THIRD PARTY. To the maximum extent permitted by law, in no event shall Company and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyberattacks or failures or interruptions to network systems. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, 9`\_`_`\_`Q`i`nc`U`[`^`_`\_`i`Uuc`[QWU`^`dc`(\_`WSUbc`Q`AT`T`bU`Sd`_`bc`+

6. Reciprocal Waiver of Claims (SAFETY Act). Certain of Company's systems and services have received Certification and/or Designation as Qualified Anti-LWddad[e`\_`LWUZ`a`aY`[We`_`o`i`9`LLp`[g`V`Wd`fZW`Kgbbadf`9`f`-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441-111 'fZW`oK9`>=LQ`9Ufp`(+`9e`dWcg`dWV`g`\_`V`Wd`3` ;+;J`+/2`2`'WQ`fa`fZW`\_`Sj`[g`_` extent permitted by law, Company and Customer hereby agree to waive their right to make any claims against the other for any losses, including business interruption losses, sustained by either party or their respective employees, dWeg`f`Y`ida`\_`S`\_`Suf`[h`fk`dWeg`f`Y`ida`\_`S`\_`o9Uf`aX`L`Wddad[e`_`p`Se`VWU`[WV`[ `3` C.F.R. 25.2, when QATT have been deployed in defense against, response to, or recovery from such Act of Terrorism.

7. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to bu`bUc`U`d`Yd`Y`Q`i`ceSX`QSD`_`^`9ecd`\_j`Ubric`bUc`_`^`c`R`V`di`g`dX`bUc`\_`Usd` in indemnification and defense of Company with respect to Monitoring Services is set forth in Section 18 of this Agreement.

8. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded and their related costs. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. - 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement. All work performed unscheduled unless otherwise specified in this Agreement. Appointments scheduled for fourhour window. Additional charges may apply for special scheduling requests (e.g. working around equipment shutdowns, after hours work). Company will perform the services described in the K`Wdh[UW`Ka`gffa`_`o`K`Wdh[UWep`_`^`ad`a`W`ad`_`adW`ekefW`\_`e`(\_`ad`Wcg[b`_`W`f`Se`VWeUd[TWV`[ `fZW`K`Wdh[UW`Ka`gffa`\_`ad`fZW`[efWV`SfSfSUZ`_`W`fe`\_`o`;ahWdWV`KkefW`\_`e`p`(+`MFD`=KK`GL`@`=J`O`K`=`KH`= ;+;+`<`AN`THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT

DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

9. Customer Responsibilities. Customer shall regularly test the System(s) [' SUUadVS`UW i fZ Sbbf`USTW` ASi S`V _S`giSufgdWde` S`V ; a`bS` kqe recommendations. Customer shall promptly notify Company of any \_S`g`Uf[a` [` fZW ; ahWdWV KkefW`_e(i ZUZUa`\_We fa ; gefa`_Wde SffW` f[a` + This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon inspection, Company determines that repairs are recommended, repair charges will be egT`[ffW`_ad Sbbd`ahS` Tk ; gefa`\_Wde a`-site representative prior to work. Should such repair work be declined, Company shall be relieved from any and all liability arising therefrom.

Customer further agrees to:

- n provide Company clear access to Covered System(s) to be serviced including, if applicable, lift trucks or other equipment needed to reach inaccessible equipment;
- n supply suitable electrical service, heat, heat tracing adequate water supply, and required system schematics and/or drawings;
- n notify all required persons, including but not limited to authorities having jurisdiction, employees, and monitoring services, of scheduled testing and/or repair of systems;
- n provide a safe work environment;
- n in the event of an emergency or Covered System(s) failure, take reasonable precautions to protect against personal injury, death, and/or property damage and continue such measures until the Covered System(s) are operational; and
- n comply with all laws, codes, and regulations pertaining to the equipment and/or Services provided under this Agreement.

Customer represents and warrants that it has the right to authorize the Services to be performed as set forth in this Agreement. Customer is solely responsible for the establishment, operation, maintenance, access, security and other SebuWufe a[f[e Ua`\_bgfWd`_Wf i ad] `oFWf i ad] p( S`V eZS` egbb`k ; a`bS` k eWUgdW Network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Customer and/or end user against unauthorized access. Customer is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, soff i SdW) ad iX`We `Ua`WUf[hW`k o<SfSp(b[d]ad fa dWUW[h` Y fZW eWdh[UW ad bdaVgUfe+

10. Repair Services. Where Customer expressly includes repair, replacement, and emergency response services in the Service Solution section of this Agreement, such Services apply only to the components or equipment of the Covered System(s). Customer agrees to promptly request repair services in the event the System becomes inoperable or otherwise requires repair. The Agreement price does not include repairs to the Covered System(s) recommended by Company as a result of an inspection, for which Company will submit independent pricing to Customer and as to which Company will not proceed until Customer authorizes such work and approves the pricing. Repair or replacement of non-maintainable parts of the Covered System(s) including, but not limited to, unit cabinets, insulating material, electrical wiring, structural supports, and all other non-moving parts, is not included under this Agreement.

11. System Equipment. The purchase of equipment or peripheral devices, (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in ; a`bS` kqe eaW`lgVY`_W`f` S`k bWd[bZWdS` VWdh[UW ad afZWd ekefW`\_Wcg[b`_W`f) which is attached to the Covered System(s), whether provided by Company, Customer or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

12. Reports. Where inspection and/or test services are selected, such [`ebWUffa` S`V,ad filf eZS` TW Ua`\_b`WfWV a` ; a`bS` kqe fZW` UgddW`f dWbadf form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

13. Availability and Cost of Steel, Plastics & Other Commodities. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other

commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination.

14. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in SUUadVS`UW i fZ ; a`bS` kqe fZW` UgddW`f Zagd`k rate.

15. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the WjWUgf[a`\_a` fZ[e 9YdWW`\_W`f) fa fZW TWef a` ; gefa`_Wde]`a i`WVYV fZWdW`[e `a`

- n Space in which work must be performed that, because of its construction, location, contents or work activity therein, accumulation of a hazardous gas, vapour, dust or fume or the creation of an oxygen-deficient atmosphere may occur,
- n obWd`\_lf Ua`X`[`WV ebSUW)p Se VW[(`WV Tk GK@A for work Company performs in the United States;
- n risk of infectious disease;
- n need for air monitoring, respiratory protection, or other medical risk; or
- n asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

9`a` fZW STahW SdW ZWdW[` S`fWd dWdWdWV fa Se o@SISdVage ; a`V[f[a`_e`p Company shall have the right to rely on the representations listed above. If Hazardous Conditions are encountered by Company during the course of ; a`bS` kqe i ad]) fZW V[eUahWdk a` egUZ`\_SfWd[S`e eZS` Ua`_ef[fgfW` S`_WhW`f TWka`_V ; a`bS` kqe Ua`\_fda` S`\_V ; a`bS` k eZS` ZShW`\_a aT`[YSf[a`\_fa`/gdfZWd perform in the area where the Hazardous Conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company. This Agreement does not provide for the cost of testing involving a discharge or release, capture, Ua`\_fS`_W`\_f) f[S`_ebadf) dW`\_ahS`) ad V[eabaeS`\_Ua`WUf[hW`k) fZW o<[eUZSdYV KWdh[UWep( a` S`k ZSISdVage i SefW`_SfWd[S`e) ZSISdVage`_SfWd[S`e) firefighting materials including without limitation any firefighting foam encountered in and/or discharged from any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Customer shall be responsible for any Discharge Services associated with such materials, including all discharged firefighting foam in accordance with all applicable law. Company shall not be responsible for the testing, removal or disposal of such hazardous materials. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the use of any Discharge Services associated with any hazardous waste, hazardous materials, or firefighting materials including without limitation firefighting foam encountered or discharged during performance of the Services.

16. Covid-19 Vaccination. Company expressly disclaims any requirement, understanding or agreement, express or implied, included directly or incorporated by reference, in any Customer purchase order, solicitation, noticW ad afZWd i [eW) fZSf S`k a` ; a`bS` kqe bWde`\_W` TW hSUU[`\_SNW SYS[`_ef Covid-19 under any federal, state/provincial or local law, regulation or order applicable to government contracts or subcontracts, including, without limitation, Presidential Executive OdVWd .1-1/ `o`= egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e`_ad`>WVdS` ; a` f[SUFadep( S`V`>WVdS` 9Ucg[e]f[a` Regulation (FAR) 52.223-66 `o`= egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e`\_ad`>WVdS` ; a` f[SUFadep(9`k egUZ` dWcg[dW`\_W`f eZS` a`k Sbb`k fa ; a`bS` kqe bWdsonnel if and only to the extent contained in a written agreement physically signed by an authorized officer of Company.

17. Other Services.

A.Remote Service. If Customer selects Remote Service, Company shall bdah[VW egbbadf`\_ad fZW ; gefa`_Wde ekefW`\_Tk i Sk af education, remote assistance and triage that does not require programming changes to the ; gefa`_Wde bS`\_W`+ A` SVV[f[a`) JW`\_afW KWdh[UW ValWe`_af [`U`gVW eWdh[UW fa address physical damage to the system or a device; troubleshooting wiring issues; programming changes and/or relocating, remounting, reconnecting, or adding a device to the system. Customer understands and agrees that, while JW`\_afW KWdh[UW bdah[VWe`_ad Ua`\_g`[USf[a`\_dWYSdV[`_Y ; gefa`\_Wde X[dW S`Sd`_system to Company via the Internet, Remote Service does not constitute monitoring of the system, and Customer understands that Remote Service does not provide for Company to contact the fire department or other authorities in the event of a fire alarm. Customer understands that if it wishes to receive monitoring of its fire alarm system and notification of the fire department or other authorities in the event of a fire alarm, it must select monitoring services as a separate Service under this Agreement.

CUSTOMER FURTHER UNDERSTANDS AND AGREES THAT THE TERMS OF SECTION 18.F OF THIS AGREEMENT APPLY TO REMOTE SERVICE.

B.Connected Fire Sprinkler Services; Connected Fire Alarm Services. Connected Fire Sprinkler Services and Connected Fire Alarm Services each means a data-analytics and software platform that uses a cellular or network Ua`\_WUf[a`_fa` YSfZWd Wcg[b`_W`f bWd`ad`\_S`UW VSfS STagf S ; gefa`_Wde

; ahWdWV =cg[b_W'f'xad; gefa_Wdqe ebdq']'Wd ekefW_ ad X[dW S'Sd_ ekefW_] Se Sbb[USTW] fa See[ef B; A'] SVhe[Y; gefa_Wd a' egUZ Wcglb_W' fte ZWS'fZ] performance or potential malfunction. Connected Fire Sprinkler Services and Connected Fire Alarm Services are collectively, the Connected Equipment Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services on any Covered Equipment, Customer agrees to allow Company to install diagnostic sensors and communication ZSDv i SdW 'o?SfW i Sk <Wh[UWP] ad; gefa_Wd i' egbb'k S 'Wf i d] Ua 'Wuf[a' eg[IST'W fa W'ST'W Ua _g' [USf[a' i fZ; gefa_Wdqe; ahWdWV =cg[b_W'f' order for Company to deliver the connected services. For more information on whether your particular equipment includes Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, a subscription to such services and the cost, if any, of such subscription, please see your applicable order, quote, proposal or purchase documentation or talk to your JCI sales representative. For certain subscriptions, Customer will be able to access equipment ['xad_Sf[a' xda_ S _aT'W ad e_Sd VWH[UW ge]'Y fZW eWdh[UWqe _aT'W ad i WT app. The Gateway Device will be used to access, store, and trend data for the purposes of providing Connected Fire Sprinkler Services. Company will not use Connected Fire Sprinkler Services or the Connected Fire Alarm Services to remotely operate or make cZS' YWe fa; gefa_Wdqe =cg[b_W'f' A fZW connection is disconnected by Customer, and a technician needs to be VjebSfUZWV fa fZW; gefa_Wd e[fW] fZW' fZW; gefa_Wd i' bSk B; A Sf B; Aqe fZW' -current standard applicable contract regular time and/or overtime rate for such services. **Company makes no warranty or guarantee relating to the Connected Fire Sprinkler Services or Connected Fire Alarm Services. Customer acknowledges that, while Connected Fire Alarm Services or Connected Sprinkler Services generally improve equipment performance and services, these services do not prevent all potential malfunction, insure against all loss or guarantee a certain level of performance and that JCI shall not be responsible for any injury, loss, or damage caused by any act or omission of JCI related to or arising from the proactive health notifications of the equipment under Connected Equipment Services. Customer understands that if it wishes to receive monitoring of its fire alarm system or sprinkler system and notification of the fire department or other authorities in the event of an alarm, it must select monitoring services as a separate Service under this Agreement. CUSTOMER FURTHER UNDERSTANDS AND AGREES SECTION 20 (SOFTWARE AND DIGITAL SERVICES) APPLY TO CONNECTED FIRE ALARM SERVICES AND CONNECTED SPRINKLER SERVICES. In the event of a conflict between these terms and the Software Terms, the Software Terms will control.**

C. Dashboards and Mobility Applications for Connected Fire Sprinkler Services and Connected Fire Alarm Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, ; gefa_Wd _Sk gff[IW; a_bS' kqe cSeZTaSdV'e(S'V EaT'[fk 9bb[USf[a' 'e) Se applicable, during the term of the Agreement, pursuant to the then applicable Terms of Use Agreement. Terms for the Dashboard are located at <https://www.johnsoncontrols.com/buildings/legal/digital/general/ots>.

18. Monitoring Services. If Customer has selected Monitoring Services, the following shall apply to such Services:

A. Alarm Monitoring Service. Customer agrees and acknowledges that ; a_bS' kqe ea'W S'V a'k aT'[YSf[a' g' Vwd fZ]e 9YdWV_W' f eZS' TW fa biah[VW alarm monitoring, notification, and/or Runner Services as set forth in this Agreement and to endeavor to notify the party(ies) identified by Customer on fZW; a' fSuf; S' D[ef 'o; a' fSufep(S'V ad DaUS' =_WdYW' Uk <[ebSfUZ Fg_TWdqe for responding authorities. Upon receipt of an alarm signal, Company may, at our sole discretion, attempt to notify the Contacts to verify the signal is not false. If we fail to notify the Contacts or question the response we receive, we will attempt to notify the responding authority. In the event Company receives a supervisory signal or trouble signal, Company shall endeavor to promptly 'af[k a' W af fZW; a' fSuf+; a_bS' k eZS' 'af TW dWeba' e[T'W iad S; a' fSuf+ ad dWeba' V['Y SgfZad[fkqe dW]geS' fa SU] 'a i' WVVW.dWeba' V fa; a_bS' kqe notifications of receipt of an alarm signal, nor shall Company be required to make additional notifications because of such refusal. The Contacts are SgfZad[IWV fa Suf a'; gefa_Wdqe TWZS' S'V) [X ea VWe['SfWV a' fZW Contact/Call List, are authorized to cancel an alarm prior to the notification of authorities. Customer understands that local laws, ordinances or policies may dWef[dUf; a_bS' kqe ST'[fk fa biah[VW fZW S'Sd_ _a' fad['Y S'V 'af[k[USf[a' services described in this Agreement and/or necessitate modified or additional services and related charges to Customer. Customer understands that Company may employ a number of industry-recognized measures to help reduce occurrences of false alarm signal activations. These measures may include, but are not limited to, implementation of industry-recognized default eWff['Ye8 ['b_W' W' S'f[a' al obSd[S' U'Wsd f['W TkbSeep biahWVgWde Sf agd S'Sd_ monitoring center and other similar measures at our sole discretion from time to time. THESE MEASURES CAN RESULT IN NO ALARM SIGNAL BEING SENT FROM AN AD9J.E RGF= fF; MKLGE=JkK HJ=EAK=K 9-L=J L@= INITIAL ALARM ACTIVATION UNTIL THE ALARM SYSTEM IS MANUALLY RESET. Upon receiving notification from Company that a fire or gas detection (e.g. carbon monoxide) signal has been received, the responding authority may forcibly enter the premises. Cellular radio unit test supervision, if provided g' Vwd fZ]e 9YdWV_W' f) biah[VWe a' k fZW efSfge al fZW UW'gSd dSV[a g' fte current signaling ability at the time of the test communication based on certain programmed intervals and does not serve to detect the potential loss of radio service at the time of an actual emergency event. Company shall not be

responsible to provide monitoring services under this Agreement unless and g' f[fZW Ua _g' [USf[a' '] TWf i WW' ; gefa_Wdqe bDW_[eWe S'V; a_bS' kqe Monitoring Center has been tested. **SUCH SERVICES ARE PROVIDED WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

B Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of Monitoring Services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the Monitoring Services and the scope of liability set forth in this Agreement Q^T QbU e^bUQdUT d_ dXU fQleU _V 9ecd_] Ubrc _b_ 'Ubbi Q^T dXU _b_ 'Ubbi of others located on the premises. Customer agrees to look exclusively d_ 9ecd_] Ubrc Y^cebUb d_ bUS_fUb _b_ Y^zeb/Uc _b_ TQ] QWU Y^ dXU Uvent of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or Services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or Service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its monitoring obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or Service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or Service in any respect, Co] ^Q^ inc VQR/Vd i g'dX bUc' USd d_ Monitoring Services shall be the lesser of the annual fee for Monitoring Services allocable to the site where the incident occurred or two thousand five hundred (\$2,500) dollars, as agreed upon damages and not as a penalty(Qc 9ecd_] Ubrc c_W BU] UT i^ IeSX ce] cXQW RU S_] 'Udu and exclusive. **IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. In no event shall JCI and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind, including but not limited to damages; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, and each of their employees, agents, officers and directors.****

C. Indemnity, Insurance. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third-party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to the Monitoring Services provided under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on CustomWdqe YW' WdS' 'ST'[fk S'V Sgfa 'ST'[fk ba[UW+.

D. No modification. Modification to Sections 18 B or C may only be made by a written amendment to this Agreement signed by both parties specifically referencing Section 18 B and/or C, and no such amendment shall be effective g' Wee SbbdahWV Tk fZW _S' SYWd al; a_bS' kqe; W' fids' Ea' fad['Y; W' fWd+ E. 9ecd_] Ubrc : ed[Uc+ A' SVV[f[a' fa; gefa_Wdqe Vgfk fa ['VW _[Xk] VWVW' V)

i. Customer agrees to furnish the names and telephone numbers of all persons SgfZad[IWV fa W' fWd ad dW_ S['a' ; gefa_Wdqe bDW_[eWe S'V, ad fZSf eZauld be notified in the event of an alarm (the Contact/Call List) and Local Emergency Dispatch Numbers and provide all changes, revision and modifications to the above to Company in writing in a timely manner. Customer must ensure that all such persons are authorized and able to respond to such notification.

ii. Customer shall carefully and properly test and set the system immediately prior to the securing of the premises and carefully test the system in a manner prescribed by Company during the term of this Agreement. Customer agrees

herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto. Notwithstanding any other provisions of this Agreement and unless otherwise agreed to by the parties in writing, the following terms apply to Software that is provided to Customer on a subscription basis (i.e., a time limited license or use of YZ(f) "WSUZ S oKaIf i SdW KgTeUd(bf)a" p(7 =SUZ KaIf i SdW KgTeUd(bf)a" bdaH[VWV hereunder will commence on the date the initial credentials for the Software SdW _SVW ShS(f)STW 'fZW oKgTeUd(bf)a" KfSdf <ShWp(S'V i [Ua'f]gW [" WXXWUF until the expiration of the subscription term noted herein. At the expiration of the Software Subscription, such Software Subscription will automatically renew Xad Ua' eWUgflHw a'W' .(kWSd fWd_e "WSUZ S oJW'WiS' KgTeUd(bf)a" Lwd_p(unless either party provides the other party with a notice of non-renewal at least ninety (90) days prior to the expiration of the then-current term. To the extent permitted by applicable law, Software Subscriptions purchases are non-cancelable and the sums paid nonrefundable. Fees for Software Subscriptions shall be paid annually in advance, invoiced on the Subscription Start Date and each subsequent anniversary thereof. Unless otherwise agreed by the parties in writing, the subscription fee for each Renewal Subscription Term will be bJ(UWV Sf B ; kq fZW' Sbb(JUSTW' (ef bJ(UW Xad fZSf KaIf i SdW a'XWd) 'Y+ 9' k geW a' Software that exceeds the scope, metrics or volume set forth in this Agreement will be subject to additional fees based on the date such excess use began.

21. Taxes, Fees, Fines, Licenses, and Permits. Customer agrees to pay all sales tax, use tax, property tax, utility tax and other taxes required in connection with the equipment and Services listed, including telephone company line charges, if any. Customer shall comply with all laws and regulations relating to the equipment and its use and shall promptly pay when due all sales, use, property, excise and other taxes and all permit, license and registration fees now or hereafter imposed by any government body or agency upon the equipment or its use. Company may, without notice, obtain any dWcg(dWV bWd_ (f) (UW' eW ad dWY(efdsf)a' Xad ; gefa_ Wd Sf ; gefa_ WdJe Wj bW' eW and charge a fee for this service. If Customer fails to maintain any required licenses or permits, Company shall not be responsible for performing the services and may terminate the services without notice to Customer.

22. Outside Charges. Customer understands and accepts that Company specifically disclaims any responsibility for charges associated with the notification or dispatching of anyone, including but not limited to fire department, police department, paramedics, doctors, or any other emergency personnel, and if there are any charges incurred as a result of said notification or dispatch, said charges shall be the responsibility of Customer.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds a' ; gefa_ WdJe YW' WdS' (ST(f)fk S'V Sgfa (f)fk ba(UW'e-

24. Waiver of Subrogation. Customer does hereby for itself and all other parties claiming under it release and discharge Company from and against all ZSISdVe UahWdW Tk ; gefa_ WdJe (egdS'UW) (f TW(Y Wj bWdWee'k SYdWVW S'V understood that no insurance company or insurer will have any right of subrogation against Company.

25. Force Majeure, Exclusions. Company shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by Company to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A o>adUW ESWgdW =hW' fp (e S Ua'V(f)a' ad WhW'f fZSf (e TWka'V fZW dWSea' STW control of Company, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control a' ; a_bS'k+ A' ; a_bS' kq bWdWd' S'UW a' fZW i ad] (e VV'SKiW) (_bSUNW) ad prevented by a Force Majeure Event or its continued effects, Company shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if Company is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, Company will be entitled to extend the relevant completion date by the amount of time that Company was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or (Vj dWUfK (UdWSeWe ; a_bS' kq Uaef ba bWdWd' fZW eWd(UWe) ; gefa_ Wd (e obligated to reimburse Company for such increased costs, including, without limitation, costs incurred by Company for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by Company in connection with the Force Majeure Event.

26. Exclusions. This Agreement expressly excludes, without limitation, provision of fire watches; reloading of, upgrading, and maintaining computer software; making repairs or replacements necessitated by reason of 'WY(YW'UW ad _[egeW a' Ua_ ba'W' fe ad Wcg(b_ W'f ad UZS' YWe fa ; gefa_ WdJe premises; vandalism; power failure; current fluctuation; failure due to non-JCI installation; lightning, electrical storm, or other severe weather; water; accident; fire; acts of God; testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; corrosion (including but not limited to micro-bacterially induced corrosion 'oEA;p((U Sd(f)VWYe YdWdW fZS' .3 YdS_e8 YSe hS'hW installation; or any other cause external to the Covered System(s) and JCI shall not be required to provide Service while interruption of service due to such causes shall continue. This Agreement does not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by JCI at B ; kq ea'W V(eUdWf'a' Sf S' SVV(f)a' S' UZS(YW' A' =_WdYW'Uk KWh(UWe SdW expressly included in the Service Solution, the Agreement price does not include travel expenses.

27. Delays. Company shall have no responsibility or liability to Customer or any other person for delays in the installation or repair of the System or the performance of our Services regardless of the reason, or for any resulting consequences.

28. Termination. Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion gba' 'a(f)UW fa ; gefa_ Wd (X ; a_bS' kq bWdWd' S'UW a' (fe aT(YSf)a' e g' WdW this Agreement becomes impracticable due to obsolescence of equipment at ; gefa_ WdJe bW_ (eWe ad g' ShS(f)fk a' bSdfe-

29. No Option to Solicit. Customer shall not, directly or indirectly, on its own behalf or on behalf of any other person, business, corporation or entity, solicit or employ any Company employee, or induce any Company employee to leave his or her employment with Company, for a period of two years after the termination of this Agreement.

30. Default. An Event of Default shall include (a) any full or partial termination of this Agreement by Customer before the expiration of the then-current Term, (b) failure of Customer to pay any amount when due and payable, (c) abuse of the System or the Equipment, (d) failure by Customer to observe, keep or perform any term of this Agreement; (e) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, (i) discontinue furnishing Services, (ii) by written notice to Customer declare the balance of unpaid amounts due and to become due under this Agreement to be immediately due and payable, (iii) receive immediate possession of any equipment for which Customer has not paid, (iv) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and (v) recover all costs and expenses, inU'gV(Y i fZagf (fSf'a' dWSea' STW Sf ad Wke(XWWe) ('Ua' WUf'a' i fZ enforcing or attempting to enforce this Agreement.

31. One-Year Limitation on Actions; Choice of Law. For Customers located in the United

States, the laws of Wisconsin shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law. For Customers located in Canada, this agreement shall be governed by and be construed in accordance with the laws of Ontario. The parties agree that any disputes arising under this Agreement shall be determined exclusively by the Ontario courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Ontario courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than one year after the claim (fdef SdaeW+ =jUWbf Se bdaH[VWV Xad ZWdW(') ; a_bS' kq U'S(_e _gef S'ea TW brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

32. Assignment. Customer may not assign fZ(e 9YdWVW _W' f i fZagf ; a_bS' kq prior written consent. Company may assign this Agreement without obtaining ; gefa_ WdJe Ua' eW' f-

33. Entire Agreement. The parties intend this Agreement, together with any SFSUZ _W' fe ad J(VWde 'Ua'WUf(hW'k fZW o9YdWVW _W' f(to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions relating to the Services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

34. Headings. The headings in this Agreement are for convenience only.

35. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

36. Electronic Media. Customer agrees that Company may scan, image or otherwise convert this Agreement into an electronic format of any nature.

Customer agrees that a copy of this Agreement produced from such electronic format is legally equivalent to the original for any and all purposes, including 'f[Y\$[a`+ ; gefa\_wd SYdWWe fZSf ; a\_bs`kqe dWUW[bf Tk X\$] aX fZW 9YdWW _W`f signed by Customer legally binds Customer and such fax copy is legally equivalent to the original for any and all purposes, including litigation.

37. Legal Fees. Company shall be entitled to recover from Customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

38. Lien Legislation. Notwithstanding anything to the contrary contained herein, the terms of this Agreement shall be subject to the lien legislation applicable to the location where the work will be performed, and, in the event of conflict, the applicable lien legislation shall prevail.

39. Privacy. A. **Company as Processor:** Where Company factually acts as Processor of Personal Data on behalf of Customer (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa shall apply. B. **Company as Controller:** Company will collect, process and transfer certain personal data of Customer and its personnel related to the business relationship between it and Customer (for example names, email addresses, fW`WbZa`W`g\_TWde( Se Ua`fia`Wd S`V [` SUUadVS`UW i fZ ; a_bs`kqe Hd[hSUK Notice at <https://www.johnsoncontrols.com/privacy>. Customer acknowledges ; a\_bs`kqe Hd[hSUK FafUW S`V efd[Uf`k fa fZW Wjfw`f Ua`eW`f [e \_S`VSfad`k required under applicable law, Customer consents to such collection, processing and transfer. To the extent consent to such collection, processing S`V fId`eWd Tk ; a\_bs`k [e _S`VSfad`k dWcg[dWV `da\_ ; gefa\_Wdqe bWdea`W` under applicable law, Customer warrants and represents that it has obtained such consent.

40. License Information (Security System Customers): AL Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: AR Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: CA Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act: NY Licensed by the N.Y.S. Department of the State: TX Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512424-7710. License numbers available at www.johnsoncontrols.com or contact your local Johnson Controls office.

DePere Community Center Fire Alarm Inspection Proposal - CPQ-439380

Planned Service Agreement



Johnson Controls Fire Protn LP
1941 Holmgren Way
Green Bay WI54304
USA

Proposal Presented On:
07-20-2023

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SERVICE SOLUTION

Customer #: 4397082
De Pere Community Center
Date: 20-Jul-23
Proposal #: CPQ-439380
Term: 1-Aug-23 to 31-Jul-28

Billing Customer:
 De Pere Community Center
 600 GRANT ST

 DE PERE, WI 54115-0000

Service Location:
 De Pere Community Center
 600 Grant St,
 De Pere, WI 54115

Johnson Controls Fire Protection LP
Sales Representative:
 Michael Price
 1941 Holmgren Way
 Green Bay WI 54304
 michael.price@jci.com

INVESTMENT SUMMARY (Service Solution Valid for 30 Days)

SERVICE/PRODUCT DESCRIPTION	QUANTITY	FREQUENCY	INVESTMENT
De Pere Community Center			\$1,139.29
SYSTEM-FA-SIMPLEX 4007ES			
SIMPLEX 4007ES FIRE ALARM PANEL			
Est. First Inspection: August			
Main Fire Alarm Panel	1	Annual	
Fire Alarm Battery Test (each)	2	Annual	
Annunciator	2	Annual	
Smoke Sensor Addressable	5	Annual	
Heat Detector Restorable	3	Annual	
Pull Station	6	Annual	
Elevator Recall	1	Annual	

FIRE ALARM EXPERT SERVICE OFFER Total: \$1,139.29

Johnson Controls has **not** included an estimate for all state and local sales tax for this quote based on the understanding that a valid exemption and/or resale certificate is received by Johnson Controls from Purchaser. Otherwise, actual sales tax due will be calculated and billed



SERVICE SOLUTION

SUMMARY OF SERVICES

The summary of services is intended to cover the following locations:

Location	Address	City	State	Zip	Fire Alarm
De Pere Community Center	600 Grant St,	De Pere	WI	54115	\$1,139.29

FIRE ALARM EXPERT SERVICE OFFER

SYSTEM-FA-SIMPLEX 4007ES

FIRE ALARM PANEL AND PERIPHERAL COMPONENT REPLACEMENT FOR FIRE ALARM SYSTEMS:

The Expert Plan covers inspections and diagnostic tests for the accessible peripheral devices listed and currently connected to the facility fire alarm system. Tests will be scheduled in advance. Includes component replacement on the central processing unit, including reprogramming of system due to failure, replacement of circuit boards, and all components in the control panels, annunciator panels, transponders, printers, keyboards monitors, and peripheral devices (smoke detectors, pull stations, audible/ visible units, door contacts, etc.) associated with system. Includes general service labor Monday through Friday 8am-5pm. Includes battery replacement of listed batteries every 3 years per manufactures' recommendation. Excludes additional battery replacement. Replacement of the entire fire alarm panel, faulty wiring and/or ground faults are not covered .

DOCUMENTATION:

Accessible components and devices logged for:

- Location of each device tested, including system address or zone location
- Test results and applicable voltage readings
- Any discrepancies found will be noted

Inspection documentation provided to Customer (note: Certain additional services may be required by the Authority Having Jurisdiction. Internal organizational requirements may be more restrictive than state/provincial requirements. Building owners and managers should make themselves aware of applicable codes and references in order to ensure that contracted Services fulfill requirements.

Smoke Detector Cleaning Up To

SYSTEM-FA-SIMPLEX 4007ES

DETECTOR CLEANING SMOKE DETECTORS:

Accessible smoke detection devices will be cleaned using manufacturer's recommended procedures. Devices may be dismantled to expose the smoke chamber (where applicable.) NOTE: Certain types of analog smoke sensors will be cleaned as needed per panel readings. Inspector will determine the actual devices to be cleaned based on visual inspection or panel readings.

Smoke Detector Sensitivity Testing

SYSTEM-FA-SIMPLEX 4007ES

SENSITIVITY TESTING FOR CONVENTIONAL SMOKE DETECTORS:

Smoke detector sensitivity testing will be performed on smoke detectors. Testing will be performed using UL/ULC approved sensitivity testing equipment. Devices performing outside the listed sensitivity range will be re-cleaned and re-tested, and, if necessary, noted and recommended for replacement. NOTE: Certain types of analog smoke sensors automatically satisfy this testing requirement through sensitivity reports printed from the fire alarm panel. Ex cludes duct smoke detectors.



SERVICE SOLUTION

Customer Portal (Basic)

SYSTEM-FA-SIMPLEX 4007ES

Basic Customer Portal functionality will be provided.

Remote Service Support

SYSTEM-FA-SIMPLEX 4007ES

Remote Service Support package includes telephone support Monday through Friday, 8:00 am ET to 8:00 pm ET. Our technical support specialists have extensive experience to help troubleshoot problems with Fire Alarm Systems, Connected Sprinkler Systems and Security Systems including CCTV and access control. Common scenarios include timer test issues, clear/reset trouble conditions or add/delete user codes. Our technicians' focus on resolution will help ensure your service levels are successfully met while at the same time reducing the required on-site technical assistance. To reach one of our support specialists, please dial 800-746-7539.

The RSS team cannot help with the disqualifying conditions such as reconnecting or adding devices, damaged wiring, damaged equipment, or remounting devices.

Panel Battery Replacement and Disposal Large (50-110AH)

SYSTEM-FA-SIMPLEX 4007ES

Batteries will be removed, replaced and disposed of in an environmentally friendly manner



SERVICE SOLUTION

This Service Solution (the "Agreement") sets forth the Terms and Conditions for the provision of equipment and services to be provided by Johnson Controls Fire Protection LP ("Company") to **De Pere Community Center** and is effective **1-Aug-23** (the "Effective Date") to **31-Jul-28** (the "Initial Term"). Customer agrees that initial inspections may be performed within 45 days from the Effective Date.

PAYMENT FREQUENCY: Annual In Advance

Initials

PAYMENT TERMS: Net 30

For applicable taxes, please see Section 3 of the Terms & Conditions

PAYMENT AMOUNT: \$1,139.29 - **Proposal #:** CPQ-439380

PAYMENT SUMMARY:

Year	Term	PSA Charges
1	08/01/2023 - 07/31/2024	\$1,139.29
2	08/01/2024 - 07/31/2025	\$1,139.29
3	08/01/2025 - 07/31/2026	\$1,139.29
4	08/01/2026 - 07/31/2027	\$1,139.29
5	08/01/2027 - 07/31/2028	\$1,139.29

CUSTOMER ACCEPTANCE: In accepting this Agreement, Customer agrees to the Terms and Conditions on the following pages and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that Customer may issue. Any changes in the system requested by Customer after the execution of Agreement shall be paid for by Customer and such changes shall be authorized in writing.

ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS CONTAINED IN THIS AGREEMENT.



SERVICE SOLUTION

Multi Year Contract Rider AGREEMENT

Acknowledgement of Multi-Year Term. Customer agrees that issuance of a Purchase Order does not amend any provision of the service agreement, including without limitation the duration/term of the service agreement. Customer agrees to issue Purchase Orders sufficient to satisfy its obligations under the multi-year service agreement. Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, and Customer shall not dispute the validity of such invoices.

Customer Initials:

Unless otherwise agreed to by the parties, pricing is based upon the following billing and payment terms: Invoices will be delivered via email, payment is due upon receipt, and invoices are to be paid via ACH/EFT bank transfer. Johnson Controls ACH/EFT bank transfer details will be forth coming upon contractual agreement.

This offer shall be void if not accepted in writing within thirty (30) days from the date first set forth above.

To ensure that JCI is compliant with your company's billing requirements, please provide the following information:

PO is required to facilitate billing:

☐

NO: This signed contract satisfies requirement

☐

YES: Please reference this PO Number: _____

AR Invoices are accepted via e-mail:

☐

YES: E-mail address to be used: _____

☐

NO: Please submit invoices via mail

☐

NO: Please submit invoices via _____



SERVICE SOLUTION

De Pere Community Center	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____

TERMS AND CONDITIONS

1. Term. The Initial Term of this Agreement shall commence on the date of this Agreement and continue for the period indicated in this Agreement. At the conclusion of the Initial Term, this Agreement shall automatically extend for successive terms equal to the Initial Term (subject to Section 3) unless either party gives written notice to the other party at least thirty (30) days prior to the end of the then-UgddW`f fWd` 'WSUZ S`oJW`Wi S`LWd`p(+`

2. Payment and Invoicing. Unless otherwise agreed by the parties in writing, fees for Services to be performed shall be paid annually in advance. Unless otherwise agreed to by the parties, amounts are due upon receipt of the invoice by Customer. Invoices shall be paid by Customer via electronic delivery via EFT/ACH. Invoicing disputes must be identified in writing within 21 days of the invoice date. Payments of any disputed amounts are due and bSkSTW` gba` dWea`gffa`+` HSk`W`f`e S`Ua`Vffa`` bdWUWVW`f` fa` ; a`_bS` kqe` obligation to perform Services under the Agreement. Work performed on a time and material basis shall be at the thenprevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and ; gefa`\_Wdie`XS[gdW`fa`_S]W`bSk`_W`f` `Xg` i`ZW` VgW`[e S`_SfWd[S` TdWSUZ`aX` this Agreement. Customer further acknowledges that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy, the right to, without notice: (i) suspend, discontinue or terminate performing any Services and/or withhold further deliveries of equipment and other materials, terminate or suspend any g`bS[V` eaIf`i`SdW` (UW`eWe) S`V`ad`egebW`V` ; a`_bS` kqe` aT[YSffa`e`g` V`Wd`ad` terminate this Agreement; and (ii) charge Customer interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is _SWV`[ `Xg`+` ; a`\_bS` kqe` WUWUffa`` fa` Ua`f`[ `gW` bdaH[V`Y` XgfgdW`eWdh[UW`e` VaWe`af`[`S`k` i`Sk`V`[`]eZ` ; a`\_bS` kqe` d[YZf`fa` fWd`[`]SfW`ad`egebW`V`eWdh[UW`e`ad` exercise any or all rights or remedies under this Agreement. Company shall not be liable for any damages, claims, expenses, or liabilities arising from or relating to suspension of Services for non-payment. In the event that there are exigent circumstances requiring services or the Company otherwise performs Services at the premises following suspension, those services shall be governed by the terms of this Agreement unless a separate contract is WjWUgfvW`+`X` ; gefa`_Wd`VjebgW`e`S`k`SfW`bSk`\_W`f`af[UW`ad` ; a`_bS` kqe` WUadfe` to collect payment, Customer shall immediately notify Company in writing and explain the basis of the dispute. ; gefa`_Wd`SYdW`e`fa`bSk`S`+`aX` ; a`\_bS` kqe` reasonable collection costs, including legal fees and expenses.

3. Pricing. The pricing set forth in this Agreement is based on the number of devices and services to be performed as set forth in this Agreement. If the actual number of devices installed or services to be performed is greater than that set forth in this Agreement, the price will be increased accordingly. Company may increase prices upon notice to Customer to reflect increases in material and labor costs. All stated prices are exclusive of and Customer agrees to pay any taxes, fees, duties, tariffs, false alarm assessments, installation or alarm permits and levies or other similar charges imposed and/or enacted by a government, however designated or imposed, including but not limited to value-added and withholding taxes that are levied or based upon the amounts paid under this Agreement. Prices in any quotation or proposal from Company are subject to change upon notice sent to Customer at any time before the quotation or proposal has been accepted. Company will provide Customer with notice of any pricing adjustments applicable to any Renewal Term no later than 45 days prior to the commencement of that Renewal Term. Unless Customer terminates the Agreement at least thirty (30) days prior to the start of such Renewal Term, the adjusted price shall be the price for the Renewal Term. Prices for products covered by this Agreement may be adjusted by Company, upon notice to Customer at any f[_W` bda`fa` eZ[b`_W`f` S`V` dWYSdV`Wee`aX` ; gefa`_Wdie` SUUWbS`UW`aX` fZW` ; a`_bS` kqe` bdaabes`+`ad` cgafSffa`)` fa` dWUWUf` S`k`[ `UdWSeW`[ ` ; a`\_bS` kqe` Uaef` of raw materials (e.g., steel, aluminum) inability to secure Products, changes or increases in law, labor, taxes, duties, tariffs or quotas, acts of government, any similar charges, or to cover any extra, unforeseen and unusual cost elements.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in this Agreement. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of protection services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are e`bUjQdUT`d`dXU`fQleU`V`9ecd`\_ ]`Ubric`b`_`Ubd`i`Q`AT`dXU`b`\_`Ubd`i`_V`dXUbc` located on the premises. Customer agrees to look exclusively to 9ecd`\_ ]`Ubric`Y`acebUbd`d`bUS`\_fUeb`V`b`Y`ZebUc`_b`TQ`]`QWU`Y`dXU`UfU`d`_V`Q`^i` loss or injury. Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no**

guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service Y`Q`^i`bUc`Usd(9`\_ ]`Q`^inc`VQRVdi`V`b`IUbfiSUC`_Ubb`b`]`UT`_`^`-site`at` 9ecd`\_ ]`Ubric`b`U` ]`YcUc`cXQV`RU`V`]`YdUT`d`\_Q`^QWbUWQdU`Q`]`\_e`d`UaeQ`d`\_ the Agreement price (as increased by the price for any additional work) or, where the t`]`U`Q`AT`]`QdUbiQV`_`Q`i` ]`U`d`dUb` ]`Yc`cUUSdUT( 9ecd`_]`Ubric` time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments QV`\_SQRVU`d`\_dXU`c`dU`g`XUbu`dXU`Y`ASITU`d`_SSebbUT`+` 9`\_ ]`Q`^inc` liability with respect to Monitoring Services is set forth in Section 18 of this Agreement. Such sum shall be complete and exclusive. IN NO EVENT SHALL COMPANY BE LIABLE, FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY CUSTOMER OR ANY THIRD PARTY. To the maximum extent permitted by law, in no event shall Company and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyberattacks or failures or interruptions to network systems. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, 9`\_ ]`Q`^inc`U` ]`_`^`_`iUUC` (QWU`^dC`_`\_`WSUbc`Q`AT`TbUdS`_bc`+

6. Reciprocal Waiver of Claims (SAFETY Act). Certain of Company's systems and services have received Certification and/or Designation as Qualified Anti-LWddad[e`\_`LWUZ`a`aY[We`\_`o`i`9LLp(g`VWd`fZW`Kgbbaef`9`f`-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441-111 'fZW`oK9>=LQ`9Ufp(+`9e`dWcgjdWV`g`VWd`3` ;+;J`+/2`2`'WQ`fa`fZW`_Sj[_g`\_ extent permitted by law, Company and Customer hereby agree to waive their right to make any claims against the other for any losses, including business interruption losses, sustained by either party or their respective employees, dWeg`f`Y`Xda`\_`S`\_Suf[h`fk`dWeg`f`Y`Xda`\_`S`\_o9Uf`aX`LWddad[e`_p`Se`VWU`VW`[`3` C.F.R. 25.2, when QATT have been deployed in defense against, response to, or recovery from such Act of Terrorism.

7. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to bu`bUcU`d`ad`Y`Q`^i` ceSX`QSD`\_`^`9ecd`_]`Ubric`bUc`\_`^`c`RVRdi`i`g`dX`bUc`\_Usd` in indemnification and defense of Company with respect to Monitoring Services is set forth in Section 18 of this Agreement.

8. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded and their related costs. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. - 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement. All work performed unscheduled unless otherwise specified in this Agreement. Appointments scheduled for fourhour window. Additional charges may apply for special scheduling requests (e.g. working around equipment shutdowns, after hours work). Company will perform the services described in the K[Wdh[UW`Ka`gffa``\_`o`K[Wdh[UWep( `ad`a`W`ad`\_adW`ekefW`\_`e( `ad`Wcg[b`\_W`f`Se`VWeUd[TWV`[ `fZW`K[Wdh[UW`Ka`gffa``_`ad`fZW`[efWV`SfSfSUZ`\_W`fe`\_`o`;ahWdWV`KkefW`\_`e(p`+` MFD=KK`GL@=J`O`K= `KH= ;+;A<`AN`THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT

DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

9. Customer Responsibilities. Customer shall regularly test the System(s) [' SUUadVS`UW i fZ Sbbf`USTW` ASi S`V _S`giSufgdWde` S`V ; a`bS` kqe recommendations. Customer shall promptly notify Company of any \_S`g`Uf[a` [` fZW ; ahWdWV KkefW`_e(i ZUZUa`\_We fa ; gefa`_Wdqe SffW` f[a` + This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon inspection, Company determines that repairs are recommended, repair charges will be egT`[ffW`_ad Sbbd`ahS` Tk ; gefa`\_Wdqe a`-site representative prior to work. Should such repair work be declined, Company shall be relieved from any and all liability arising therefrom.

Customer further agrees to:

- n provide Company clear access to Covered System(s) to be serviced including, if applicable, lift trucks or other equipment needed to reach inaccessible equipment;
- n supply suitable electrical service, heat, heat tracing adequate water supply, and required system schematics and/or drawings;
- n notify all required persons, including but not limited to authorities having jurisdiction, employees, and monitoring services, of scheduled testing and/or repair of systems;
- n provide a safe work environment;
- n in the event of an emergency or Covered System(s) failure, take reasonable precautions to protect against personal injury, death, and/or property damage and continue such measures until the Covered System(s) are operational; and
- n comply with all laws, codes, and regulations pertaining to the equipment and/or Services provided under this Agreement.

Customer represents and warrants that it has the right to authorize the Services to be performed as set forth in this Agreement. Customer is solely responsible for the establishment, operation, maintenance, access, security and other SebWufe a[f[e Ua`\_bgfWd`_Wf i ad] `oFWf i ad] p( S`V eZS` egbb`k ; a`bS` k eWUgdW Network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Customer and/or end user against unauthorized access. Customer is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, soff i SdW) ad iX`We `Ua`WUf[hW`k o<SfSp(b[d]ad fa dWUW[h` Y fZW eWdh[UW ad bdaVgUfe+

10. Repair Services. Where Customer expressly includes repair, replacement, and emergency response services in the Service Solution section of this Agreement, such Services apply only to the components or equipment of the Covered System(s). Customer agrees to promptly request repair services in the event the System becomes inoperable or otherwise requires repair. The Agreement price does not include repairs to the Covered System(s) recommended by Company as a result of an inspection, for which Company will submit independent pricing to Customer and as to which Company will not proceed until Customer authorizes such work and approves the pricing. Repair or replacement of non-maintainable parts of the Covered System(s) including, but not limited to, unit cabinets, insulating material, electrical wiring, structural supports, and all other non-moving parts, is not included under this Agreement.

11. System Equipment. The purchase of equipment or peripheral devices, (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in ; a`bS` kqe eaW`lgVY`_W`f` S`k bWd[bZWdS` VWdh[UW ad afZWd ekefW`\_Wcg[b`_W`f` which is attached to the Covered System(s), whether provided by Company, Customer or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

12. Reports. Where inspection and/or test services are selected, such [`ebWUffa` S`V,ad filf eZS` TW Ua`\_b`WfWV a` ; a`bS` kqe fZW` UgddW`f dWbaf form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

13. Availability and Cost of Steel, Plastics & Other Commodities. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other

commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination.

14. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in SUUadVS`UW i fZ ; a`bS` kqe fZW` UgddW`f Zagd`k rate.

15. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the WjWUgf[a`\_a` fZ[e 9YdWW`\_W`f` fa fZW TWef a` ; gefa`\_Wdqe ]`a` i`WVYV fZWdW`[e`_a`

- n Space in which work must be performed that, because of its construction, location, contents or work activity therein, accumulation of a hazardous gas, vapour, dust or fume or the creation of an oxygen-deficient atmosphere may occur,
- n obWd`\_lf Ua`X`[`WV ebSUW)p Se VW[(`WV Tk GK@A for work Company performs in the United States;
- n risk of infectious disease;
- n need for air monitoring, respiratory protection, or other medical risk; or
- n asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

9`a` af fZW STahW SdW ZWdW[` S`fWd dWdWdWV fa Se o@SISdVage ; a`V[f[a`_e`p Company shall have the right to rely on the representations listed above. If Hazardous Conditions are encountered by Company during the course of ; a`bS` kqe i ad] fZW V[eUahWdk a` egUZ`\_SfWd[S`e eZS` Ua`_ef[fgfW` S`_WhW`f TWka`_V ; a`bS` kqe Ua`\_fda` S`\_V ; a`bS` k eZS` ZShW`\_a` aT`[YSf[a`_fa`_gdfZwd perform in the area where the Hazardous Conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company. This Agreement does not provide for the cost of testing involving a discharge or release, capture, Ua`\_fS`_W`\_f` f[S`\_ebad] dW`_ahS` ad V[ebaeS`_Ua`WUf[hW`k fZW o<[eUZSdYV KWdh[UWep(a` S`k ZSISdVage i SefW`\_SfWd[S`e) ZSISdVage`\_SfWd[S`e) firefighting materials including without limitation any firefighting foam encountered in and/or discharged from any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Customer shall be responsible for any Discharge Services associated with such materials, including all discharged firefighting foam in accordance with all applicable law. Company shall not be responsible for the testing, removal or disposal of such hazardous materials. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the use of any Discharge Services associated with any hazardous waste, hazardous materials, or firefighting materials including without limitation firefighting foam encountered or discharged during performance of the Services.

16. Covid-19 Vaccination. Company expressly disclaims any requirement, understanding or agreement, express or implied, included directly or incorporated by reference, in any Customer purchase order, solicitation, noticW ad afZWd i [eW) fZSf S`k a` ; a`bS` kqe bWde`\_W` TW hSUU[`\_SNW SYS[`_ef Covid-19 under any federal, state/provincial or local law, regulation or order applicable to government contracts or subcontracts, including, without limitation, Presidential Executive OdVWd .1-1/ `o`= egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e`_ad`\_>WVdS` ; a` f[SUFadep( S`V`\_>WVdS` 9Ucg[e]f[a` Regulation (FAR) 52.223-66 `o`= egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e`\_ad`_>WVdS` ; a` f[SUFadep(9`k egUZ` dWcg[dW`\_W`f` eZS` a`\_k Sbb`k fa ; a`bS` kqe bWdsonnel if and only to the extent contained in a written agreement physically signed by an authorized officer of Company.

17. Other Services.

A.Remote Service. If Customer selects Remote Service, Company shall bdah[VW egbbad`\_ad fZW ; gefa`_Wdqe ekefW`\_Tk i Sk af education, remote assistance and triage that does not require programming changes to the ; gefa`_Wdqe bS`\_W`+ A` SVV[f[a`) JW`\_afW KWdh[UW ValWe`_af [`U`gVW eWdh[UW fa address physical damage to the system or a device; troubleshooting wiring issues; programming changes and/or relocating, remounting, reconnecting, or adding a device to the system. Customer understands and agrees that, while JW`\_afW KWdh[UW bdah[VWe`_ad Ua`\_g`[USf[a`\_dWYSdV[`_Y ; gefa`\_Wdqe X[dW S`Sd`_system to Company via the Internet, Remote Service does not constitute monitoring of the system, and Customer understands that Remote Service does not provide for Company to contact the fire department or other authorities in the event of a fire alarm. Customer understands that if it wishes to receive monitoring of its fire alarm system and notification of the fire department or other authorities in the event of a fire alarm, it must select monitoring services as a separate Service under this Agreement.

CUSTOMER FURTHER UNDERSTANDS AND AGREES THAT THE TERMS OF SECTION 18.F OF THIS AGREEMENT APPLY TO REMOTE SERVICE.

B.Connected Fire Sprinkler Services; Connected Fire Alarm Services. Connected Fire Sprinkler Services and Connected Fire Alarm Services each means a data-analytics and software platform that uses a cellular or network Ua`\_WUf[a`_fa`\_YSfZWd Wcg[b`_W`f` bWd`ad`_S`UW VSfS STagf S ; gefa`_Wdqe

; ahWdWV =cg[b_W'f'xad; gefa_Wdqe ebdq']Wd ekefW_ad X[dW S'Sd_ ekefW_] Se Sbb[USTW] fa See[ef B; A'] SVhe[Y; gefa_Wd a' egUZ Wcglb_W'fje ZWS'fZ] performance or potential malfunction. Connected Fire Sprinkler Services and Connected Fire Alarm Services are collectively, the Connected Equipment Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services on any Covered Equipment, Customer agrees to allow Company to install diagnostic sensors and communication ZSDv i SdW 'o?SFW i Sk <Wh[UWP ad; gefa_Wd i' egbb'k S'Wf i d] Ua'Wuf[a' eg[IST'W fa W'ST'W Ua_ _g' [USf[a' i [fZ; gefa_Wdqe; ahWdWV =cg[b_W'f' order for Company to deliver the connected services. For more information on whether your particular equipment includes Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, a subscription to such services and the cost, if any, of such subscription, please see your applicable order, quote, proposal or purchase documentation or talk to your JCI sales representative. For certain subscriptions, Customer will be able to access equipment ['xad_Sf[a' xda_ _s_ aT'W ad e_Sd VW[h[UW ge[Y fZW eWdh[UWqe _aT'W ad i WT app. The Gateway Device will be used to access, store, and trend data for the purposes of providing Connected Fire Sprinkler Services. Company will not use Connected Fire Sprinkler Services or the Connected Fire Alarm Services to remotely operate or make cZS'YWe fa; gefa_Wdqe =cg[b_W'f' A fZW connection is disconnected by Customer, and a technician needs to be VjebSfUZWV fa fZW; gefa_Wd e[fW] fZW' fZW; gefa_Wd i' bSk B; A Sf B; Aqe fZW' -current standard applicable contract regular time and/or overtime rate for such services. **Company makes no warranty or guarantee relating to the Connected Fire Sprinkler Services or Connected Fire Alarm Services. Customer acknowledges that, while Connected Fire Alarm Services or Connected Sprinkler Services generally improve equipment performance and services, these services do not prevent all potential malfunction, insure against all loss or guarantee a certain level of performance and that JCI shall not be responsible for any injury, loss, or damage caused by any act or omission of JCI related to or arising from the proactive health notifications of the equipment under Connected Equipment Services. Customer understands that if it wishes to receive monitoring of its fire alarm system or sprinkler system and notification of the fire department or other authorities in the event of an alarm, it must select monitoring services as a separate Service under this Agreement. CUSTOMER FURTHER UNDERSTANDS AND AGREES SECTION 20 (SOFTWARE AND DIGITAL SERVICES) APPLY TO CONNECTED FIRE ALARM SERVICES AND CONNECTED SPRINKLER SERVICES. In the event of a conflict between these terms and the Software Terms, the Software Terms will control.**

C. Dashboards and Mobility Applications for Connected Fire Sprinkler Services and Connected Fire Alarm Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, ; gefa_Wd _Sk gff[IW; a_bS' kqe =SeZTaSdV'e(S'V EaT'[fk 9bb[USf[a' 'e) Se applicable, during the term of the Agreement, pursuant to the then applicable Terms of Use Agreement. Terms for the Dashboard are located at <https://www.johnsoncontrols.com/buildings/legal/digital/general/ots>.

18. Monitoring Services. If Customer has selected Monitoring Services, the following shall apply to such Services:

A. Alarm Monitoring Service. Customer agrees and acknowledges that ; a_bS' kqe ea'W S'V a'k aT'[YSf[a' g'VWd fZje 9YdWV_W'f eZS' TW fa biah[VW alarm monitoring, notification, and/or Runner Services as set forth in this Agreement and to endeavor to notify the party(ies) identified by Customer on fZW; a' fSuf; S' D[ef 'o; a' fSufep(S'V ad DaUS' =_WdYW' Uk <[ebSfUZ Fg_TWdqe for responding authorities. Upon receipt of an alarm signal, Company may, at our sole discretion, attempt to notify the Contacts to verify the signal is not false. If we fail to notify the Contacts or question the response we receive, we will attempt to notify the responding authority. In the event Company receives a supervisory signal or trouble signal, Company shall endeavor to promptly 'af[k a'W a' fZW; a' fSuf+; a_bS' k eZS' 'af TW dWeba' e[T'W iad S'; a' fSufje ad dWeba' V[Y SgfZad[fkqe dW[geS' fa SU] 'a i'WVYW.dWeba'V fa; a_bS' kqe notifications of receipt of an alarm signal, nor shall Company be required to make additional notifications because of such refusal. The Contacts are SgfZad[IWV fa Suf a'; gefa_Wdqe TWZS' S'V) [X ea VW[eY'SfWV a' fZW Contact/Call List, are authorized to cancel an alarm prior to the notification of authorities. Customer understands that local laws, ordinances or policies may dWef[dUf; a_bS' kqe ST'[fk fa biah[VW fZW S'Sd_ _a' fad[Y S'V 'af[USf[a' services described in this Agreement and/or necessitate modified or additional services and related charges to Customer. Customer understands that Company may employ a number of industry-recognized measures to help reduce occurrences of false alarm signal activations. These measures may include, but are not limited to, implementation of industry-recognized default eWff[Ye8 'b_W'W' S'f[a' al obSd[S' UWSd f'_W TkbSeep biah[VWgVdWe Sf agd S'Sd_ monitoring center and other similar measures at our sole discretion from time to time. THESE MEASURES CAN RESULT IN NO ALARM SIGNAL BEING SENT FROM AN AD9J.E RGF= fF; MKLGE=JkK HJ=EAK=K 9-L=J L@= INITIAL ALARM ACTIVATION UNTIL THE ALARM SYSTEM IS MANUALLY RESET. Upon receiving notification from Company that a fire or gas detection (e.g. carbon monoxide) signal has been received, the responding authority may forcibly enter the premises. Cellular radio unit test supervision, if provided g'VWd fZje 9YdWV_W'f) biah[VWe a'k fZW efSfge al fZW UW'gSd dSV[a g' fje current signaling ability at the time of the test communication based on certain programmed intervals and does not serve to detect the potential loss of radio service at the time of an actual emergency event. Company shall not be

responsible to provide monitoring services under this Agreement unless and g'f' fZW Ua_ _g' [USf[a' ''] TWf i WW'; gefa_Wdqe bDW_[eWe S'V; a_bS' kqe Monitoring Center has been tested. **SUCH SERVICES ARE PROVIDED WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

B Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of Monitoring Services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the Monitoring Services and the scope of liability set forth in this Agreement Q^T QbU e^bUQdUT d_ dXU fQleU _V 9ecd_] Ubrc 'b_ 'Ubbi Q^T dXU 'b_ 'Ubbi of others located on the premises. Customer agrees to look exclusively d_ 9ecd_] Ubrc Y^cebUb d_ bUS_fUb V_b Y^zeb/Uc _b TQ] QWU Y^ dXU Uvent of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or Services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or Service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its monitoring obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or Service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or Service in any respect, Co] ^Q^ inc VQR/Vd i gYdX bUc'USd d_ Monitoring Services shall be the lesser of the annual fee for Monitoring Services allocable to the site where the incident occurred or two thousand five hundred (\$2,500) dollars, as agreed upon damages and not as a penalty(Qc 9ecd_] Ubrc c_W BU] UT i^ IeSX ce] cXQW RU S_] 'Udu and exclusive. **IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. In no event shall JCI and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind, including but not limited to damages; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, and each of their employees, agents, officers and directors.****

C. Indemnity, Insurance. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third-party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to the Monitoring Services provided under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on CustomWdqe YW'WdS' 'ST'[fk S'V Sgfa 'ST'[fk ba[UW+.

D. No modification. Modification to Sections 18 B or C may only be made by a written amendment to this Agreement signed by both parties specifically referencing Section 18 B and/or C, and no such amendment shall be effective g'Wee SbbdahWV Tk fZW _S' SYWd al; a_bS' kqe; W' fids' Ea' fad[Y; W' fWd+ E.9ecd_] Ubrc :ed[Uc+ A' SVV[f[a' fa; gefa_Wdqe Vgfk fa ['VW_ [Xk] VWVW' V) and hold Company harmless pursuant to this Section 18:

i. Customer agrees to furnish the names and telephone numbers of all persons SgfZad[IWV fa W' fWd ad dW_Sf' a' ; gefa_Wdqe bDW_[eWe S'V, ad fZSf eZauld be notified in the event of an alarm (the Contact/Call List) and Local Emergency Dispatch Numbers and provide all changes, revision and modifications to the above to Company in writing in a timely manner. Customer must ensure that all such persons are authorized and able to respond to such notification.

ii. Customer shall carefully and properly test and set the system immediately prior to the securing of the premises and carefully test the system in a manner prescribed by Company during the term of this Agreement. Customer agrees

herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto. Notwithstanding any other provisions of this Agreement and unless otherwise agreed to by the parties in writing, the following terms apply to Software that is provided to Customer on a subscription basis (i.e., a time limited license or use of YZ(f) "WSUZ S oKaIf i SdW KgTeUd(bf)a" p(7 =SUZ KaIf i SdW KgTeUd(bf)a" bdaH[VWV hereunder will commence on the date the initial credentials for the Software SdW _SVW ShS(f)STW 'fZW oKgTeUd(bf)a" KfSdf <ShWp(S'V i["Ua'f'gW [" WXXWUF until the expiration of the subscription term noted herein. At the expiration of the Software Subscription, such Software Subscription will automatically renew Xad Ua' eWUg(f)hW a'W' .(kWSd fWd_e "WSUZ S oJW'WiS' KgTeUd(bf)a" Lwd_p(unless either party provides the other party with a notice of non-renewal at least ninety (90) days prior to the expiration of the then-current term. To the extent permitted by applicable law, Software Subscriptions purchases are non-cancelable and the sums paid nonrefundable. Fees for Software Subscriptions shall be paid annually in advance, invoiced on the Subscription Start Date and each subsequent anniversary thereof. Unless otherwise agreed by the parties in writing, the subscription fee for each Renewal Subscription Term will be bJ(UWV Sf B ; kq fZW' Sbb(JUSTW' (ef bJ(UW Xad fZSf KaIf i SdW aXWd[" Y+ 9' k geW aX Software that exceeds the scope, metrics or volume set forth in this Agreement will be subject to additional fees based on the date such excess use began.

21. Taxes, Fees, Fines, Licenses, and Permits. Customer agrees to pay all sales tax, use tax, property tax, utility tax and other taxes required in connection with the equipment and Services listed, including telephone company line charges, if any. Customer shall comply with all laws and regulations relating to the equipment and its use and shall promptly pay when due all sales, use, property, excise and other taxes and all permit, license and registration fees now or hereafter imposed by any government body or agency upon the equipment or its use. Company may, without notice, obtain any dWcg(dWV bWd_ (f) (UW' eW ad dWY(efdsf)a' Xad ; gefa_ Wd Sf ; gefa_ WdJe Wj bW' eW and charge a fee for this service. If Customer fails to maintain any required licenses or permits, Company shall not be responsible for performing the services and may terminate the services without notice to Customer.

22. Outside Charges. Customer understands and accepts that Company specifically disclaims any responsibility for charges associated with the notification or dispatching of anyone, including but not limited to fire department, police department, paramedics, doctors, or any other emergency personnel, and if there are any charges incurred as a result of said notification or dispatch, said charges shall be the responsibility of Customer.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds a' ; gefa_ WdJe YW' WdS' (ST(f)fk S'V Sgfa (ST(f)fk ba(UW'e-

24. Waiver of Subrogation. Customer does hereby for itself and all other parties claiming under it release and discharge Company from and against all ZSISdVe UahWdW Tk ; gefa_ WdJe (egdS'UW) (f TW[Y Wj bWdWee'k SYdWVW S'V understood that no insurance company or insurer will have any right of subrogation against Company.

25. Force Majeure, Exclusions. Company shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by Company to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A o>adUW ESWgdW =hW' fp (e S Ua' V(f)a' ad WhW' f fZSf (e TWka' V fZW dWSea' STW control of Company, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control aX ; a_bS' k+ aX ; a_bS' kq bWdWad_ S'UW aX fZW i ad] (e VV'SKiW) (_bSUNW) ad prevented by a Force Majeure Event or its continued effects, Company shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if Company is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, Company will be entitled to extend the relevant completion date by the amount of time that Company was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or (Vj dWUfK (UdWSeWe ; a_bS' kq Uaef fa bWdWad_ fZW eWd(WUe) ; gefa_ Wd (e obligated to reimburse Company for such increased costs, including, without limitation, costs incurred by Company for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by Company in connection with the Force Majeure Event.

26. Exclusions. This Agreement expressly excludes, without limitation, provision of fire watches; reloading of, upgrading, and maintaining computer software; making repairs or replacements necessitated by reason of WY(YW' UW ad _[egeW aX Ua_ ba' W' fe ad Wcg(b_ W' f ad UZS' YWe fa ; gefa_ WdJe premises; vandalism; power failure; current fluctuation; failure due to non-JCI installation; lightning, electrical storm, or other severe weather; water; accident; fire; acts of God; testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; corrosion (including but not limited to micro-bacterially induced corrosion 'oEA ; p((U Sd(f)VWYe YdWdW fZS' .3 YdS_e8 YSe hS'hW installation; or any other cause external to the Covered System(s) and JCI shall not be required to provide Service while interruption of service due to such causes shall continue. This Agreement does not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by JCI at B ; kq ea'W V(eUdW(f)a' Sf S' SVV(f)a' S' UZS(YW' aX =_WdYW' Uk KdWd(UWe SdW expressly included in the Service Solution, the Agreement price does not include travel expenses.

27. Delays. Company shall have no responsibility or liability to Customer or any other person for delays in the installation or repair of the System or the performance of our Services regardless of the reason, or for any resulting consequences.

28. Termination. Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion gba' a(f)UW fa ; gefa_ Wd (X ; a_bS' kq bWdWad_ S'UW aX (fe aT(YS(f)a e g' WdW this Agreement becomes impracticable due to obsolescence of equipment at ; gefa_ WdJe bWd_ (eWe ad g' ShS(f)ST(f)fk aX bSdfe-

29. No Option to Solicit. Customer shall not, directly or indirectly, on its own behalf or on behalf of any other person, business, corporation or entity, solicit or employ any Company employee, or induce any Company employee to leave his or her employment with Company, for a period of two years after the termination of this Agreement.

30. Default. An Event of Default shall include (a) any full or partial termination of this Agreement by Customer before the expiration of the then-current Term, (b) failure of Customer to pay any amount when due and payable, (c) abuse of the System or the Equipment, (d) failure by Customer to observe, keep or perform any term of this Agreement; (e) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, (i) discontinue furnishing Services, (ii) by written notice to Customer declare the balance of unpaid amounts due and to become due under this Agreement to be immediately due and payable, (iii) receive immediate possession of any equipment for which Customer has not paid, (iv) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and (v) recover all costs and expenses, inU'gV(Y i fZagf (fS(f)a' dWSea' STW Sf ad Wke(XWWe) (Ua' WU(f)a' i fZ enforcing or attempting to enforce this Agreement.

31. One-Year Limitation on Actions; Choice of Law. For Customers located in the United

States, the laws of Wisconsin shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law. For Customers located in Canada, this agreement shall be governed by and be construed in accordance with the laws of Ontario. The parties agree that any disputes arising under this Agreement shall be determined exclusively by the Ontario courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Ontario courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than one year after the claim (fdef SdaeW+ =jUWbf Se bdaH[VWV Xad ZWdW() ; a_bS' kq U'S(_e _gef S'ea TW brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

32. Assignment. Customer may not assign fZ(e 9YdWVW_ W' f i fZagf ; a_bS' kq prior written consent. Company may assign this Agreement without obtaining ; gefa_ WdJe Ua' eW' f-

33. Entire Agreement. The parties intend this Agreement, together with any SFSUZ_ W' fe ad J(VWde 'Ua'WU(f)hW'k fZW o9YdWVW_ W' f(to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions relating to the Services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

34. Headings. The headings in this Agreement are for convenience only.

35. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

36. Electronic Media. Customer agrees that Company may scan, image or otherwise convert this Agreement into an electronic format of any nature.

Customer agrees that a copy of this Agreement produced from such electronic format is legally equivalent to the original for any and all purposes, including 'f[Y\$[a`+ ; gefa\_wd SYdWWe fZSf ; a\_bs`kqe dWUW[bf Tk X\$] aX fZW 9YdWW _W`f signed by Customer legally binds Customer and such fax copy is legally equivalent to the original for any and all purposes, including litigation.

37. Legal Fees. Company shall be entitled to recover from Customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

38. Lien Legislation. Notwithstanding anything to the contrary contained herein, the terms of this Agreement shall be subject to the lien legislation applicable to the location where the work will be performed, and, in the event of conflict, the applicable lien legislation shall prevail.

39. Privacy. A. **Company as Processor:** Where Company factually acts as Processor of Personal Data on behalf of Customer (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa shall apply. B. **Company as Controller:** Company will collect, process and transfer certain personal data of Customer and its personnel related to the business relationship between it and Customer (for example names, email addresses, fW`WbZa`W`g\_TWde( Se Ua`fia`Wd S`V [` SUUadVS`UW i fZ ; a_bs`kqe Hd[hSUK Notice at <https://www.johnsoncontrols.com/privacy>. Customer acknowledges ; a\_bs`kqe Hd[hSUK FafUW S`V efd[Uf`k fa fZW Wjfw`f Ua`eW`f [e \_S`VSfad`k required under applicable law, Customer consents to such collection, processing and transfer. To the extent consent to such collection, processing S`V fId`eWd Tk ; a\_bs`k [e _S`VSfad`k dWcg[dWV `da\_ ; gefa\_Wdqe bWdea`W` under applicable law, Customer warrants and represents that it has obtained such consent.

40. License Information (Security System Customers): AL Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: AR Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: CA Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act: NY Licensed by the N.Y.S. Department of the State: TX Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512424-7710. License numbers available at www.johnsoncontrols.com or contact your local Johnson Controls office.

City of De Pere Planned Service Agreements

Proposed Changes to:

CPQ-409139**CPQ- 439380**Page 5 of 12

Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, assuming such services performed are not covered under the summary of services included under this Agreement.

Regarding the Terms and Conditions attached to the CPQ proposal referred at the top, both Parties agree to modify the Sections described below, as follows:

2. Payments and Invoicing. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and Customer's failure to make payment when due could be considered a material breach of this Agreement. Customer further acknowledges that that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy the right to with notice:

5. Limitation of Liability; Limitations of Remedy. Delete the following sentences from Section 5:

(i) Customer agrees to look exclusively to Customer's insurer to recover for injuries or damage in the event of any loss or injury. Customer releases and waives all right of recovery against Company arising by way of subrogation.

(ii) Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert.

7. Indemnity. Delete the words "or Company" from the sixth sentence of Section 7. "Indemnity".

18. Monitoring Services. Intentionally Omitted as not applicable to CPQ #409139.

23. Insurance. Intentionally Omitted.

24. Waiver of Subrogation. Intentionally Omitted.

29. Three-Year Limitation on Actions;-Choice of Law. The parties agree that any disputes arising out of this Agreement shall be determined exclusively by the Wisconsin courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Wisconsin courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than three years after the claim first arose. Except as provided for herein, Company's claims must also be brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

35. Legal Fees. Company or Customer shall each be entitled to recover from the other party to this Agreement all reasonable legal fees incurred in connection with Company or Customer enforcing the terms and conditions of this Agreement.

City of De Pere	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____

De Pere Community Center FA monitoring per point - CPQ-400734

Planned Service Agreement



Johnson Controls Fire Protn LP
1941 Holmgren Way
Green Bay WI54304
US

Proposal Presented On:
04-24-2023

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SERVICE SOLUTION

Customer #: 4397082
De Pere Community Center
Date: 24-Apr-23
Proposal #: CPQ-400734
Term: 1-May-23 to 30-Apr-26

Billing Customer:
De Pere Community Center
600 GRANT ST

DE PERE, WI 54115-0000

Service Location:
De Pere Community Center
600 Grant St,
De Pere, WI 54115

Johnson Controls Fire Protection LP
Sales Representative:
Michael Price
1941 Holmgren Way
Green Bay WI 54304
michael.price@jci.com

INVESTMENT SUMMARY
(Service Solution Valid for 30 Days)

SERVICE/PRODUCT DESCRIPTION	QUANTITY	FREQUENCY	INVESTMENT
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		De Pere Community Center	\$420.61
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SYSTEM-FA-SIMPLEX 4007ES

SIMPLEX 4007ES FIRE ALARM PANEL

Customer Pricing Type : Local

Monitoring Account Type: Fire Alarm

Number of Additional Building Partitions: 0

Total Initiating Devices: 0

Primary Communication: IP (Internet)

Secondary Communication:

Per Point : Yes

ALARM & DETECTION- MONITORING

To the extent applicable, Johnson Controls has included an estimate for all state and local sales tax for this quote. The actual sales tax due will be calculated and billed upon issuance of an invoice, unless a valid exemption and/or resale certificate is received by Johnson Controls.



SERVICE SOLUTION

SUMMARY OF SERVICES

The summary of services is intended to cover the following locations:

Location	Address	City	State	Zip	Monitoring
De Pere Community Center	600 Grant St,	De Pere	WI	54115	\$420.61

ALARM & DETECTION- MONITORING

SYSTEM-FA-SIMPLEX 4007ES

Alarm signal initiated by a fire alarm control panel. Central Station will endeavor to notify the fire department and Customer when an alarm or trouble signal is received. This service includes 1- 800 toll-free signal transmission, 24-hour auto dialer test, and notification of Customer-provided Emergency Call List.



SERVICE SOLUTION

This Service Solution (the "Agreement") sets forth the Terms and Conditions for the provision of equipment and services to be provided by Johnson Controls Fire Protection LP ("Company") to **De Pere Community Center** and is effective **1-May-23** (the "Effective Date") to **30-Apr-26** (the "Initial Term"). Customer agrees that initial inspections may be performed within 45 days from the Effective Date.

PAYMENT FREQUENCY: Annual In Advance

Initials

PAYMENT TERMS: Due Upon Receipt

For applicable taxes, please see Section 3 of the Terms & Conditions

PAYMENT AMOUNT: \$420.61 - **Proposal #:** CPQ-400734

PAYMENT SUMMARY:

Year	Term	PSA Charges
1	05/01/2023 - 04/30/2024	\$420.61
2	05/01/2024 - 04/30/2025	\$420.61
3	05/01/2025 - 04/30/2026	\$420.61

CUSTOMER ACCEPTANCE: In accepting this Agreement, Customer agrees to the Terms and Conditions on the following pages and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that Customer may issue. Any changes in the system requested by Customer after the execution of Agreement shall be paid for by Customer and such changes shall be authorized in writing.

ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS CONTAINED IN THIS AGREEMENT.



SERVICE SOLUTION

Multi Year Contract Rider AGREEMENT

Acknowledgement of Multi-Year Term. Customer agrees that issuance of a Purchase Order does not amend any provision of the service agreement, including without limitation the duration/term of the service agreement. Customer agrees to issue Purchase Orders sufficient to satisfy its obligations under the multi-year service agreement. Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, and Customer shall not dispute the validity of such invoices.

Customer Initials:

Unless otherwise agreed to by the parties, pricing is based upon the following billing and payment terms: Invoices will be delivered via email, payment is due upon receipt, and invoices are to be paid via ACH/EFT bank transfer. Johnson Controls ACH/EFT bank transfer details will be forth coming upon contractual agreement.

This offer shall be void if not accepted in writing within thirty (30) days from the date first set forth above.

To ensure that JCI is compliant with your company's billing requirements, please provide the following information:

PO is required to facilitate billing:

☐

NO: This signed contract satisfies requirement

☐

YES: Please reference this PO Number: _____

AR Invoices are accepted via e-mail:

☐

YES: E-mail address to be used: _____

☐

NO: Please submit invoices via mail

☐

NO: Please submit invoices via _____



SERVICE SOLUTION

De Pere Community Center	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____

TERMS AND CONDITIONS

1. Term. The Initial Term of this Agreement shall commence on the date of this Agreement and continue for the period indicated in this Agreement. At the conclusion of the Initial Term, this Agreement shall automatically extend for successive terms equal to the Initial Term (subject to Section 3) unless either party gives written notice to the other party at least thirty (30) days prior to the end of the then-Ugddw`f fWd` 'WSUZ S`oJW`Wi S`LWd`p(

2. Payment and Invoicing. Unless otherwise agreed by the parties in writing, fees for Services to be performed shall be paid annually in advance. Unless otherwise agreed to by the parties, amounts are due upon receipt of the invoice by Customer. Invoices shall be paid by Customer via electronic delivery via EFT/ACH. Invoicing disputes must be identified in writing within 21 days of the invoice date. Payments of any disputed amounts are due and bSkSTW` gba` dWea`gffa`+ HSk`W`f`e S`Ua`Vffa` bdWUWVW`f fa ; a`_bS` kqe obligation to perform Services under the Agreement. Work performed on a time and material basis shall be at the thenprevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and ; gefa`\_Wdie`YS[gdW`fa`_S]W`bSk`_W`f` `Xg` i`ZW` VgW`[e S`_SfWd[S` TdWSUZ`aX this Agreement. Customer further acknowledges that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy, the right to, without notice: (i) suspend, discontinue or terminate performing any Services and/or withhold further deliveries of equipment and other materials, terminate or suspend any g`bS[V` eaIf`i`SdW` (UW`eWe) S`V`ad`egebW`V` ; a`_bS` kqe aT[YSffa` e`g` VWd`ad` terminate this Agreement; and (ii) charge Customer interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is _SWV`[ `Xg`+ ; a`_bS` kqe WUWffa` fa`Ua`f` gW`bdah[V`Y`XgfgdW`eWdh[UW`e`VaaWe`af`[ `S`k`i`Sk`V`[ `eZ` ; a`_bS` kqe d[YZF`fa`fWd`[`SfW`ad`egebW`V`eWdh[UW`e`ad` exercise any or all rights or remedies under this Agreement. Company shall not be liable for any damages, claims, expenses, or liabilities arising from or relating to suspension of Services for non-payment. In the event that there are exigent circumstances requiring services or the Company otherwise performs Services at the premises following suspension, those services shall be governed by the terms of this Agreement unless a separate contract is WjWUgfwV`+`X ; gefa`\_Wd`VjebgW`e`S`k`SfW`bSk`_W`f`af[UW`ad` ; a`\_bS` kqe WUadfe` to collect payment, Customer shall immediately notify Company in writing and explain the basis of the dispute. ; gefa`_Wd`SYdW`e`fa`bSk`S`+`aX ; a`_bS` kqe reasonable collection costs, including legal fees and expenses.

3. Pricing. The pricing set forth in this Agreement is based on the number of devices and services to be performed as set forth in this Agreement. If the actual number of devices installed or services to be performed is greater than that set forth in this Agreement, the price will be increased accordingly. Company may increase prices upon notice to Customer to reflect increases in material and labor costs. All stated prices are exclusive of and Customer agrees to pay any taxes, fees, duties, tariffs, false alarm assessments, installation or alarm permits and levies or other similar charges imposed and/or enacted by a government, however designated or imposed, including but not limited to value-added and withholding taxes that are levied or based upon the amounts paid under this Agreement. Prices in any quotation or proposal from Company are subject to change upon notice sent to Customer at any time before the quotation or proposal has been accepted. Company will provide Customer with notice of any pricing adjustments applicable to any Renewal Term no later than 45 days prior to the commencement of that Renewal Term. Unless Customer terminates the Agreement at least thirty (30) days prior to the start of such Renewal Term, the adjusted price shall be the price for the Renewal Term. Prices for products covered by this Agreement may be adjusted by Company, upon notice to Customer at any f[_W`bdaf`fa`eZ[b`_W`f`S`V`dWYSdV`Wee`aX ; gefa`\_Wdie`SUUWbS`UW`aX`fZW` ; a`\_bS` kqe bdaabS`ad`cgafSffa`) fa`dWUWUf`S`k`[ `UdWSeW`[ ` ; a`\_bS` kqe Uaef` of raw materials (e.g., steel, aluminum) inability to secure Products, changes or increases in law, labor, taxes, duties, tariffs or quotas, acts of government, any similar charges, or to cover any extra, unforeseen and unusual cost elements.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in this Agreement. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of protection services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are e`bUdQdUT`d`dXU`fQleU`V`9ecd`\_]`Ubric`b`_`Ubd`i`Q`AT`dXU`b`\_`Ubd`i`_V`dXUbc` located on the premises. Customer agrees to look exclusively to 9ecd`\_]`Ubric`Y`acebUbd`d`bUS`\_fUeb`V`b`Y`ZebUc`_b`TQ`[`QWU`Y`dXU`UfU`d`_V`Q`i` loss or injury. Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no**

guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service Y`Q`i`bUc`Usd(9`\_]`Q`i`inc`VQRVdi`V`b`IUbfiSUC`\_Ubb`b`UT`_`^`-site`at`9ecd`\_]`Ubric`b`U`[`YcUc`cXQW`RU`V`[`YdUT`d`\_Q`QWbUWQdU`Q`_e`d`UaeQ`d`_the Agreement price (as increased by the price for any additional work) or, where the t[]U`Q`AT`[`QdUbbQV`\_Q`i`[`U`d`dUbb`[`Yc`cUUSdUT( 9ecd`_]`Ubric`time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments QV`\_SQRU`d`\_dXU`c`dU`g`XUbu`dXU`Y`ASITU`d`_S`SebbUT`+`9`_]`Q`i`inc`liability with respect to Monitoring Services is set forth in Section 18 of this Agreement. Such sum shall be complete and exclusive. IN NO EVENT SHALL COMPANY BE LIABLE, FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY CUSTOMER OR ANY THIRD PARTY. To the maximum extent permitted by law, in no event shall Company and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyberattacks or failures or interruptions to network systems. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, 9`\_]`Q`i`inc`U`[`\_`^`iUUC`QWU`dC( \_WUSUbC`Q`AT`TbUdS`bc`+

6. Reciprocal Waiver of Claims (SAFETY Act). Certain of Company's systems and services have received Certification and/or Designation as Qualified Anti-LWddad[e`\_LWUZ`a`aY[We`_o`i`9LLp(g`VWd`fZW`Kgbbadf`9`f`-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441-111 'fZW`oK9>=LQ`9Ufp(+`9e`dWcg[dWV`g`_VWd`3` ;+;J`+/2`2`'WQ`fa`fZW`_Sj[_g`\_ extent permitted by law, Company and Customer hereby agree to waive their right to make any claims against the other for any losses, including business interruption losses, sustained by either party or their respective employees, dWeg`f[`Y`ida`\_S`_Suf[h[fk`dWeg`f[`Y`ida`\_S`_o9Uf`aX`LWddad[e`\_p`Se`VWU`[`VW`[`3` C.F.R. 25.2, when QATT have been deployed in defense against, response to, or recovery from such Act of Terrorism.

7. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to bu`bUcU`d`Yd`Y`Q`i`ceSX`QSD`\_`^`9ecd`_]`Ubric`bUc`\_`^`cIRVdi`i`g`dX`bUc`_Usd` in indemnification and defense of Company with respect to Monitoring Services is set forth in Section 18 of this Agreement.

8. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded and their related costs. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. - 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement. All work performed unscheduled unless otherwise specified in this Agreement. Appointments scheduled for fourhour window. Additional charges may apply for special scheduling requests (e.g. working around equipment shutdowns, after hours work). Company will perform the services described in the KWdh[UW`Ka`gffa``\_o`K`Wdh[UWep( `ad`a`W`ad`\_adW`ekeffW`\_e( `ad`Wcg[b`\_W`f`Se`VWeUd[TWV`[ `fZW`KWdh[UW`Ka`gffa``_ad`fZW`[efWV`SffSUZ`_W`fe`_o`;ahWdWV`KkefW`\_`e(p`+`MFD=KK`GL@=J`O`K= `KH= ;+;A<`AN`THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT

DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

9. Customer Responsibilities. Customer shall regularly test the System(s) [' SUUadVS`UW i fZ Sbbf`USTW` ASi S`V _S`giSufgdWde` S`V ; a`bS`kqe recommendations. Customer shall promptly notify Company of any \_S`g`Uf[a` [` fZW ; ahWdWV KkefW`_e(i ZUZUa`\_We fa ; gefa`_Wdqe SffW` f[a` + This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon inspection, Company determines that repairs are recommended, repair charges will be egT`[ffW`_ad SbbdahS` Tk ; gefa`_Wdqe a`-site representative prior to work. Should such repair work be declined, Company shall be relieved from any and all liability arising therefrom.

Customer further agrees to:

- n provide Company clear access to Covered System(s) to be serviced including, if applicable, lift trucks or other equipment needed to reach inaccessible equipment;
- n supply suitable electrical service, heat, heat tracing adequate water supply, and required system schematics and/or drawings;
- n notify all required persons, including but not limited to authorities having jurisdiction, employees, and monitoring services, of scheduled testing and/or repair of systems;
- n provide a safe work environment;
- n in the event of an emergency or Covered System(s) failure, take reasonable precautions to protect against personal injury, death, and/or property damage and continue such measures until the Covered System(s) are operational; and
- n comply with all laws, codes, and regulations pertaining to the equipment and/or Services provided under this Agreement.

Customer represents and warrants that it has the right to authorize the Services to be performed as set forth in this Agreement. Customer is solely responsible for the establishment, operation, maintenance, access, security and other SebuWufe a[f[e Ua`\_bgfWd` _Wf i ad] `oFWf i ad] p( S`V eZS` egbb`k ; a`bS`k eWUgdW Network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Customer and/or end user against unauthorized access. Customer is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, soff i SdW) ad iX`We` _Ua`WUf[hW`k o<SfSp(b[d]ad fa dWUW[h` Y fZW eWdh[UW ad bdaVgUfe+

10. Repair Services. Where Customer expressly includes repair, replacement, and emergency response services in the Service Solution section of this Agreement, such Services apply only to the components or equipment of the Covered System(s). Customer agrees to promptly request repair services in the event the System becomes inoperable or otherwise requires repair. The Agreement price does not include repairs to the Covered System(s) recommended by Company as a result of an inspection, for which Company will submit independent pricing to Customer and as to which Company will not proceed until Customer authorizes such work and approves the pricing. Repair or replacement of non-maintainable parts of the Covered System(s) including, but not limited to, unit cabinets, insulating material, electrical wiring, structural supports, and all other non-moving parts, is not included under this Agreement.

11. System Equipment. The purchase of equipment or peripheral devices, (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in ; a`bS`kqe eaW`lgVY` _W`f` S`k bWd[bZWdS` VWdh[UW ad afZWd ekefW` \_Wcg[b`_W`f` which is attached to the Covered System(s), whether provided by Company, Customer or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

12. Reports. Where inspection and/or test services are selected, such [`ebWUffa` S`V,ad filf eZS` TW Ua`\_b`WfWV a` ; a`bS`kqe fZW` UgddW`f dWbadf form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

13. Availability and Cost of Steel, Plastics & Other Commodities. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other

commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination.

14. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in SUUadVS`UW i fZ ; a`bS`kqe fZW` UgddW`f Zagd`k rate.

15. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the WjWUgf[a` a[ fZ[e 9YdWW`_W`f` fa fZW TWef a[; gefa`\_Wdqe ]`a i`WVYV fZWdW`[e`a`

- n Space in which work must be performed that, because of its construction, location, contents or work activity therein, accumulation of a hazardous gas, vapour, dust or fume or the creation of an oxygen-deficient atmosphere may occur,
- n obWd`\_lf Ua`X`[`WV ebSUW)p Se VW[(`WV Tk GK@A for work Company performs in the United States;
- n risk of infectious disease;
- n need for air monitoring, respiratory protection, or other medical risk; or
- n asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

9`a` afZW STahW SdW ZWdW[` S`fWd dWdWdWV fa Se o@SISdVage ; a`V[f[a`e`p Company shall have the right to rely on the representations listed above. If Hazardous Conditions are encountered by Company during the course of ; a`bS`kqe i ad] fZW V[eUahWdk a[ egUZ` _SfWd[S`e eZS` Ua`ef[fgfW` S` WhW`f TWka`V ; a`bS`kqe Ua`fda` S`V ; a`bS`k eZS` ZShW` `a aT`[YSf[a` fa`/gdfZWd perform in the area where the Hazardous Conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company. This Agreement does not provide for the cost of testing involving a discharge or release, capture, Ua`fS[` _W`f` f[S`ebad] dW`_ahS` ad V[eabaeS` _Ua`WUf[hW`k fZW o<[eUZSdYV KWdh[UWep(a[S`k ZSISdVage i SefW` _SfWd[S`e) ZSISdVage` _SfWd[S`e) firefighting materials including without limitation any firefighting foam encountered in and/or discharged from any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Customer shall be responsible for any Discharge Services associated with such materials, including all discharged firefighting foam in accordance with all applicable law. Company shall not be responsible for the testing, removal or disposal of such hazardous materials. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the use of any Discharge Services associated with any hazardous waste, hazardous materials, or firefighting materials including without limitation firefighting foam encountered or discharged during performance of the Services.

16. Covid-19 Vaccination. Company expressly disclaims any requirement, understanding or agreement, express or implied, included directly or incorporated by reference, in any Customer purchase order, solicitation, noticW ad afZWd i [eW) fZSf S`k a[ ; a`bS`kqe bWde`a` \_W`TW hSUU[` \_SNW SYS[` ef Covid-19 under any federal, state/provincial or local law, regulation or order applicable to government contracts or subcontracts, including, without limitation, Presidential Executive OdVWd .1-1/ `o`e` egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e` \_ad >WVWdS` ; a`f[SUFadep( S`V >WVWdS` 9Ucg[e]f[a` Regulation (FARE) 52.223-66 `o`e` egd[`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`e` \_ad >WVWdS` ; a`f[SUFadep( 9`k egUZ dWcg[dW`\_W`f eZS` a`k Sbb`k fa ; a`bS`kqe bWdsonnel if and only to the extent contained in a written agreement physically signed by an authorized officer of Company.

17. Other Services.

A.Remote Service. If Customer selects Remote Service, Company shall bdah[VW egbbadf _ad fZW ; gefa`\_Wdqe ekefW` Tk i Sk af education, remote assistance and triage that does not require programming changes to the ; gefa`\_Wdqe bS`W`+ A` SVV[f[a` ) JW`_afW KWdh[UW ValWe` \_af [ `U`gVW eWdh[UW fa address physical damage to the system or a device; troubleshooting wiring issues; programming changes and/or relocating, remounting, reconnecting, or adding a device to the system. Customer understands and agrees that, while JW`_afW KWdh[UW bdah[VWe` \_ad Ua`_g`[USf[a` dWYSdV[` Y ; gefa`_Wdqe X[dW S`Sd` system to Company via the Internet, Remote Service does not constitute monitoring of the system, and Customer understands that Remote Service does not provide for Company to contact the fire department or other authorities in the event of a fire alarm. Customer understands that if it wishes to receive monitoring of its fire alarm system and notification of the fire department or other authorities in the event of a fire alarm, it must select monitoring services as a separate Service under this Agreement.

CUSTOMER FURTHER UNDERSTANDS AND AGREES THAT THE TERMS OF SECTION 18.F OF THIS AGREEMENT APPLY TO REMOTE SERVICE.

B.Connected Fire Sprinkler Services; Connected Fire Alarm Services. Connected Fire Sprinkler Services and Connected Fire Alarm Services each means a data-analytics and software platform that uses a cellular or network Ua`WUf[a` fa YSfZWd Wcg[b`\_W`f bWdWad`\_S`UW VSfS STagf S ; gefa`_Wdqe

; ahWdWV =cg[b_W'f'xad; gefa_Wdqe ebdq']Wd ekefW_ad X[dW S'Sd_ ekefW_] Se Sbb[USTW] fa See[ef B; A'] SVhe[Y; gefa_Wd a' egUZ Wcglb_W' fte ZWS'fZ] performance or potential malfunction. Connected Fire Sprinkler Services and Connected Fire Alarm Services are collectively, the Connected Equipment Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services on any Covered Equipment, Customer agrees to allow Company to install diagnostic sensors and communication ZSDv i SdW 'o?SfW i Sk <Wh[UWP ad; gefa_Wd i' egbb'k S 'wf i d'] Ua' 'Wuf[a' eg[IST'W fa W'ST'W Ua_ _g' [USf[a' i' fZ; gefa_Wdqe; ahWdWV =cg[b_W'f' order for Company to deliver the connected services. For more information on whether your particular equipment includes Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, a subscription to such services and the cost, if any, of such subscription, please see your applicable order, quote, proposal or purchase documentation or talk to your JCI sales representative. For certain subscriptions, Customer will be able to access equipment ['xad_Sf[a' 'da_ _s_ aT'W ad e_ Sd' VW[h[UW ge' Y fZW eWdh[UWqe _aT'W ad i WT app. The Gateway Device will be used to access, store, and trend data for the purposes of providing Connected Fire Sprinkler Services. Company will not use Connected Fire Sprinkler Services or the Connected Fire Alarm Services to remotely operate or make cZS' YWe fa; gefa_Wdqe =cg[b_W'f' A fZW connection is disconnected by Customer, and a technician needs to be VjebSfUZWV fa fZW; gefa_Wd e[fW] fZW' fZW; gefa_Wd i' bSk B; A Sf B; Aqe fZW' -current standard applicable contract regular time and/or overtime rate for such services. **Company makes no warranty or guarantee relating to the Connected Fire Sprinkler Services or Connected Fire Alarm Services. Customer acknowledges that, while Connected Fire Alarm Services or Connected Sprinkler Services generally improve equipment performance and services, these services do not prevent all potential malfunction, insure against all loss or guarantee a certain level of performance and that JCI shall not be responsible for any injury, loss, or damage caused by any act or omission of JCI related to or arising from the proactive health notifications of the equipment under Connected Equipment Services. Customer understands that if it wishes to receive monitoring of its fire alarm system or sprinkler system and notification of the fire department or other authorities in the event of an alarm, it must select monitoring services as a separate Service under this Agreement. CUSTOMER FURTHER UNDERSTANDS AND AGREES SECTION 20 (SOFTWARE AND DIGITAL SERVICES) APPLY TO CONNECTED FIRE ALARM SERVICES AND CONNECTED SPRINKLER SERVICES. In the event of a conflict between these terms and the Software Terms, the Software Terms will control.**

C. Dashboards and Mobility Applications for Connected Fire Sprinkler Services and Connected Fire Alarm Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, ; gefa_Wd _Sk gff[IW; a_ bS' kqe cSeZTaSdV'e(S'V EaT'[fk 9bb[USf[a' 'e) Se applicable, during the term of the Agreement, pursuant to the then applicable Terms of Use Agreement. Terms for the Dashboard are located at <https://www.johnsoncontrols.com/buildings/legal/digital/general/ots>.

18. Monitoring Services. If Customer has selected Monitoring Services, the following shall apply to such Services:

A. Alarm Monitoring Service. Customer agrees and acknowledges that ; a_ bS' kqe ea'W S'V a' k AT'[YSf[a' g' Vld fZ]e 9YdWV_ W' f eZS' TW fa biah[VW alarm monitoring, notification, and/or Runner Services as set forth in this Agreement and to endeavor to notify the party(ies) identified by Customer on fZW; a' fSuf; S' D[ef 'o; a' fSufep(S'V ad DaUS' =_WdYW' Uk <[ebSfUZ Fg_TWdqe for responding authorities. Upon receipt of an alarm signal, Company may, at our sole discretion, attempt to notify the Contacts to verify the signal is not false. If we fail to notify the Contacts or question the response we receive, we will attempt to notify the responding authority. In the event Company receives a supervisory signal or trouble signal, Company shall endeavor to promptly 'af[k a' W ad fZW; a' fSuf+; a_ bS' k eZS' 'af TW dWeba' e[T'W ad S; a' fSuf+ ad dWeba' V['Y SgfZad[fkqe dW]geS' fa SU] 'a i' WVVW.dWeba' V fa; a_ bS' kqe notifications of receipt of an alarm signal, nor shall Company be required to make additional notifications because of such refusal. The Contacts are SgfZad[IWV fa Suf a'; gefa_Wdqe TWZS' S'V) [X ea VWel'Y S'fWV a' fZW Contact/Call List, are authorized to cancel an alarm prior to the notification of authorities. Customer understands that local laws, ordinances or policies may dWef[dUf; a_ bS' kqe ST'[fk fa biah[VW fZW S'Sd_ _a' fad['Y S'V 'af[k[USf[a' services described in this Agreement and/or necessitate modified or additional services and related charges to Customer. Customer understands that Company may employ a number of industry-recognized measures to help reduce occurrences of false alarm signal activations. These measures may include, but are not limited to, implementation of industry-recognized default eWff['Ye8 ['b_W' W' S'f[a' 'a' obSd[S' U'Wsd f['W TkbSeep biahWVgWde Sf agd S'Sd_ monitoring center and other similar measures at our sole discretion from time to time. THESE MEASURES CAN RESULT IN NO ALARM SIGNAL BEING SENT FROM AN AD9J.E RGF= fF; MKLGE=JkK HJ=EAK=K 9-L=J L@= INITIAL ALARM ACTIVATION UNTIL THE ALARM SYSTEM IS MANUALLY RESET. Upon receiving notification from Company that a fire or gas detection (e.g. carbon monoxide) signal has been received, the responding authority may forcibly enter the premises. Cellular radio unit test supervision, if provided g' Vld fZ]e 9YdWV_ W' f) biah[VWe a' k fZW efSfge a' fZW UW'gSd dSV[a g' fte current signaling ability at the time of the test communication based on certain programmed intervals and does not serve to detect the potential loss of radio service at the time of an actual emergency event. Company shall not be

responsible to provide monitoring services under this Agreement unless and g' f' fZW Ua_ _g' [USf[a' ''] TWf i WW'; gefa_Wdqe bDW_[eWe S'V; a_ bS' kqe Monitoring Center has been tested. **SUCH SERVICES ARE PROVIDED WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

B Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of Monitoring Services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the Monitoring Services and the scope of liability set forth in this Agreement Q^T QbU e^bUQdUT d_ dXU fQleU _V 9ecd_] Ubrc 'b_ 'Ubbi Q^T dXU 'b_ 'Ubbi of others located on the premises. Customer agrees to look exclusively d_ 9ecd_] Ubrc Y^cebUb d_ bUS_fUb V_b Y^zeb/Uc _b TQ] QWU Y^ dXU Uvent of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or Services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or Service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its monitoring obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or Service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or Service in any respect, Co] ^Q^ inc VQRVldi gYdX bUc'USd_d_ Monitoring Services shall be the lesser of the annual fee for Monitoring Services allocable to the site where the incident occurred or two thousand five hundred (\$2,500) dollars, as agreed upon damages and not as a penalty(Qc 9ecd_] Ubrc c_W BU] UTi+ IeSX ce] cXQW RU S_] 'Udu and exclusive. **IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. In no event shall JCI and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind, including but not limited to damages; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, and each of their employees, agents, officers and directors.****

C. Indemnity, Insurance. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third-party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to the Monitoring Services provided under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on CustomWdqe YW' WdS' 'ST'[fk S'V Sgfa 'ST'[fk ba[UW+.

D. No modification. Modification to Sections 18 B or C may only be made by a written amendment to this Agreement signed by both parties specifically referencing Section 18 B and/or C, and no such amendment shall be effective g' Wee SbbdahWV Tk fZW _S' SYWd aX; a_ bS' kqe; W' fS' Ea' fad['Y; W' fWd+ E. 9ecd_] Ubrc : ed[Uc+ A' SVV[f[a' fa; gefa_Wdqe Vgfk fa ['VW_ [Xk] VWVW' V)

i. Customer agrees to furnish the names and telephone numbers of all persons SgfZad[IWV fa W' fWd ad dW_ S' a' ; gefa_Wdqe bDW_[eWe S'V, ad fZSf eZauld be notified in the event of an alarm (the Contact/Call List) and Local Emergency Dispatch Numbers and provide all changes, revision and modifications to the above to Company in writing in a timely manner. Customer must ensure that all such persons are authorized and able to respond to such notification.

ii. Customer shall carefully and properly test and set the system immediately prior to the securing of the premises and carefully test the system in a manner prescribed by Company during the term of this Agreement. Customer agrees

herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto. Notwithstanding any other provisions of this Agreement and unless otherwise agreed to by the parties in writing, the following terms apply to Software that is provided to Customer on a subscription basis (i.e., a time limited license or use dY2f) "WSUZ S oKaIf i SdW KgTeUd[bfa] p(7 =SUZ KaIf i SdW KgTeUd[bfa] bdaH[VW hereunder will commence on the date the initial credentials for the Software SdW _SVW ShS[STW 'fZW oKgTeUd[bfa] KfSdf <Shp(S'V i [Ua 'f] gW [' WWWUF until the expiration of the subscription term noted herein. At the expiration of the Software Subscription, such Software Subscription will automatically renew Xad Ua' eWUgflHw a'W '. (kWSd fWd_e "WSUZ S oJW 'WiS' KgTeUd[bfa] Lwd_p) unless either party provides the other party with a notice of non-renewal at least ninety (90) days prior to the expiration of the then-current term. To the extent permitted by applicable law, Software Subscriptions purchases are non-cancelable and the sums paid nonrefundable. Fees for Software Subscriptions shall be paid annually in advance, invoiced on the Subscription Start Date and each subsequent anniversary thereof. Unless otherwise agreed by the parties in writing, the subscription fee for each Renewal Subscription Term will be bd[UWV Sf B ; kq fZW 'Sbb[USTW '(ef bd[UW Xad fZSf KaIf i SdW a'XWd] 'Y+ 9' k geW a' Software that exceeds the scope, metrics or volume set forth in this Agreement will be subject to additional fees based on the date such excess use began.

21. Taxes, Fees, Fines, Licenses, and Permits. Customer agrees to pay all sales tax, use tax, property tax, utility tax and other taxes required in connection with the equipment and Services listed, including telephone company line charges, if any. Customer shall comply with all laws and regulations relating to the equipment and its use and shall promptly pay when due all sales, use, property, excise and other taxes and all permit, license and registration fees now or hereafter imposed by any government body or agency upon the equipment or its use. Company may, without notice, obtain any dWcg[dWV bWd_ [f] 'UW' eW ad dWY[efidSf[a] 'Xad ; gefa_ Wd Sf ; gefa_ WdJe Wj bW' eW and charge a fee for this service. If Customer fails to maintain any required licenses or permits, Company shall not be responsible for performing the services and may terminate the services without notice to Customer.

22. Outside Charges. Customer understands and accepts that Company specifically disclaims any responsibility for charges associated with the notification or dispatching of anyone, including but not limited to fire department, police department, paramedics, doctors, or any other emergency personnel, and if there are any charges incurred as a result of said notification or dispatch, said charges shall be the responsibility of Customer.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds a' ; gefa_ WdJe YW' WdS' 'ST['fk S' V Sgfa 'ST['fk ba'UW'e-

24. Waiver of Subrogation. Customer does hereby for itself and all other parties claiming under it release and discharge Company from and against all ZSISdVe UahWdW Tk ; gefa_ WdJe ['egdS' UW] [f TW['Y Wj bWdWee'k SYdWVW S'V understood that no insurance company or insurer will have any right of subrogation against Company.

25. Force Majeure, Exclusions. Company shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by Company to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A o>adUW ESWgdW =hW' fp [e S Ua' V[f[a] ad WhW' f fZSf [e TWka' V fZW dWSea' STW control of Company, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control a' ; a_bS' k+ X ; a_bS' kq bWd[ad_ S' UW a' fZW i ad] [e VV'SKiW] [_bSURVW] ad prevented by a Force Majeure Event or its continued effects, Company shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if Company is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, Company will be entitled to extend the relevant completion date by the amount of time that Company was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or ['Vj dWUrk ['UdWSeWe ; a_bS' kq Uaef fa bWd[ad_ fZW eWdH[UWe] ; gefa_ Wd [e obligated to reimburse Company for such increased costs, including, without limitation, costs incurred by Company for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by Company in connection with the Force Majeure Event.

26. Exclusions. This Agreement expressly excludes, without limitation, provision of fire watches; reloading of, upgrading, and maintaining computer software; making repairs or replacements necessitated by reason of 'WY[YW' UW ad _[egeW a' Ua_ ba' W' fe ad Wcg[b_ W' f ad UZS' YWe fa ; gefa_ WdJe premises; vandalism; power failure; current fluctuation; failure due to non-JCI installation; lightning, electrical storm, or other severe weather; water; accident; fire; acts of God; testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; corrosion (including but not limited to micro-bacterially induced corrosion 'oEA ; p(@ USdf d[VYWe YdWSDW fZS' .3 YdS_e8 YSe hS'hW installation; or any other cause external to the Covered System(s) and JCI shall not be required to provide Service while interruption of service due to such causes shall continue. This Agreement does not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by JCI at B ; kq ea'W V[eUdWf[a] ' Sf S' SVV[f[a] 'S' UZSdYW+ X = _WdYW' Uk KWh[UWe SdW expressly included in the Service Solution, the Agreement price does not include travel expenses.

27. Delays. Company shall have no responsibility or liability to Customer or any other person for delays in the installation or repair of the System or the performance of our Services regardless of the reason, or for any resulting consequences.

28. Termination. Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion gba' 'a[UW fa ; gefa_ Wd [X ; a_bS' kq bWd[ad_ S' UW a' [fe aT[YSf[a] e g' WdW this Agreement becomes impracticable due to obsolescence of equipment at ; gefa_ WdJe bWd_ [eWe ad g' ShS[ST['fk a' bSdf-

29. No Option to Solicit. Customer shall not, directly or indirectly, on its own behalf or on behalf of any other person, business, corporation or entity, solicit or employ any Company employee, or induce any Company employee to leave his or her employment with Company, for a period of two years after the termination of this Agreement.

30. Default. An Event of Default shall include (a) any full or partial termination of this Agreement by Customer before the expiration of the then-current Term, (b) failure of Customer to pay any amount when due and payable, (c) abuse of the System or the Equipment, (d) failure by Customer to observe, keep or perform any term of this Agreement; (e) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, (i) discontinue furnishing Services, (ii) by written notice to Customer declare the balance of unpaid amounts due and to become due under this Agreement to be immediately due and payable, (iii) receive immediate possession of any equipment for which Customer has not paid, (iv) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and (v) recover all costs and expenses, inU'gV['Y i fZagf '[fSf[a] 'dWSea' STW Sf ad Wke[XWWe] [' Ua' WUf[a] ' i fZ enforcing or attempting to enforce this Agreement.

31. One-Year Limitation on Actions; Choice of Law. For Customers located in the United

States, the laws of Wisconsin shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law. For Customers located in Canada, this agreement shall be governed by and be construed in accordance with the laws of Ontario. The parties agree that any disputes arising under this Agreement shall be determined exclusively by the Ontario courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Ontario courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than one year after the claim [Xdef SdaeW+ =jUWbf Se bdaH[VWV Xad ZWdW[') ; a_bS' kq U'S[_e _gef S'ea TW brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

32. Assignment. Customer may not assign fZ[e 9YdWVW_ W' f i fZagf ; a_bS' kq prior written consent. Company may assign this Agreement without obtaining ; gefa_ WdJe Ua' eW' f-

33. Entire Agreement. The parties intend this Agreement, together with any SFSUZ_ W' fe ad J[VWde 'Ua' WUf[hW'k fZW o9YdWVW_ W' f (to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions relating to the Services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

34. Headings. The headings in this Agreement are for convenience only.

35. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

36. Electronic Media. Customer agrees that Company may scan, image or otherwise convert this Agreement into an electronic format of any nature.

Customer agrees that a copy of this Agreement produced from such electronic format is legally equivalent to the original for any and all purposes, including 'f[Y\$[a`+ ; gefa\_wd SYdWWe fZSf ; a\_bs`kqe dWUW[bf Tk X\$] aX fZW 9YdWW _W`f signed by Customer legally binds Customer and such fax copy is legally equivalent to the original for any and all purposes, including litigation.

37. Legal Fees. Company shall be entitled to recover from Customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

38. Lien Legislation. Notwithstanding anything to the contrary contained herein, the terms of this Agreement shall be subject to the lien legislation applicable to the location where the work will be performed, and, in the event of conflict, the applicable lien legislation shall prevail.

39. Privacy. A. **Company as Processor:** Where Company factually acts as Processor of Personal Data on behalf of Customer (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa shall apply. B. **Company as Controller:** Company will collect, process and transfer certain personal data of Customer and its personnel related to the business relationship between it and Customer (for example names, email addresses, fW`WbZa`W`g\_TWde( Se Ua`fia`Wd S`V [` SUUadVS`UW i fZ ; a_bs`kqe Hd[hSUK Notice at <https://www.johnsoncontrols.com/privacy>. Customer acknowledges ; a\_bs`kqe Hd[hSUK FafUW S`V efd[Uf`k fa fZW Wjfw`f Ua`eW`f [e \_S`VSfad`k required under applicable law, Customer consents to such collection, processing and transfer. To the extent consent to such collection, processing S`V fS`eWd Tk ; a\_bs`k [e _S`VSfad`k dWcg[dWV `da\_ ; gefa\_Wdqe bWdea`W` under applicable law, Customer warrants and represents that it has obtained such consent.

40. License Information (Security System Customers): AL Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: AR Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: CA Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act: NY Licensed by the N.Y.S. Department of the State: TX Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512424-7710. License numbers available at www.johnsoncontrols.com or contact your local Johnson Controls office.

City of De Pere - CPQ-398315

Planned Service Agreement



Johnson Controls Fire Protn LP
 1941 Holmgren Way
 Green Bay WI54304
 US

Proposal Presented On:
 04-19-2023

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SERVICE SOLUTION

Customer #: 38870
City of De Pere
Date: 19-Apr-23
Proposal #: CPQ-398315
Term: 1-May-23 to 30-Apr-26

Billing Customer:
 De Pere City Hall
 335 S Broadway

 DE PERE, WI 54115-2526

Service Location:
 De Pere City Hall
 335 S Broadway,
 De Pere, WI 54115-2526

Johnson Controls Fire Protection LP
Sales Representative:
 Michael Price
 1941 Holmgren Way
 Green Bay WI 54304
 michael.price@jci.com

INVESTMENT SUMMARY

(Service Solution Valid for 30 Days)

SERVICE/PRODUCT DESCRIPTION	QUANTITY	FREQUENCY	INVESTMENT
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		City of De Pere	\$420.61
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SYSTEM-FA-SIMPLEX 4100ES

SIMPLEX 4100ES FIRE ALARM PANEL

Customer Pricing Type : Local

Monitoring Account Type: Fire Alarm

Number of Additional Building Partitions: 0

Total Initiating Devices: 0

Primary Communication: IP (Internet)

Secondary Communication:

Per Point : Yes

ALARM & DETECTION- MONITORING

To the extent applicable, Johnson Controls has included an estimate for all state and local sales tax for this quote. The actual sales tax due will be calculated and billed upon issuance of an invoice, unless a valid exemption and/or resale certificate is received by Johnson Controls.



SERVICE SOLUTION

SUMMARY OF SERVICES

The summary of services is intended to cover the following locations:

Location	Address	City	State	Zip	Monitoring
De Pere City Hall	335 S Broadway,	De Pere	WI	54115-2526	\$420.61

ALARM & DETECTION- MONITORING

SYSTEM-FA-SIMPLEX 4100ES

Alarm signal initiated by a fire alarm control panel. Central Station will endeavor to notify the fire department and Customer when an alarm or trouble signal is received. This service includes 1- 800 toll-free signal transmission, 24-hour auto dialer test, and notification of Customer-provided Emergency Call List.



SERVICE SOLUTION

This Service Solution (the "Agreement") sets forth the Terms and Conditions for the provision of equipment and services to be provided by Johnson Controls Fire Protection LP ("Company") to **City of De Pere** and is effective **1-May-23** (the "Effective Date") to **30-Apr-26** (the "Initial Term"). Customer agrees that initial inspections may be performed within 45 days from the Effective Date.

PAYMENT FREQUENCY: Annual In Advance

Initials

PAYMENT TERMS: Due Upon Receipt

For applicable taxes, please see Section 3 of the Terms & Conditions

PAYMENT AMOUNT: \$420.61 - **Proposal #:** CPQ-398315

PAYMENT SUMMARY:

Year	Term	PSA Charges
1	05/01/2023 - 04/30/2024	\$420.61
2	05/01/2024 - 04/30/2025	\$420.61
3	05/01/2025 - 04/30/2026	\$420.61

CUSTOMER ACCEPTANCE: In accepting this Agreement, Customer agrees to the Terms and Conditions on the following pages and any attachments or riders attached hereto that contain additional terms and conditions. It is understood that these terms and conditions shall prevail over any variation in terms and conditions on any purchase order or other document that Customer may issue. Any changes in the system requested by Customer after the execution of Agreement shall be paid for by Customer and such changes shall be authorized in writing.

ATTENTION IS DIRECTED TO THE LIMITATION OF LIABILITY, WARRANTY, INDEMNITY AND OTHER CONDITIONS CONTAINED IN THIS AGREEMENT.



SERVICE SOLUTION

Multi Year Contract Rider AGREEMENT

Acknowledgement of Multi-Year Term. Customer agrees that issuance of a Purchase Order does not amend any provision of the service agreement, including without limitation the duration/term of the service agreement. Customer agrees to issue Purchase Orders sufficient to satisfy its obligations under the multi-year service agreement. Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, and Customer shall not dispute the validity of such invoices.

Customer Initials:

Unless otherwise agreed to by the parties, pricing is based upon the following billing and payment terms: Invoices will be delivered via email, payment is due upon receipt, and invoices are to be paid via ACH/EFT bank transfer. Johnson Controls ACH/EFT bank transfer details will be forth coming upon contractual agreement.

This offer shall be void if not accepted in writing within thirty (30) days from the date first set forth above.

To ensure that JCI is compliant with your company's billing requirements, please provide the following information:

- PO is required to facilitate billing: ☐ NO: This signed contract satisfies requirement
- ☐ YES: Please reference this PO Number: _____
- AR Invoices are accepted via e-mail: ☐ YES: E-mail address to be used: _____
- ☐ NO: Please submit invoices via mail
- ☐ NO: Please submit invoices via _____



SERVICE SOLUTION

City of De Pere	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____

TERMS AND CONDITIONS

1. Term. The Initial Term of this Agreement shall commence on the date of this Agreement and continue for the period indicated in this Agreement. At the conclusion of the Initial Term, this Agreement shall automatically extend for successive terms equal to the Initial Term (subject to Section 3) unless either party gives written notice to the other party at least thirty (30) days prior to the end of the then-UgddW`f fWd` 'WSUZ S`oJW`Wi S`LWd`p(

2. Payment and Invoicing. Unless otherwise agreed by the parties in writing, fees for Services to be performed shall be paid annually in advance. Unless otherwise agreed to by the parties, amounts are due upon receipt of the invoice by Customer. Invoices shall be paid by Customer via electronic delivery via EFT/ACH. Invoicing disputes must be identified in writing within 21 days of the invoice date. Payments of any disputed amounts are due and bSkSTW` gba` dWea`gffa`+ HSk`W`f`e S`Ua`Vffa` bdWUWVW`f fa` ; a`\_bS` kqe obligation to perform Services under the Agreement. Work performed on a time and material basis shall be at the thenprevailing Company rate for material, labor, and related items, in effect at the time supplied under this Agreement. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and ; gefa`\_Wdte`YS[gdW`fa`_S]W`bSk`_W`f` `Xg` i`ZW` VgW`[e S`_SfWd[S` TdWSUZ`aX this Agreement. Customer further acknowledges that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy, the right to, without notice: (i) suspend, discontinue or terminate performing any Services and/or withhold further deliveries of equipment and other materials, terminate or suspend any g`bS[V` eaIf`i`SdW` (UW`eWe) S`V`ad`egebW`V` ; a`_bS` kqe aT[YSffa` e`g` VVWd`ad` terminate this Agreement; and (ii) charge Customer interest on the amounts unpaid at a rate equal to the lesser of one and one half (1.5) percent per month or the maximum rate permitted under applicable law, until payment is _SVW`[ `Xg`+ ; a`_bS` kqe WUWUffa` fa`Ua`f` gW`bdah[V`Y`XgfgdW`eWdh[UW`e`VaWe`af`[ `S`k`i`Sk`V`[ `eZ` ; a`_bS` kqe d[YZF`fa`fWd`[`SfW`ad`egebW`V`eWdh[UW`e`ad` exercise any or all rights or remedies under this Agreement. Company shall not be liable for any damages, claims, expenses, or liabilities arising from or relating to suspension of Services for non-payment. In the event that there are exigent circumstances requiring services or the Company otherwise performs Services at the premises following suspension, those services shall be governed by the terms of this Agreement unless a separate contract is WjWUgWfW`+`X` ; gefa`_Wd`VjebgW`e`S`k`SfW`bSk`\_W`f`af[UW`ad` ; a`_bS` kqe WUadfe` to collect payment, Customer shall immediately notify Company in writing and explain the basis of the dispute. ; gefa`\_Wd`SYdW`e`fa`bSk`S`+`aX` ; a`_bS` kqe reasonable collection costs, including legal fees and expenses.

3. Pricing. The pricing set forth in this Agreement is based on the number of devices and services to be performed as set forth in this Agreement. If the actual number of devices installed or services to be performed is greater than that set forth in this Agreement, the price will be increased accordingly. Company may increase prices upon notice to Customer to reflect increases in material and labor costs. All stated prices are exclusive of and Customer agrees to pay any taxes, fees, duties, tariffs, false alarm assessments, installation or alarm permits and levies or other similar charges imposed and/or enacted by a government, however designated or imposed, including but not limited to value-added and withholding taxes that are levied or based upon the amounts paid under this Agreement. Prices in any quotation or proposal from Company are subject to change upon notice sent to Customer at any time before the quotation or proposal has been accepted. Company will provide Customer with notice of any pricing adjustments applicable to any Renewal Term no later than 45 days prior to the commencement of that Renewal Term. Unless Customer terminates the Agreement at least thirty (30) days prior to the start of such Renewal Term, the adjusted price shall be the price for the Renewal Term. Prices for products covered by this Agreement may be adjusted by Company, upon notice to Customer at any f[_W`bdaf`fa`eZ[b`_W`f`S`V`dWYSdV`Wee`aX` ; gefa`_Wdte`SUUWbS`UW`aX`fZW` ; a`_bS` kqe bdaabes`+`ad`cgafSffa`) fa`dWUWUf`S`k`[ `UdWSeW`[ ` ; a`\_bS` kqe Uaef` of raw materials (e.g., steel, aluminum) inability to secure Products, changes or increases in law, labor, taxes, duties, tariffs or quotas, acts of government, any similar charges, or to cover any extra, unforeseen and unusual cost elements.

4. Code Compliance. Company does not undertake an obligation to inspect for compliance with laws or regulations unless specifically stated in this Agreement. Customer acknowledges that the Authority Having Jurisdiction (e.g. Fire Marshal) may establish additional requirements for compliance with local codes. Any additional services or equipment required will be provided at an additional cost to Customer.

5. Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of protection services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the services and the scope of liability set forth in this Agreement and are e`bUjQdUT`d`dXU`fQeU`V`9ecd`\_]`Ubric`b`_`Ubd`i`Q`AT`dXU`b`\_`Ubd`i`_V`dXUbc` located on the premises. Customer agrees to look exclusively to 9ecd`\_]`Ubric`Y`acebUbd`d`bUS`\_fUb`V`b`Y`ZebUc`_b`TQ`[`QWU`Y`dXU`UfU`d`_V`Q`i` loss or injury. Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no**

guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or service Y`Q`i`bUc`Usd`(\_`9`\_]`Q`i`inc`VQR`Y`Vdi`V`b`I`Ubf`ISUC`\_`Ubb`b`]`UT`_`^`-site`at`9ecd`\_]`Ubric`b`U`]`Y`cUc`cXQW`RU`V`]`YdUT`d`_`Q`Q`WbWUWQdU`Q`]`_`e`d`UaeQ`d`\_`the Agreement price (as increased by the price for any additional work) or, where the t`[`U`Q`AT`[`QdUbb`Q`V`\_`Q`i`[`U`d`dUbb`[`Y`c`cUUSdUT`(_`9ecd`_]`Ubric`time and material payments to Company. Where this Agreement covers multiple sites, liability shall be limited to the amount of the payments QV`\_SQRU`d`\_dXU`c`dU`g`XUbu`dXU`Y`ASITU`d`_`S`SebbUT`+`_`9`_]`\_`Q`i`inc`liability with respect to Monitoring Services is set forth in Section 18 of this Agreement. Such sum shall be complete and exclusive. IN NO EVENT SHALL COMPANY BE LIABLE, FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY CUSTOMER OR ANY THIRD PARTY. To the maximum extent permitted by law, in no event shall Company and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyberattacks or failures or interruptions to network systems. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, 9`\_]`_`Q`i`inc`U`[`_`^`_`i`UUC`(\_`QWU`^`dC`\_`_`W`SUbC`Q`AT`T`bU`Sd`_`bc`+

6. Reciprocal Waiver of Claims (SAFETY Act). Certain of Company's systems and services have received Certification and/or Designation as Qualified Anti-LWddad[e`\_`LWUZ`a`aY`[We`_`o`i`9`LLp`(\_`g`\_`VWd`fZW`Kgbbadf`9`f`-terrorism by Fostering Effective Technologies Act of 2002, 6 U.S.C. §§ 441-111 'fZW`oK9`>=LQ`9Ufp`(\_`9e`dWcgj`dWV`g`_`VWd`3` ; +;J`+`/2`2`'WQ`fa`fZW`_`Sj`[`\_`g`\_` extent permitted by law, Company and Customer hereby agree to waive their right to make any claims against the other for any losses, including business interruption losses, sustained by either party or their respective employees, dWeg`f`[`Y`ida`\_`S`\_`Suf`[`fk`dWeg`f`[`Y`ida`_`S`_`o9Uf`aX`LWddad[e`_`p`Se`VWU`[`WV`[`\_`3` C.F.R. 25.2, when QATT have been deployed in defense against, response to, or recovery from such Act of Terrorism.

7. Indemnity. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to this Agreement, including but not limited to the Services under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to bu`bUcU`d`ad`Y`Q`i`ceSX`QSD`\_`^`9ecd`_]`Ubric`bUc`\_`^`c`R`V`di`i`g`dX`bUc`\_`Usd` in indemnification and defense of Company with respect to Monitoring Services is set forth in Section 18 of this Agreement.

8. General Provisions. Customer has selected the service level desired after considering and balancing various levels of protection afforded and their related costs. All work to be performed by Company will be performed during normal working hours of normal working days (8:00 a.m. - 5:00 p.m., Monday through Friday, excluding Company holidays), as defined by Company, unless additional times are specifically described in this Agreement. All work performed unscheduled unless otherwise specified in this Agreement. Appointments scheduled for fourhour window. Additional charges may apply for special scheduling requests (e.g. working around equipment shutdowns, after hours work). Company will perform the services described in the K[Wdh[UW`Ka`gffa`\_`o`K[Wdh[UWep`(_`ad`a`W`ad`\_`adW`ekeffW`_`e`(_`ad`Wcgj`b`_`W`f`Se`VWeUd`TWV`[`\_`fZW`K[Wdh[UW`Ka`gffa`_`ad`fZW`[`efWV`SffSUZ`_`W`fe`\_`o`;ahWdWV`KkefW`\_`e`p`(_`MFD`=KK`GL`@`=J`O`iK`=KH`= ; +;i`<`AN`THIS AGREEMENT, ANY INSPECTION (AND, IF SPECIFIED, TESTING) PROVIDED UNDER THIS AGREEMENT DOES NOT INCLUDE ANY MAINTENANCE, REPAIRS, ALTERATIONS, REPLACEMENT OF PARTS, OR ANY FIELD ADJUSTMENTS WHATSOEVER, NOR DOES IT INCLUDE THE CORRECTION OF ANY DEFICIENCIES IDENTIFIED BY COMPANY TO CUSTOMER. COMPANY SHALL NOT BE RESPONSIBLE FOR EQUIPMENT FAILURE OCCURRING WHILE COMPANY IS IN THE PROCESS OF FOLLOWING ITS INSPECTION TECHNIQUES, WHERE THE FAILURE ALSO RESULTS FROM THE AGE OR OBSOLESCENCE OF THE ITEM OR DUE TO NORMAL WEAR AND TEAR. THIS AGREEMENT

DOES NOT COVER SYSTEMS, EQUIPMENT, COMPONENTS OR PARTS THAT ARE BELOW GRADE, BEHIND WALLS OR OTHER OBSTRUCTIONS OR EXTERIOR TO THE BUILDING, ELECTRICAL WIRING, AND PIPING.

9. Customer Responsibilities. Customer shall regularly test the System(s) [' SUUadVS`UW i fZ Sbbf`USTW` ASi S`V _S`giSufgdWde` S`V ; a`bS`kqe recommendations. Customer shall promptly notify Company of any \_S`g`Uf[a` [` fZW ; ahWdWV KkefW`_e(i ZUZUa`\_We fa ; gefa`_Wdqe SffW` f[a` + This Agreement assumes any existing system(s) are in operational and maintainable condition as of the Agreement date. If, upon inspection, Company determines that repairs are recommended, repair charges will be egT`[ffW`_ad SbbdahS` Tk ; gefa`_Wdqe a`-site representative prior to work. Should such repair work be declined, Company shall be relieved from any and all liability arising therefrom.

Customer further agrees to:

- n provide Company clear access to Covered System(s) to be serviced including, if applicable, lift trucks or other equipment needed to reach inaccessible equipment;
- n supply suitable electrical service, heat, heat tracing adequate water supply, and required system schematics and/or drawings;
- n notify all required persons, including but not limited to authorities having jurisdiction, employees, and monitoring services, of scheduled testing and/or repair of systems;
- n provide a safe work environment;
- n in the event of an emergency or Covered System(s) failure, take reasonable precautions to protect against personal injury, death, and/or property damage and continue such measures until the Covered System(s) are operational; and
- n comply with all laws, codes, and regulations pertaining to the equipment and/or Services provided under this Agreement.

Customer represents and warrants that it has the right to authorize the Services to be performed as set forth in this Agreement. Customer is solely responsible for the establishment, operation, maintenance, access, security and other SebWufe a[f[e Ua`\_bgfWd`_Wf i ad] `oFWf i ad]p( S`V eZS` egbb`k ; a`bS`k eWUgdW Network access for providing its services. Products networked, connected to the internet, or otherwise connected to computers or other devices must be appropriately protected by Customer and/or end user against unauthorized access. Customer is responsible to take appropriate measures, including performing back-ups, to protect information, including without limit data, soff i SdW) ad iX`We `Ua`WUf[hW`k o<SfSp(b[d]ad fa dWUW[h` Y fZW eWdh[UW ad bdaVgUfe+

10. Repair Services. Where Customer expressly includes repair, replacement, and emergency response services in the Service Solution section of this Agreement, such Services apply only to the components or equipment of the Covered System(s). Customer agrees to promptly request repair services in the event the System becomes inoperable or otherwise requires repair. The Agreement price does not include repairs to the Covered System(s) recommended by Company as a result of an inspection, for which Company will submit independent pricing to Customer and as to which Company will not proceed until Customer authorizes such work and approves the pricing. Repair or replacement of non-maintainable parts of the Covered System(s) including, but not limited to, unit cabinets, insulating material, electrical wiring, structural supports, and all other non-moving parts, is not included under this Agreement.

11. System Equipment. The purchase of equipment or peripheral devices, (including but not limited to smoke detectors, passive infrared detectors, card readers, sprinkler system components, extinguishers and hoses) from Company shall be subject to the terms and conditions of this Agreement. If, in ; a`bS`kqe eaW`lgVY`_W`f` S`k bWd[bZWdS` VWdh[UW ad afZWd ekefW`\_Wcg[b`_W`f` which is attached to the Covered System(s), whether provided by Company, Customer or a third party, interferes with the proper operation of the Covered System(s), Customer shall remove or replace such device or equipment promptly upon notice from Company. Failure of Customer to remove or replace the device shall constitute a material breach of this Agreement. If Customer adds any third party device or equipment to the Covered System(s), Company shall not be responsible for any damage to or failure of the Covered System(s) caused in whole or in part by such device or equipment.

12. Reports. Where inspection and/or test services are selected, such [`ebWuffa` S`V,ad filf eZS` TW Ua`\_b`WfWV a` ; a`bS`kqe fZW` UgddW`f dWbadf form, which shall be given to Customer, and, where applicable, Company may submit a copy thereof to the local authority having jurisdiction. The report and recommendations by Company are only advisory in nature and are intended to assist Customer in reducing the risk of loss to property by indicating obvious defects or impairments noted to the system and equipment inspected and/or tested. They are not intended to imply that no other defects or hazards exist or that all aspects of the Covered System(s), equipment, and components are under control at the time of inspection. Final responsibility for the condition and operation of the Covered System(s) and equipment and components lies with Customer.

13. Availability and Cost of Steel, Plastics & Other Commodities. Company shall not be responsible for failure to provide services, deliver products, or otherwise perform work required by this Agreement due to lack of available steel products or products made from plastics or other commodities. In the event Company is unable, after reasonable commercial efforts, to acquire and provide steel products, or products made from plastics or other

commodities, if required to perform work required by this Agreement, Customer hereby agrees that Company may terminate the Agreement, or the relevant portion of the Agreement, at no additional cost and without penalty. Customer agrees to pay Company in full for all work performed up to the time of any such termination.

14. Confined Space. If access to confined space by Company is required for the performance of Services, Services shall be scheduled and performed in SUUadVS`UW i fZ ; a`bS`kqe fZW` UgddW`f Zagd`k rate.

15. Hazardous Materials. Customer represents that, except to the extent that Company has been given written notice of the following hazards prior to the WjWUgf[a`\_a` fZ[e 9YdWW`\_W`f` fa fZW TWef a` ; gefa`\_Wdqe ]`a` i`WVYV fZWdW`[e`_a`

- n Space in which work must be performed that, because of its construction, location, contents or work activity therein, accumulation of a hazardous gas, vapour, dust or fume or the creation of an oxygen-deficient atmosphere may occur,
- n obWd`\_lf Ua`X`[`WV ebSUW)p Se VWX`[`WV Tk GK@A for work Company performs in the United States;
- n risk of infectious disease;
- n need for air monitoring, respiratory protection, or other medical risk; or
- n asbestos, asbestos-containing material, formaldehyde or other potentially toxic or otherwise hazardous material contained in or on the surface of the floors, walls, ceilings, insulation or other structural components of the area of any building where work is required to be performed under this Agreement.

9`a` afZW STahW SdW ZWdWf` S`fWd dWdWdWV fa Se o@SISdVage ; a`V[f[a`_e`p Company shall have the right to rely on the representations listed above. If Hazardous Conditions are encountered by Company during the course of ; a`bS`kqe i ad] fZW V[eUahWdk a` egUZ`\_SfWd[S`e eZS` Ua`_ef[fgfW` S`_WhW`f TWka`_V ; a`bS`kqe Ua`\_fda` S`\_V ; a`bS`k eZS` ZShW`\_a`a`T`[YSf[a`\_fa`_gdfZWd perform in the area where the Hazardous Conditions exist until the area has been made safe by Customer as certified in writing by an independent testing agency, and Customer shall pay disruption expenses and re-mobilization expenses as determined by Company. This Agreement does not provide for the cost of testing involving a discharge or release, capture, Ua`\_fS`[`\_W`f` f[S`_ebadf` dW`_ahS` ad V[eabaeS`_Ua`WUf[hW`k fZW o<[eUZSdYV KWdh[UWep(a` S`k ZSISdVage i SefW`\_SfWd[S`e ZSISdVage`\_SfWd[S`e) firefighting materials including without limitation any firefighting foam encountered in and/or discharged from any of the Covered System(s) and/or during performance of the Services. Said materials shall at all times remain the responsibility and property of Customer. Customer shall be responsible for any Discharge Services associated with such materials, including all discharged firefighting foam in accordance with all applicable law. Company shall not be responsible for the testing, removal or disposal of such hazardous materials. Customer shall indemnify and hold Company harmless from and against any and all claims, demands and/or damages arising in whole or in part from the use of any Discharge Services associated with any hazardous waste, hazardous materials, or firefighting materials including without limitation firefighting foam encountered or discharged during performance of the Services.

16. Covid-19 Vaccination. Company expressly disclaims any requirement, understanding or agreement, express or implied, included directly or incorporated by reference, in any Customer purchase order, solicitation, noticW ad afZWd i [eW] fZSf S`k a` ; a`bS`kqe bWde`\_W` TW hSUU`\_SfWV SYS`[`\_ef Covid-19 under any federal, state/provincial or local law, regulation or order applicable to government contracts or subcontracts, including, without limitation, Presidential Executive OdVWd .1-1/ `o`= egd`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`_e`\_ad >WVWdS` ; a`f[SUFadep( S`V >WVWdS` 9Ucg[e]f[a` Regulation (FAE) 52.223-66 `o`= egd`Y 9VWcgSfW` ; GNk< KSIWfk Hdafaua`\_e`_ad >WVWdS` ; a`f[SUFadep(9`k egUZ dWcg[dW`_W`f eZS` a`\_k Sbb`k fa ; a`bS`kqe bWdsonnel if and only to the extent contained in a written agreement physically signed by an authorized officer of Company.

17. Other Services.

A.Remote Service. If Customer selects Remote Service, Company shall bdah[VW egbbadf`\_ad fZW ; gefa`_Wdqe ekefW`\_Tk i Sk af education, remote assistance and triage that does not require programming changes to the ; gefa`_Wdqe bS`\_W`+ A` SVV[f[a`) JW`\_afW KWdh[UW ValWe`_af [`U`gVW eWdh[UW fa address physical damage to the system or a device; troubleshooting wiring issues; programming changes and/or relocating, remounting, reconnecting, or adding a device to the system. Customer understands and agrees that, while JW`\_afW KWdh[UW bdah[VWe`_ad Ua`\_g`[USf[a`\_dWYSdV`_Y ; gefa`\_Wdqe X[dW S`Sd`_system to Company via the Internet, Remote Service does not constitute monitoring of the system, and Customer understands that Remote Service does not provide for Company to contact the fire department or other authorities in the event of a fire alarm. Customer understands that if it wishes to receive monitoring of its fire alarm system and notification of the fire department or other authorities in the event of a fire alarm, it must select monitoring services as a separate Service under this Agreement.

CUSTOMER FURTHER UNDERSTANDS AND AGREES THAT THE TERMS OF SECTION 18.F OF THIS AGREEMENT APPLY TO REMOTE SERVICE.

B.Connected Fire Sprinkler Services; Connected Fire Alarm Services. Connected Fire Sprinkler Services and Connected Fire Alarm Services each means a data-analytics and software platform that uses a cellular or network Ua`\_WUf[a`_fa` YSfZWd Wcg[b`_W`f bWdWad`_S`UW VSfS STagf S ; gefa`_Wdqe

; ahWdWV =cg[b_W'f'xad; gefa_Wdqe ebdq']Wd ekefW_ad X[dW S'Sd_ ekefW_) Se Sbb[USTW] fa See[ef B; A' SVH[e]Y; gefa_Wd a' egUZ Wcglb_W' fte ZWS'fZ] performance or potential malfunction. Connected Fire Sprinkler Services and Connected Fire Alarm Services are collectively, the Connected Equipment Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services on any Covered Equipment, Customer agrees to allow Company to install diagnostic sensors and communication ZSDv i SdW 'o?SfW i Sk <Wh[UWP]ad; gefa_Wd i[m] egbb'k S`Wf i d] Ua`Wuf[a` eg[IST'W fa W`ST'W Ua__g`[USf[a` i[fZ; gefa_Wdqe; ahWdWV =cg[b_W'f' order for Company to deliver the connected services. For more information on whether your particular equipment includes Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, a subscription to such services and the cost, if any, of such subscription, please see your applicable order, quote, proposal or purchase documentation or talk to your JCI sales representative. For certain subscriptions, Customer will be able to access equipment [^xad_Sf[a` xda_ S_ aT[W ad e_Sd VWH[UW ge]Y fZW eWdh[UWqe _aT[W ad iWT app. The Gateway Device will be used to access, store, and trend data for the purposes of providing Connected Fire Sprinkler Services. Company will not use Connected Fire Sprinkler Services or the Connected Fire Alarm Services to remotely operate or make cZS`YWe fa; gefa\_Wdqe =cg[b\_W'f' A fZW connection is disconnected by Customer, and a technician needs to be VjebSfUZWV fa fZW; gefa\_Wd e[fW] fZW` fZW; gefa_Wd i[m] bSk B; A Sf B; Aqe fZW` -current standard applicable contract regular time and/or overtime rate for such services. **Company makes no warranty or guarantee relating to the Connected Fire Sprinkler Services or Connected Fire Alarm Services. Customer acknowledges that, while Connected Fire Alarm Services or Connected Sprinkler Services generally improve equipment performance and services, these services do not prevent all potential malfunction, insure against all loss or guarantee a certain level of performance and that JCI shall not be responsible for any injury, loss, or damage caused by any act or omission of JCI related to or arising from the proactive health notifications of the equipment under Connected Equipment Services. Customer understands that if it wishes to receive monitoring of its fire alarm system or sprinkler system and notification of the fire department or other authorities in the event of an alarm, it must select monitoring services as a separate Service under this Agreement. CUSTOMER FURTHER UNDERSTANDS AND AGREES SECTION 20 (SOFTWARE AND DIGITAL SERVICES) APPLY TO CONNECTED FIRE ALARM SERVICES AND CONNECTED SPRINKLER SERVICES. In the event of a conflict between these terms and the Software Terms, the Software Terms will control.**

C. Dashboards and Mobility Applications for Connected Fire Sprinkler Services and Connected Fire Alarm Services. If Customer has purchased Connected Fire Sprinkler Services and/or Connected Fire Alarm Services, ; gefa_Wd _Sk gff[IW; a_bS`kqe cSeZTaSdV'e(S`V EaT[frk 9bb[USf[a`e) Se applicable, during the term of the Agreement, pursuant to the then applicable Terms of Use Agreement. Terms for the Dashboard are located at <https://www.johnsoncontrols.com/buildings/legal/digital/general/ots>.

18. Monitoring Services. If Customer has selected Monitoring Services, the following shall apply to such Services:

A. Alarm Monitoring Service. Customer agrees and acknowledges that ; a_bS`kqe eaW S`V a`k aT[YSf[a` g`VWd fZ[e 9YdWV\_W'f eZS` TW fa biah[VW alarm monitoring, notification, and/or Runner Services as set forth in this Agreement and to endeavor to notify the party(ies) identified by Customer on fZW; a`fSuf; S` D[ef 'o; a`fSufep(S`V ad DaUS` =\_WdYW`Uk <[ebSfUZ Fg_TWdqe for responding authorities. Upon receipt of an alarm signal, Company may, at our sole discretion, attempt to notify the Contacts to verify the signal is not false. If we fail to notify the Contacts or question the response we receive, we will attempt to notify the responding authority. In the event Company receives a supervisory signal or trouble signal, Company shall endeavor to promptly `af[k a`W af fZW; a`fSuf+; a\_bS`k eZS` `af TW dWeba` e[TW`ad S; a`fSufqe ad dWeba` V[`Y SgfZad[frkqe dW[geS` fa SU] `a i`WVYW.dWeba`V fa; a\_bS`kqe notifications of receipt of an alarm signal, nor shall Company be required to make additional notifications because of such refusal. The Contacts are SgfZad[IWV fa Suf a`; gefa\_Wdqe TWZS` S`V) [X ea VWey`SfWV a` fZW Contact/Call List, are authorized to cancel an alarm prior to the notification of authorities. Customer understands that local laws, ordinances or policies may dWef[dUf; a\_bS`kqe ST[frk fa biah[VW fZW S`Sd\_ \_a`[fad`Y S`V `af[k[USf[a` services described in this Agreement and/or necessitate modified or additional services and related charges to Customer. Customer understands that Company may employ a number of industry-recognized measures to help reduce occurrences of false alarm signal activations. These measures may include, but are not limited to, implementation of industry-recognized default eWff[`Ye8`[b`W\_W`Sf[a` af obSd[S` UWSd`f`_W TkbSeep biah[VWVgWde Sf agd S`Sd_ monitoring center and other similar measures at our sole discretion from time to time. THESE MEASURES CAN RESULT IN NO ALARM SIGNAL BEING SENT FROM AN AD9JE RGF= fF; MKLGE=JkK HJ=EAK=K 9-L=J L@= INITIAL ALARM ACTIVATION UNTIL THE ALARM SYSTEM IS MANUALLY RESET. Upon receiving notification from Company that a fire or gas detection (e.g. carbon monoxide) signal has been received, the responding authority may forcibly enter the premises. Cellular radio unit test supervision, if provided g`VWd fZ[e 9YdWV\_W'f) biah[VWe a`k fZW efSfge af fZW UW`gSd dSV[a g`[fr current signaling ability at the time of the test communication based on certain programmed intervals and does not serve to detect the potential loss of radio service at the time of an actual emergency event. Company shall not be

responsible to provide monitoring services under this Agreement unless and g`f[ fZW Ua\_\_g`[USf[a` ['] TWf iWW` ; gefa_Wdqe bDW_[eWe S`V; a\_bS`kqe Monitoring Center has been tested. **SUCH SERVICES ARE PROVIDED WITHOUT WARRANTY, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.**

B Limitation of Liability; Limitations of Remedy. Customer understands that Company offers several levels of Monitoring Services and that the level described has been chosen by Customer after considering and balancing various levels of protection afforded and their related costs. **It is understood and agreed by Customer that Company is not an insurer and that insurance coverage shall be obtained by Customer and that amounts payable to Company hereunder are based upon the value of the Monitoring Services and the scope of liability set forth in this Agreement Q`T QbU e`bUQdUT d_xDU fQleU_V 9ecd_] Ubrc `b`_Ubbi Q`T dXU `b`\_Ubbi of others located on the premises. Customer agrees to look exclusively d\_ 9ecd\_] Ubrc Y`cebUbb_d_ bUS_fUb_V_b Y`zebUc \_b TQ] QWU Y` dXU Uvent of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation. Company makes no guaranty or warranty, including any implied warranty of merchantability or fitness for a particular purpose that equipment or Services supplied by Company will detect or avert occurrences or the consequences therefrom that the equipment or Service was designed to detect or avert. It is impractical and extremely difficult to fix the actual damages, if any, which may proximately result from failure on the part of Company to perform any of its monitoring obligations under this Agreement. Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or Service was designed to detect or avert. Should Company be found liable for any loss, damage or injury arising from a failure of the equipment or Service in any respect, Co] `Q`inc VQR[Vdi gYdX bUc`USd\_d\_ Monitoring Services shall be the lesser of the annual fee for Monitoring Services allocable to the site where the incident occurred or two thousand five hundred (\$2,500) dollars, as agreed upon damages and not as a penalty( Qc 9ecd\_] Ubrc c\_W BU] UTi+ IeSX ce] cXQW RU S\_] `Udu and exclusive. **IN NO EVENT SHALL COMPANY BE LIABLE FOR ANY DAMAGE, LOSS, INJURY, OR ANY OTHER CLAIM ARISING FROM ANY SERVICING, ALTERATIONS, MODIFICATIONS, CHANGES, OR MOVEMENTS OF THE COVERED SYSTEM(S), AS HEREINAFTER DEFINED, OR ANY OF ITS COMPONENT PARTS BY THE CUSTOMER OR ANY THIRD PARTY. In no event shall JCI and its affiliates and their respective personnel, suppliers and vendors be liable to Customer or any third party under any cause of action or theory of liability, even if advised of the possibility of such damages, for any (a) special, incidental, consequential, punitive or indirect damages of any kind, including but not limited to damages; (b) loss of profits, revenues, data, customer opportunities, business, anticipated savings or goodwill; (c) business interruption; or (d) data loss or other losses arising from viruses, ransomware, cyber-attacks or failures or interruptions to network systems CUSTOMER OR ANY THIRD PARTY. COMPANY SHALL NOT BE LIABLE FOR INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO DAMAGES ARISING FROM THE USE, LOSS OF THE USE, PERFORMANCE, OR FAILURE OF THE COVERED SYSTEM(S) TO PERFORM. The limitations of liability set forth in this Agreement shall inure to the benefit of all parents, subsidiaries and affiliates of Company, whether direct or indirect, and each of their employees, agents, officers and directors.****

C. Indemnity, Insurance. Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third-party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer or Company relating in any way to the Monitoring Services provided under this Agreement, whether such claims are based upon contract, warranty, tort (including but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds on CustomWdqe YW`WdS`[ST[frk S`V Sgfa`[ST[frk ba[UW+]

D. No modification. Modification to Sections 18 B or C may only be made by a written amendment to this Agreement signed by both parties specifically referencing Section 18 B and/or C, and no such amendment shall be effective g`Wee SbbdahWV Tk fZW \_S`SYWd aX; a_bS`kqe; W`fS` Ea`[fad`Y; W`fWd+ E.9ecd_] Ubrc :ed[Uc+ A` SVV[f[a` fa; gefa_Wdqe Vgfk fa [`VW \_[Xk] VWVW`V)

i. Customer agrees to furnish the names and telephone numbers of all persons SgfZad[IWV fa W`fWd ad dW`Sf` a` ; gefa_Wdqe bDW_[eWe S`V, ad fZSf eZauld be notified in the event of an alarm (the Contact/Call List) and Local Emergency Dispatch Numbers and provide all changes, revision and modifications to the above to Company in writing in a timely manner. Customer must ensure that all such persons are authorized and able to respond to such notification.

ii. Customer shall carefully and properly test and set the system immediately prior to the securing of the premises and carefully test the system in a manner prescribed by Company during the term of this Agreement. Customer agrees

herein and the Software Terms, the Software Terms shall take precedence and govern with respect to rights and responsibilities relating to the Software, its implementation and deployment and any improvements thereto. Notwithstanding any other provisions of this Agreement and unless otherwise agreed to by the parties in writing, the following terms apply to Software that is provided to Customer on a subscription basis (i.e., a time limited license or use of YZ(f) "WSUZ S oKaIf i SdW KgTeUd(bf)a" p(7 =SUZ KaIf i SdW KgTeUd(bf)a" bdaH[VW hereunder will commence on the date the initial credentials for the Software SdW _SVW ShS(f)STW 'fZW oKgTeUd(bf)a" KfSdf <ShWp(S'V i["Ua'f'gW [" WWWUF until the expiration of the subscription term noted herein. At the expiration of the Software Subscription, such Software Subscription will automatically renew Xad Ua' eWUgflhW a'W' .(kWSd fWd_e "WSUZ S oJW'WiS' KgTeUd(bf)a" Lwd_p() unless either party provides the other party with a notice of non-renewal at least ninety (90) days prior to the expiration of the then-current term. To the extent permitted by applicable law, Software Subscriptions purchases are non-cancelable and the sums paid nonrefundable. Fees for Software Subscriptions shall be paid annually in advance, invoiced on the Subscription Start Date and each subsequent anniversary thereof. Unless otherwise agreed by the parties in writing, the subscription fee for each Renewal Subscription Term will be bJ(UVW Sf B ; kq fZW' SbbJUSTW' (ef bJ(UVW Xad fZSf KaIf i SdW aXWd) 'Y+ 9' k geW aX Software that exceeds the scope, metrics or volume set forth in this Agreement will be subject to additional fees based on the date such excess use began.

21. Taxes, Fees, Fines, Licenses, and Permits. Customer agrees to pay all sales tax, use tax, property tax, utility tax and other taxes required in connection with the equipment and Services listed, including telephone company line charges, if any. Customer shall comply with all laws and regulations relating to the equipment and its use and shall promptly pay when due all sales, use, property, excise and other taxes and all permit, license and registration fees now or hereafter imposed by any government body or agency upon the equipment or its use. Company may, without notice, obtain any dWcg(dWV bWd_ (f) (UW' eW ad dWY(efdsf)a' Xad ; gefa_ Wd Sf ; gefa_ WdJe Wj bW' eW and charge a fee for this service. If Customer fails to maintain any required licenses or permits, Company shall not be responsible for performing the services and may terminate the services without notice to Customer.

22. Outside Charges. Customer understands and accepts that Company specifically disclaims any responsibility for charges associated with the notification or dispatching of anyone, including but not limited to fire department, police department, paramedics, doctors, or any other emergency personnel, and if there are any charges incurred as a result of said notification or dispatch, said charges shall be the responsibility of Customer.

23. Insurance. Customer shall name Company, its officers, employees, agents, subcontractors, suppliers, and representatives as additional insureds a' ; gefa_ WdJe YW' WdS' (ST(f)fk S'V Sgfa (ST(f)fk ba(UW'e-

24. Waiver of Subrogation. Customer does hereby for itself and all other parties claiming under it release and discharge Company from and against all ZSISdVe UahWdW Tk ; gefa_ WdJe (egdS'UW) (f TW(Y Wj bWdWee'k SYdWVW S'V understood that no insurance company or insurer will have any right of subrogation against Company.

25. Force Majeure, Exclusions. Company shall not be liable, nor in breach or default of its obligations under this Agreement, for delays, interruption, failure to render services, or any other failure by Company to perform an obligation under this Agreement, where such delay, interruption or failure is caused, in whole or in part, directly or indirectly, by a Force Majeure Event. A o>adUW ESWgdW =hW' fp (e S Ua' V(f)a' ad WhW' f fZSf (e TWka' V fZW dWSea' STW control of Company, whether foreseeable or unforeseeable, including, without limitation, acts of God, severe weather (including but not limited to hurricanes, tornados, severe snowstorms or severe rainstorms), wildfires, floods, earthquakes, seismic disturbances, or other natural disasters, acts or omissions of any governmental authority (including change of any applicable law or regulation), epidemics, pandemics, disease, viruses, quarantines, or other public health risks and/or responses thereto, condemnation, strikes, lock-outs, labor disputes, an increase of 5% or more in tariffs or other excise taxes for materials to be used on the project, fires, explosions or other casualties, thefts, vandalism, civil disturbances, insurrection, mob violence, riots, war or other armed conflict (or the serious threat of same), acts of terrorism, electrical power outages, interruptions or degradations in telecommunications, computer, network, or electronic communications systems, data breach, cyber-attacks, ransomware, unavailability or shortage of parts, materials, supplies, or transportation, or any other cause or casualty beyond the reasonable control aX ; a_bS' k+ AX ; a_bS' kq bWdWad_ S'UW aX fZW i ad] (e VW'SKiW) (_bSUNW) ad prevented by a Force Majeure Event or its continued effects, Company shall be excused from performance under the Agreement. Without limiting the generality of the foregoing, if Company is delayed in achieving one or more of the scheduled milestones set forth in the Agreement due to a Force Majeure Event, Company will be entitled to extend the relevant completion date by the amount of time that Company was delayed as a result of the Force Majeure Event, plus such additional time as may be reasonably necessary to overcome the effect of the delay. To the extent that the Force Majeure Event directly or (Vj dWUfK (UdWSeWe ; a_bS' kq Uaef fa bWdWad_ fZW eWd(UWe) ; gefa_ Wd (e obligated to reimburse Company for such increased costs, including, without limitation, costs incurred by Company for additional labor, inventory storage, expedited shipping fees, trailer and equipment rental fees, subcontractor fees or other costs and expenses incurred by Company in connection with the Force Majeure Event.

26. Exclusions. This Agreement expressly excludes, without limitation, provision of fire watches; reloading of, upgrading, and maintaining computer software; making repairs or replacements necessitated by reason of 'WY(YW' UW ad _[egeW aX Ua_ ba' W' fe ad Wcg(b_ W' f ad UZS' YWe fa ; gefa_ WdJe premises; vandalism; power failure; current fluctuation; failure due to non-JCI installation; lightning, electrical storm, or other severe weather; water; accident; fire; acts of God; testing inspection and repair of duct detectors, beam detectors, and UV/IR equipment; provision of fire watches; clearing of ice blockage; draining of improperly pitched piping; batteries; recharging of chemical suppression systems; reloading of, upgrading, and maintaining computer software; corrosion (including but not limited to micro-bacterially induced corrosion 'oEA ; p((U SdWd(VYWe YdWSDW fZS' .3 YdS_e8 YSe hS'hW installation; or any other cause external to the Covered System(s) and JCI shall not be required to provide Service while interruption of service due to such causes shall continue. This Agreement does not cover and specifically excludes system upgrades and the replacement of obsolete systems, equipment, components or parts. All such services may be provided by JCI at B ; kq ea'W V(eUdW(fa' Sf S' SVV(f)a' S' UZSdYW+ AX =_WdYW' Uk KWh(UWe SdW expressly included in the Service Solution, the Agreement price does not include travel expenses.

27. Delays. Company shall have no responsibility or liability to Customer or any other person for delays in the installation or repair of the System or the performance of our Services regardless of the reason, or for any resulting consequences.

28. Termination. Company may terminate this Agreement immediately at its sole discretion upon the occurrence of any Event of Default as hereinafter defined. Company may also terminate this Agreement at its sole discretion gba' a(f)UW fa ; gefa_ Wd (X ; a_bS' kq bWdWad_ S'UW aX (fe aT(YS(fa e g' WdW this Agreement becomes impracticable due to obsolescence of equipment at ; gefa_ WdJe bWd_ (eWe ad g' ShS(f)fk aX bSdfe-

29. No Option to Solicit. Customer shall not, directly or indirectly, on its own behalf or on behalf of any other person, business, corporation or entity, solicit or employ any Company employee, or induce any Company employee to leave his or her employment with Company, for a period of two years after the termination of this Agreement.

30. Default. An Event of Default shall include (a) any full or partial termination of this Agreement by Customer before the expiration of the then-current Term, (b) failure of Customer to pay any amount when due and payable, (c) abuse of the System or the Equipment, (d) failure by Customer to observe, keep or perform any term of this Agreement; (e) dissolution, termination, discontinuance, insolvency or business failure of Customer. Upon the occurrence of an Event of Default, Company may pursue one or more of the following remedies, (i) discontinue furnishing Services, (ii) by written notice to Customer declare the balance of unpaid amounts due and to become due under this Agreement to be immediately due and payable, (iii) receive immediate possession of any equipment for which Customer has not paid, (iv) proceed at law or equity to enforce performance by Customer or recover damages for breach of this Agreement, and (v) recover all costs and expenses, inU'gV(Y i fZagf (fS(fa' dWSea' STW Sf ad Wke(XWWe) ('Ua' WU(fa' i fZ enforcing or attempting to enforce this Agreement.

31. One-Year Limitation on Actions; Choice of Law. For Customers located in the United

States, the laws of Wisconsin shall govern the validity, enforceability, and interpretation of this Agreement, without regard to conflicts of law. For Customers located in Canada, this agreement shall be governed by and be construed in accordance with the laws of Ontario. The parties agree that any disputes arising under this Agreement shall be determined exclusively by the Ontario courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Ontario courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than one year after the claim (fdef SdaeW+ =jUWbf Se bdaH[VWV Xad ZWdW(') ; a_bS' kq U'S(_e _gef S'ea TW brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

32. Assignment. Customer may not assign fZ(e 9YdWVW_ W' f i fZagf ; a_bS' kq prior written consent. Company may assign this Agreement without obtaining ; gefa_ WdJe Ua' eW' f-

33. Entire Agreement. The parties intend this Agreement, together with any SFSUZ_ W' fe ad J(VWde 'Ua' WU(f)hW'k fZW o9YdWVW_ W' f(to be the final, complete and exclusive expression of their Agreement and the terms and conditions thereof. This Agreement supersedes all prior representations, understandings or agreements between the parties, written or oral, and shall constitute the sole terms and conditions relating to the Services. No waiver, change, or modification of any terms or conditions of this Agreement shall be binding on Company unless made in writing and signed by an Authorized Representative of Company.

34. Headings. The headings in this Agreement are for convenience only.

35. Severability. If any provision of this Agreement is held by any court or other competent authority to be void or unenforceable in whole or in part, this Agreement will continue to be valid as to the other provisions and the remainder of the affected provision.

36. Electronic Media. Customer agrees that Company may scan, image or otherwise convert this Agreement into an electronic format of any nature.

Customer agrees that a copy of this Agreement produced from such electronic format is legally equivalent to the original for any and all purposes, including 'f[Y\$[a`+ ; gefa\_wd SYdWWe fZ\$F ; a\_bs`kqe dWUW[bf Tk X\$J aX fZW 9YdWW _W`f signed by Customer legally binds Customer and such fax copy is legally equivalent to the original for any and all purposes, including litigation.

37. Legal Fees. Company shall be entitled to recover from Customer all reasonable legal fees incurred in connection with Company enforcing the terms and conditions of this Agreement.

38. Lien Legislation. Notwithstanding anything to the contrary contained herein, the terms of this Agreement shall be subject to the lien legislation applicable to the location where the work will be performed, and, in the event of conflict, the applicable lien legislation shall prevail.

39. Privacy. A. **Company as Processor:** Where Company factually acts as Processor of Personal Data on behalf of Customer (as such terms are defined in the DPA) the terms at www.johnsoncontrols.com/dpa shall apply. B. **Company as Controller:** Company will collect, process and transfer certain personal data of Customer and its personnel related to the business relationship between it and Customer (for example names, email addresses, fW`WbZa`W`g\_TWde( Se Ua`fia`Wd S`V [` SUUadVS`UW i fZ ; a_bs`kqe Hd[hSUK Notice at <https://www.johnsoncontrols.com/privacy>. Customer acknowledges ; a\_bs`kqe Hd[hSUK FafUW S`V efd[Uf`k fa fZW Wjfw`f Ua`eW`f [e \_S`VSfad`k required under applicable law, Customer consents to such collection, processing and transfer. To the extent consent to such collection, processing S`V fS`eWd Tk ; a\_bs`k [e _S`VSfad`k dWcg[dWV Xda_ ; gefa_Wdqe bWdea`W` under applicable law, Customer warrants and represents that it has obtained such consent.

40. License Information (Security System Customers): AL Alabama Electronic Security Board of Licensure 7956 Vaughn Road, PMB 392, Montgomery, Alabama 36116 (334) 264-9388: AR Regulated by: Arkansas Board of Private Investigators and Private Security Agencies, #1 State Police Plaza Drive, Little Rock 72209 (501)618-8600: CA Alarm company operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, CA, 95814. Upon completion of the installation of the alarm system, the alarm company shall thoroughly instruct the purchaser in the proper use of the alarm system. Failure by the licensee, without legal excuse, to substantially commence work within 20 days from the approximate date specified in the agreement when the work will begin is a violation of the Alarm Company Act: NY Licensed by the N.Y.S. Department of the State: TX Texas Commission on Private Security, 5805 N. Lamar Blvd., Austin, TX 78752-4422, 512424-7710. License numbers available at www.johnsoncontrols.com or contact your local Johnson Controls office.

City of De Pere Planned Service Agreements

Proposed Changes to:

CPQ-400734**CPQ-398315**Page 5 of 12

Should Customer fail to issue additional Purchase Orders, Company will still be permitted to invoice Customer for services performed, assuming such services performed are not covered under the summary of services included under this Agreement.

Regarding the Terms and Conditions attached to the CPQ proposals referred at the top, both Parties agree to modify the Sections described below, as follows:

2. Payments and Invoicing. Customer acknowledges and agrees that timely payments of the full amounts listed on invoices is an essential term of this Agreement and Customer's failure to make payment when due could be considered a material breach of this Agreement. Customer further acknowledges that if there is any amount outstanding on an invoice, it is material to Company and will give Company, without prejudice to any other right or remedy the right to with notice:

5. Limitation of Liability; Limitations of Remedy. Intentionally Omitted. Customer's liability with respect to Monitoring Services is set forth in Section 18 of the Agreement.

7. Indemnity. Intentionally Omitted. Customer's responsibility with respect to Monitoring Services is set forth in Section 18 of the Agreement.

18. B. Limitation of Liability; Limitations of Remedy. Delete the following sentences from Section 18.B:

(i) Customer agrees to look exclusively to Customer's insurer to recover for injuries or damage in the event of any loss or injury and that Customer releases and waives all right of recovery against Company arising by way of subrogation.

(ii) Accordingly, Customer agrees that Company shall be exempt from liability for any loss, damage or injury arising directly or indirectly from occurrences, or the consequences therefrom, which the equipment or Service was designed to detect or avert.

18.C. Indemnity. Delete in its entirety and replace with the following: *Customer agrees to indemnify, hold harmless and defend Company against any and all losses, damages, costs, including expert fees and costs, and expenses including reasonable defense costs, arising from any and all third party claims for personal injury, death, property damage or economic loss, arising in any way from any act or omission of Customer relating in any way to the Monitoring Services provided under this Agreement, whether such claims are based upon contract, warranty, tort (including, but not limited to active or passive negligence), strict liability or otherwise. Company reserves the right to select counsel to represent it in any such action.*

23. Insurance. Intentionally Omitted.

24. Waiver of Subrogation. Intentionally Omitted.

29. Three-Year Limitation on Actions; Choice of Law. The parties agree that any disputes arising out of this Agreement shall be determined exclusively by the Wisconsin courts and that no action or legal proceedings of any nature shall be filed or commenced in any other court pertaining to any dispute arising out of or in relation to this Agreement. The parties also hereby waive any objection to the exclusive jurisdiction of the Wisconsin courts, including any objection based on *forum non conveniens*. No claim or cause of action, whether known or unknown, shall be brought against Company more than three years after the claim first arose. Except as provided for herein, Company's claims must also be brought within one year. Claims for unpaid contract amounts are not subject to the one-year limitation.

35. Legal Fees. Company or Customer shall each be entitled to recover from the other party to this Agreement all reasonable legal fees incurred in connection with Company or Customer enforcing the terms and conditions of this Agreement.

City of De Pere	Johnson Controls Fire Protection LP
Signature: _____	Authorized Signature: _____
Print Name: _____	Print Name: _____
Title: _____	Title: _____
Phone #: _____	Phone #: _____
Fax #: _____	Fax #: _____
Email: _____	License #: _____ (if applicable)
Date: _____	Date: _____



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Information Technology

FROM: Steve Massey

SUBJECT: Consideration and Possible Action on Copier Leases for City Hall second floor, Community Center, Fire Station 1 and Municipal Services Center/Cloud FAX Solution.*

ATTACHMENTS:

- Copier Cost Matrix - 2023 (PDF)
- Memo to Finance - Copier Lease Renewal 2023 - CHF2, CC, FS1 and MSC_SMv1 (PDF)
- Cloud FAX Cost Matrix - 2023 (PDF)
- COW - sales order, 4 leased mfp's City of De Pere (60 ppm Municipal) 6-20-23 (PDF)
- COW - XM Fax Proposal - 3 Year (PDF)
- GFC - Proposal (PDF)
- GFC - Allegiant CloudFAX (PDF)
- FAXAGE - Cloud FAX (PDF)
- WDI - Ricoh IMC 2510 City of Depere Fire Station 1 Map Room (PDF)
- WDI - Ricoh IMC 4510 City of Depere City Hall floor 2 office(PDF)
- WDI - Ricoh IMC 4510 City of Depere Community Center floor 2 office (PDF)
- WDI - Ricoh IMC 6010 City of Depere Municipal Service Center (PDF)

Copier Cost Matrix - 2023

Current Lease								
Location	Current Device	Avg. Prints B/W Qtr.	Avg. Prints Color Qtr.	Cost B/W	Cost Color	Avg. Print Cost Qtr.	Current Lease Qtr.	Total Qtr.
City Hall F2 Office	Lanier IM C4500	12,300	2,550	0.00389	0.02950	\$123	\$425	\$548
Community Center F2 Office	Lanier IM C4500	12,600	6,000	0.00389	0.02950	\$226	\$443	\$669
Fire Station 1 Map Room	Lanier IM C2500	5,100	2,100	0.00662	0.04180	\$122	\$362	\$484
Municipal Service Center Office	Lanier MP 5055	25,500		0.00520		\$133	\$365	\$497
Municipal Service Center ENG	Ricoh C2003	1,500	15,000	0.01400	0.09110	\$1,388	\$0	\$1,388
Total						\$1,991	\$1,595	\$3,586

Proposed Lease - Complete Office of Wisconsin								
Location	Proposed Device	Avg. Prints B/W Qtr.	Avg. Prints Color Qtr.	Cost B/W	Cost Color	Estimated Print Cost Qtr.	Proposed Lease Qtr.	Total Qtr.
City Hall F2 Office	Lanier IM C4510	12,300	2,550	0.0045	0.0309	\$134	\$499	\$633
Community Center F2 Office	Lanier IM C4510	12,600	6,000	0.0045	0.0309	\$242	\$519	\$761
Fire Station 1	Lanier IM C2510	5,100	2,100	0.0077	0.05	\$144	\$349	\$493
Municipal Service Center Office	Lanier IM C6010	27,000	15,000	0.0045	0.0309	\$585	\$628	\$1,213
Total						\$1,106	\$1,995	\$3,101

Proposed Lease - Gordon Flesch								
Location	Proposed Device	Avg. Prints B/W Qtr.	Avg. Prints Color Qtr.	Cost B/W	Cost Color	Estimated Print Cost Qtr.	Proposed Lease Qtr.	Total Qtr.
City Hall F2 Office	Lanier IM C4510	12,300	2,550	0.004	0.035	\$138	\$607	\$746
Community Center F2 Office	Lanier IM C4510	12,600	6,000	0.004	0.035	\$260	\$645	\$905
Fire Station 1	Lanier IM C2510	5,100	2,100	0.004	0.035	\$94	\$427	\$521
Municipal Service Center Office	Lanier IM C6010	27,000	15,000	0.004	0.035	\$633	\$675	\$1,308
Total						\$1,126	\$2,354	\$3,480

Proposed Lease - WI Document Imaging								
Location	Proposed Device	Avg. Prints B/W Qtr.	Avg. Prints Color Qtr.	Cost B/W	Cost Color	Estimated Print Cost Qtr.	Proposed Lease Qtr.	Total Qtr.
City Hall F2 Office	Lanier IM C4510	12,300	2,550	0.0062	0.037	\$171	\$534	\$705
Community Center F2 Office	Lanier IM C4510	12,600	6,000	0.0062	0.037	\$300	\$555	\$855
Fire Station 1	Lanier IM C2510	5,100	2,100	0.0076	0.058	\$161	\$384	\$545
Municipal Service Center Office	Lanier IM C6010	27,000	15,000	0.0062	0.037	\$722	\$684	\$1,406
Total						\$1,354	\$2,157	\$3,511

CITY OF DE PERE MEMO



To: Mayor James Boyd
Members of the Finance/Personnel Committee
From: Steve Massey, IT Director
Date: June 29, 2023

RE: **Copier Leases for City Hall second floor, Community Center, Fire Station 1 and Municipal Services Center/Cloud FAX Solution**

The current lease for the copiers at City Hall second floor, Community Center, Fire Station 1 and Municipal Services Center expired on 6-27-2023. We are now on a quarterly plan that will expire on 9-26-2023. Three quotes were obtained for a new 48-month lease. The quoted quarterly lease totals including estimated print costs are as follows:

Vendor	Total Per Quarter
Complete Office of Wisconsin	\$3,101
Gordon Flesch	\$3,480
WI Document Imaging	\$3,511

The current quarterly lease total including average print costs is \$3,586.

Costs will be increasing for City Hall and the Community Center approximately \$90 per quarter. Costs for Fire Station 1 will be increasing approximately \$10 per quarter. Costs for the Municipal Service Center will be decreasing approximately \$675 per quarter due the consolidation from two copiers to one color copier. Increased costs will be offset by reducing the number of copiers at the Municipal Services Center from two to one and replacing traditional FAX technology with a cloud FAX solution. I have attached a spreadsheet which summarizes the vendors quotes in more detail. The individual proposals are also attached. I recommend signing a 4-year copier lease with Complete Office of Wisconsin because they offer the most competitive pricing and they currently provide the lease for the copiers at City Hall second floor, Community Center, Fire Station 1 and Municipal Services Center.

The use of traditional FAX technology on the existing four copiers currently costs approximately \$13,630 to operate for 4 years. The projected cost to implement and operate a cloud fax is \$2,500 for 4 years. Implementing a cloud FAX solution will potentially save the City of De Pere approximately \$11,000 over the next 4 years. I have attached a spreadsheet which summarizes the vendors quotes in more detail. The individual proposals are also attached. I reviewed multiple peer recommended cloud FAX solutions and recommend signing a 3-year contract with reseller Gordon Flesch for the Allegiant CloudFAX platform. Allegiant CloudFAX meets the needs of the City of De Pere at the lowest cost.

Cloud FAX Cost Matrix - 2023

Provider	Term Yr.	DID's	Setup fee	DID Port charge	DID Mth.	0 Pages Mth.	Total Mth.	Total 1 Yr.	Total 3 Yr.
Allegiant Cloud FAX	3	4		\$4	2.2	\$40	\$42	\$510	\$1,535
XM Fax	3	4	\$1,585			\$107	\$107	\$2,866	\$5,428
Faxage	3	4	\$20			\$20	\$80	\$978	\$2,953

Quote Date: 06/20/23 Sales Rep: Elliot Shaw
Order Details

New Account:		Account App:	Purchase Order Number:	
Bill To: <u>Great America Financial Services</u>		Dept:		Ship To: <u>City of De Pere</u>
Address:		City: <u>De Pere</u>		Dept: <u>4 total</u>
City: State: <u>WI</u> Zip Code:		Address: <u>335 S Broadway St (and 3 others)</u>		City: <u>De Pere</u> State: <u>WI</u> Zip Code: <u>54115</u>
Contact:		Contact: <u>Steve Massey</u>		
Phone: Ext.		Phone: <u>920-339-4072</u> Ext. <u>1255</u>		
Email:		Email: <u>smassey@deperewi.gov</u>		

Quantity	Part Number	Description	ID #	Sub #	Serial Number	Price
1	IMC6010	60 ppm color mfp, Municipal Center				Leased
		4 trays, finisher, fax				
		(rates per print: b/w .0045, color .0309)				
1	IMC4510	45 ppm color mfp, Community Center				Leased
		4 trays, finisher, punch, fax				
		(rates per print: b/w .0045, color .0309)				
1	IMC4510	45 ppm color mfp, City Hall				Leased
		4 trays, finisher, fax				
		(rates per print: b/w .0045, color .0309)				
1	IMC2510	25 ppm color mfp, Fire Station				Leased
		2 trays, booklet finisher, fax				
		(rates per print: b/w .0077, color .05)				

Lease Details

Lease	☒ GA	☐ DLL
	☐ Other	
Payment Amount	<u>\$2,095.00 (quarterly)</u>	
Type	☒ FMV	☐ \$1 Purchase Option
Term	☐ 12 Months ☐ 24 Months ☐ 36 Months ☐ 39 Months	☒ 48 Months ☐ 60 Months ☐ 63 Months ☐ Other

Purchase Details

Sub-Total	<u>leased</u>
Tax	<u>exempt</u>
Shipping	<u>included</u>
Total Investment	<u>(see lease payment info to left)</u>
Terms: Net 10 days, Invoice to follow	

Customer Signature	Date
Printed Name	Date
<u>[Signature]</u>	<u>6-20-23</u>
Sales Rep Signature	Date

Maintenance Details

Maintenance Program Requested	☒ Yes, with Supplies	☐ Yes, w/o Supplies	☐ Declined
-------------------------------	--	--	-----------------------------------

Maintenance Billing Frequency
Base + Overage Contract*

Base Rates are billed in advance with overage billed when incurred.		
☐ Monthly	☐ Quarterly	☐ Yearly
Black Copies Included	Black Overage CPC	
Color Copies Included	Color Overage CPC	

Cost Per Copy Contract*

Billed Monthly ONLY, Rates locked for 4 years per Elliot Shaw 6-20-23

Black CPC rate	<u>see above</u>
Color CPC rate	<u>see above</u>

* Minimum \$25.00 monthly charge (per machine) applies to ALL contracts.

Delivery Information/Details

IT Contact Name:	<u>Steve Massey</u>	Phone:	<u>920-339-4072 x 1255</u>	E-mail:	<u>smassey@deperewi.gov</u>
Computer Program:	☐ MAC	☐ Windows	Windows OS:		
Delivery Contact:	<u>Same</u>	Phone:		E-mail:	
Delivery Date:	<u>ASAP</u>	Delivery Time:	<u>Trade-In / Pick-up Information</u>		
Machine Location:	<u>We (COWI) will be handling the return to lease company of the 4 mfp's we are upgrading.</u>		Make	Model	Serial Number
Delivery Notes:					ID#

 MFP SET TO ☐ BLACK ☐ AUTO COLOR ☐ COLOR

Acceptance of Delivery:	Title:	Date:
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Order Details

New Account:		Account App:	Purchase Order Number:
Bill To: <u>City Of De Pere</u>		Dept: <u>4 total</u>	
Address: <u>335 S Broadway St</u>		Address: <u>335 S Broadway St (and 3 others)</u>	
City: <u>De Pere</u>	State: <u>WI</u>	Zip Code: <u>54115</u>	City: <u>De Pere</u> State: <u>WI</u> Zip Code: <u>54115</u>
Contact: <u>Steve Massey</u>		Contact: <u>Steve Massey</u>	
Phone: <u>920-339-4072</u>	Ext. <u>1255</u>	Phone: <u>920-339-4072</u>	Ext. <u>1255</u>
Email: <u>smassey@deperewi.gov</u>		Email: <u>smassey@deperewi.gov</u>	

Quantity	Part Number	Description	ID #	Sub #	Serial Number	Price
1	3RD-1000052845-DS	OpenText XM Fax Cloud Customer Activation				\$0.00
1	1000055385-PS1	OpenText XM Fax Cloud Prepaid 36K Credits - 3 Years INC3YR				\$3,843.00
7	PS-TIMERETAINER3-XFAX	[SOW NO SDA]Ricoh PS OPENTEXT XM Fax 3 Month Deployment Retainer (Per Hour)			(\$226.43 ea)	\$1,585.01
1	PS-CHAMPS	Ricoh CHAMPS				\$0.00

Lease Details

Lease GA DLL
 Other
Payment Amount
Type FMV \$1 Purchase Option
Term 12 Months 48 Months
 24 Months 60 Months
 36 Months 63 Months
 39 Months Other

Purchase Details

Sub-Total \$5,428.01
Tax exempt
Shipping n/a
Total Investment \$5,428.01
Terms: Net 10 days, Invoice to follow
Customer Signature Date
Printed Name Date
Sales Rep Signature Date

Maintenance Details

Maintenance Program Requested Yes, with Supplies Yes, w/o Supplies Declined

Maintenance Billing Frequency

Base + Overage Contract*

Base Rates are billed in advance with overage billed when incurred.
 Monthly Quarterly Yearly
Black Copies Included Black Overage CPC
Color Copies Included Color Overage CPC

Cost Per Copy Contract*

Billed Monthly ONLY
Black CPC rate
Color CPC rate

* Minimum \$25.00 monthly charge (per machine) applies to ALL contracts.

Delivery Information/Details

IT Contact Name: Steve Massey Phone: 920-339-4072 x 1255 E-mail: smassey@deperewi.gov
Computer Program: MAC Windows Windows OS:
Delivery Contact: Same Phone: E-mail:
Delivery Date: ASAP Delivery Time:
Machine Location:
Delivery Notes:

Make	Model	Serial Number	ID#

MFP SET TO ☐ BLACK ☐ AUTO COLOR ☐ COLOR

Acceptance of Delivery: Title: Date:

City of De Pere

Prepared by

Jason Moseman

06/22/2023

Proposed Solution



GORDON
FLESCH
COMPANY

Letter of Introduction

We appreciate your interest in partnering with the Gordon Flesch Company (GFC). It is our passion to empower your people through technology to meet and exceed your goals and objectives, while providing you with the highest level of customer service.

GFC will assess your current technology objectives and develop strategies to decrease costs and increase efficiencies. This approach emphasizes the importance of aligning your technology investments with your business goals. Working in a systematic, phased approach, we will close the gap between where you are today to where you would like to be. This process can also include right-sizing your fleet, removing inefficient devices, current invoice/contract analysis, technology enhancements, process optimization and total cost of ownership considerations.

We are an independent, privately-owned technology solutions provider **with over 67 years of experience**. We are not limited to any one manufacturer nor restricted to that manufacturer's solution offerings. Our independence allows us to develop solutions that are customized to your needs. We look forward to building upon this partnership and implementing reliable solutions for your company, ensuring the success of our solutions with our unmatched service and support.

Please do not hesitate to contact me if you have any questions or desire any additional information.

Sincerely,

Jason Moseman
Senior Account Executive
o: (920) 757-2711
jmoseman@gflesch.com

Your Local Partner

- Headquarters in Madison, WI
- 31 offices throughout the Midwest
- Live and work in the communities we serve

Wisconsin - Madison (2), Milwaukee (2) and Appleton

Illinois - Geneva, Chicago, Joliet, Lake Zurich, Rockford and Woodstock

Indiana - Indianapolis, Bloomington, Columbus and Terre Haute

Iowa - Cedar Falls, Davenport, Dubuque, Fairfield, Fort Dodge, Hiawatha, Mason City and Spencer

Ohio - Columbus, Chillicothe, Findlay, Lancaster, Mansfield, Newark and Wooster

South Dakota - Sioux Falls



Technology Solutions Provider

One Vendor

From multi-function and single-function output devices to Managed Voice Services, Managed IT Services and Onsite Services, we simply make it easy do business with GFC. **We worry about Print, Voice and IT so you don't have to!**

In-House Leasing

GFC Leasing was formed to provide a personalized, flexible way for our clients to lease business equipment and services. We offer flexible terms and straightforward end-of lease options and best of all, GFC Leasing will hold the lease for the duration of the contract.

- Flexible leasing terms and no end of term surprises
- Change equipment as business needs change
- Dedicated and personalized team of experts
- Stay up-to-date with the latest technology
- True "Technology as a Service" solutions

Our Products and Services



MANAGED PRINT
SOLUTIONS



MANAGED
VOICE SERVICES



MANAGED IT
SERVICES



CAPTURE
SOLUTIONS



OUTPUT
SOLUTIONS

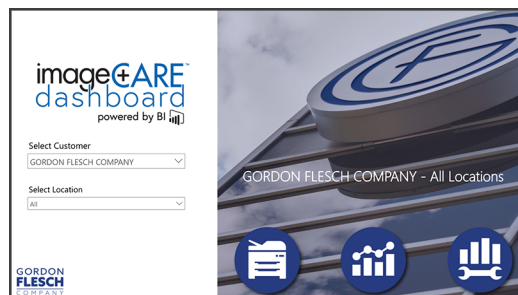


ONSITE
SERVICES

imageCARE⁺ Managed Print Services

GFC can remove the stress of updating, maintaining or repairing your printers so your team can get back to doing what they do best. An imageCARE+ MPS program includes:

- Improved print workflow efficiency and security
- Optimized placement and number of print devices on the network
- Improved supply management and reduced supply waste
- Improved decision making with clear, informative Business Reviews using PowerBI
- Data-Driven analytics



eleviTy[®] Managed IT Services

Our **Managed IT** Services team helps clients strategically align technology with their organizational and business goals, empowering them to operate more effectively, efficiently and securely. Our experienced consultants will provide risk analysis, cutting-edge tools and expertise to guard your business against the threat of a cyberattack. When you partner with GFC, you work with a dedicated **Virtual CIO (vCIO)** who serves as your trusted advisor to strategically address your technology challenges. Our Managed IT team will minimize downtime and keep your business hardware and software running at peak efficiency.

Security



Strategy



Solutions



Support



Managed Voice Services

Free your employees to work from anywhere with Elevate, the cloud-based business communications platform that goes wherever you go.

- Business Phones
- Desktop App
- Mobile Devices
- Video Conferencing
- Team Chat
- File Management



Ongoing Service, Support and Security

GFC Service

The GFC name is synonymous with customer service. We do not have a “fix it and run” mentality.

- 157 Service Professionals
- 16.9 Years Tenure
- Average Response Time – 3.68 Hours
- First Call Effectiveness – Focused on Problem Solving and Prevention



GFC Support

Since 1997, the Technology and Logistics Center (TLC) has been a key component of our customer service offering. Based out of our Wisconsin facility. The TLC is a modern laboratory equipped with a representative array of our hardware and software solutions.



The center is staffed with trained Systems Engineers each specialized in computer operating systems, print graphics, color correction and data capture. Their combined expertise covers our complete product and solution suite; ensuring you will receive qualified dedicated support when you need it.

With over 33,000 annual calls to the TLC, 97% are answered live by a System Engineer and resolved during the first 24 hours.

GFC Security

No matter the size of your business, a Print Security Strategy is critical to every organization. The security experts at GFC can keep you on the right course by conducting an initial security assessment of your print environment and working with you to determine the most practical plan of action. Some of the action items include:

- Perform Configuration Compliance Check
- Create Custom Security Settings
- Hard Drive Encryption
- Hard Drive Erasure
- Trusted Platform Module
- Output Management Software
- Device Management Tools
- Print Job Encryption

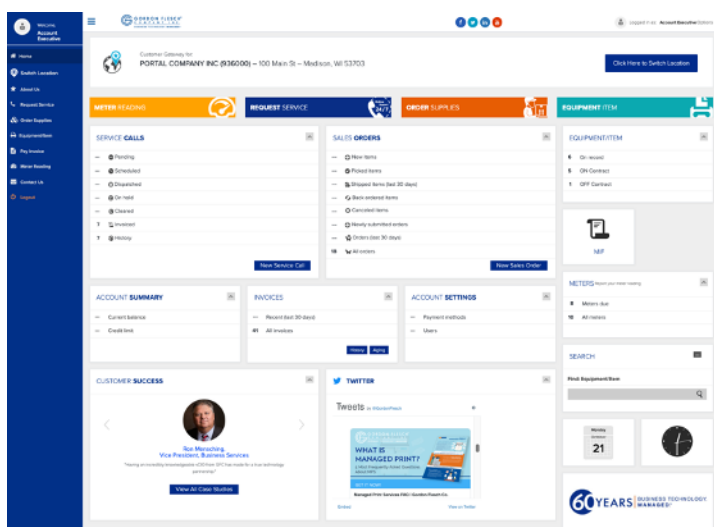
GORDON FLESCH COMPANY Security Checklist	
Set-Up Measures ☐ Upgrade Firmware to Most Recent Version ☐ Change Manufacturer Default Admin Password ☐ Disable Unused Protocols ☐ Disable Weak Cipher Levels	End-of-Life Measures ☐ Reset to Factory Default ☐ Hard Drive Erase • Certificate of Completion Available Upon Request
Manufacturer Security-by-Design ☐ Proprietary Operation System ☐ Hard Drive Protection ☐ SEIMS ☐ Anti-Virus	Firmware Management Options ☐ Always Up-to-Date • Requires compatible devices and access to manufacturers updates ☐ Update As-We-Go • As Service Technicians are on-site, we update the firmware ☐ On Your Own • We provide you Centralized Management Tools to update your devices on your own schedules • GFC's Service Technicians will still need to update the firmware when performing most service calls
Optional Measures ☐ Disabling Thumb Drives ☐ Hard Drive Destruction ☐ Locking Paper Trays ☐ Real Time Hard Drive Overwrite/Erasure ☐ Centralized Fleet Management Tools ☐ Print Job Encryption ☐ Trusted Platform Module ☐ Custom Security Measures ☐ Secure Release ☐ Statistical User Tracking ☐ Rules Based Routing ☐ Mobile Print Management	Staying Secure ☐ Service Technicians Identification for Service Calls Through GFC App or Client Portal ☐ GFC Security Council • Meets quarterly to discuss any threats that could impact the devices and solutions we manage ☐ Security Blogs & Whitepapers Released Periodically Throughout the Year ☐ imageCARE Business Reviews • Review security measures take to ensure GFC is aligned with your organizational Attitude Toward Security

GFC Client Portal and myGFC App

The **GFC Client Portal** and the **myGFC** app make it easy to manage your business technology needs. Place service calls on the new mobile **myGFC** app or access the customized GFC Client Portal to place your technology data at your fingertips. In addition, the GFC Client Portal allows you to do the following:

- Access to account information
- Place a service request
- Monitor service in real time
- View service history
- Order supplies
- Make payments and monitor status
- Manage MFP fleets
- Submit and view meter readings
- View equipment information
- Manage user settings
- Set admin permissions
- QR access from printer

Download the **myGFC** app from the App Store or visit the GFC Client Portal at einfo.gflesch.com



Award Winning Industry Leader

2022 Canon Top Dollar Volume Award 8 Consecutive Years

2022 Canon Advanced Partner Program

2022 Ricoh Circle of Excellence Award

2022 Lexmark Advisory Council Dealer

2022 EFI Platinum Partner

2022 ENX Magazine Elite Dealer

2021 Deloitte Wisconsin 75

2021 Conway Center for Family Business Anniversary Award



GORDON FLESCH COMPANY



1978

GFC expands to Columbus, OH and another office opens in Madison.



1982

Bill Flesch, Gordon's third son, joins GFC.



2006

Tom Flesch's son, Patrick, represents the next generation to join the company. In 2018, is named President of the Gordon Flesch Company.



2020

GFC acquires Managed IT provider ITP and becomes Elevity. Jeff Dotzler is named President of Elevity.

2022

GFC builds state-of-the-art facility in Appleton, Wisconsin.



1956

Gordon Flesch, a salesman for Royal Typewriters, takes over a 3M dealership and establishes the Gordon Flesch Company in Madison, WI.



1983

Gordon Flesch Company expands and builds an office in Milwaukee.



2016

2009

The professional services division is created, the first step in moving GFC beyond equipment sales and service.

2019

GFC acquires Advanced Systems, Inc. with 10 offices in Iowa, Minnesota and South Dakota, and Indiana Business Equipment in Terre Haute, Indiana.

1956

1956

1975

1980

1985

1990

1995

2000

2005

2010

2020

2023



1976

John Flesch, Gordon's son, joins the Gordon Flesch Company.

1997

Having done business in Geneva, Illinois for more than 20 years, a new office is built to hold sales, service and distribution.



2005

GFC headquarters moves to Fitchburg, Wisconsin.



2020

GFC expands their footprint in Indiana with the purchase of Jim Gordon, Inc. based in Columbus and Bloomington, Indiana.

2022
GFC acquires Stan's LPS Midwest, in Woodstock, IL and Oshkosh Office Systems, in Oshkosh, WI.



1977

The company begins selling Savin copiers and reaches \$3 million in sales with 75 employees.

Tom Flesch, another of Gordon's sons, joins GFC and later becomes President and CEO July, 1986.

2001

The Gordon Flesch Charitable Foundation is established.

2007

The Gordon Flesch Company establishes an office in Indy.



2008

Mark Flesch joins his brother Patrick at the company, and is named Chief Operating Officer in 2018.



2022

GFC now has 32 offices across 7 states and 650+ employees.

Proposed Lease Solution

Equipment			Equipment Lease		Average Monthly Volume				Quarterly Lease Amount
Model	Accessories	Location	Monthly Amount	Lease Length			Black	Color	Total
Ricoh IM C6010	4 total trays, external finisher for stapling, fax option	Municipal Service Center	\$240.47	48			8,500	5,000	\$721.41
Ricoh IM C4510	4 total trays, external finisher for stapling, punch option, fax option	Community Center Floor 2 Office	\$230.22	48			4,200	2,000	\$690.66
Ricoh IM C4510	4 total trays, external finisher for stapling, fax option	City Hall Floor 2 Office	\$217.74	48			4,100	850	\$653.22
Ricoh IM C2500	2 total trays, external booklet finisher for stapling, fax option	Fire Station 1 Map Room	\$157.67	48			1,700	700	\$473.01
Quarterly Lease									\$2,538.30

Proposed Maintenance Solution

Equipment			Equipment Lease		Average Monthly Volume				
Model	Accessories	Location			Overage Rate		Average Monthly Volume		Total
Ricoh IM C6010	4 total trays, external finisher for stapling, fax option	Municipal Service Center			0.00400	0.03500	8,500	5,000	\$209.00
Ricoh IM C4510	4 total trays, external finisher for stapling, punch option, fax option	Community Center Floor 2 Office			0.00400	0.03500	4,200	2,000	\$86.80
Ricoh IM C4510	4 total trays, external finisher for stapling, fax option	City Hall Floor 2 Office			0.00400	0.03500	4,100	850	\$46.15
Ricoh IM C2500	2 total trays, external booklet finisher for stapling, fax option	Fire Station 1 Map Room			0.00400	0.03500	1,700	700	\$31.30
Proposed Monthly Maintenance									\$373.25

Information Prepared By:

Jason Moseman
Account Executive

Notes/Analysis
Removing fax boards would save \$46 each device quarterly or \$184 off lease (4 machines)
Have pricing attached for fax solution, save additional costs for removing POTS lines
GFC truck to return 5 current leased machines - \$1,250

Gordon Flesch Company | Authorized Allegiant Reseller

Date: 6/14/2023
Quote Valid Until: 7/14/2023

Customer: De Pere City Hall
Address: 335 South Broadway, De Pere, WI, 54115
Contact: Steve Massey
Phone: (920) 621-8594
Email: smassey@mail.de-pere.org
GFC Account Executive: Jason Moseman
GFC Business Analyst: Greg Gierke

Monthly Recurring Charges				
Term Commitment: 3 Years				
SKU	Qty	Unit Price	Product Description	Monthly Total
IC-BW-US-T0-DID-MRC	4	\$0.55	IC-US Domestic DID Telephone Number per Month	\$2.20
IC-SCLOUDFAX-500	1	\$39.99	IC-Allegiant CloudFAX Basic (500 pages per month)	\$39.99
MRC Total				\$42.19

1. The Monthly Recurring Total set forth above is exclusive of taxes, surcharges, and other regulatory fees and charges.
2. Unlimited Minutes for normal business usage. CallCenters, Contact Centers, and similar high volume users will require adding a minute bundle.
3. The Monthly Recurring Total set forth above will be subject to an Administrative Cost Recovery Fee of 9% per month.

Non-Recurring Charges				
SKU	Qty	Unit Price	Product Description	One-Time Total
IC-UCAAS-PORT-CHARGE	4	\$1.00	IC-Porting Charge per Telephone Number	\$4.00
NRC Total				\$4.00

Regulated communications services are provided by Allegiant Networks, LLC. By signing below, you have read and agree to be bound by the following terms and conditions:

*-Allegiant's Hosted Telephony Terms of Service

Upon acceptance by Allegiant : Customer will be sent an invoice and the total MRC and NRC listed above will be due upon receipt. Customer must pay by Credit Card/eCheck.

Gordon Flesch Company | Authorized Allegiant Reseller

Date: 6/14/2023
Quote Valid Until: 7/14/2023

Customer: De Pere City Hall
Address: 335 South Broadway, De Pere, WI, 54115
Contact: Steve Massey
Phone: (920) 621-8594
Email: smassey@mail.de-pere.org
GFC Account Executive: Jason Moseman
GFC Business Analyst: Greg Gierke

Monthly Recurring Charges				
Term Commitment: 3 Years				
SKU	Qty	Unit Price	Product Description	Monthly Total
IC-BW-US-T0-DID-MRC	4	\$0.55	IC-US Domestic DID Telephone Number per Month	\$2.20
IC-SCLOUDFAX-500	1	\$39.99	IC-Allegiant CloudFAX Basic (500 pages per month)	\$39.99
MRC Total				\$42.19

1. The Monthly Recurring Total set forth above is exclusive of taxes, surcharges, and other regulatory fees and charges.
2. Unlimited Minutes for normal business usage. CallCenters, Contact Centers, and similar high volume users will require adding a minute bundle.
3. The Monthly Recurring Total set forth above will be subject to an Administrative Cost Recovery Fee of 9% per month.

Non-Recurring Charges				
SKU	Qty	Unit Price	Product Description	One-Time Total
IC-UCAAS-PORT-CHARGE	4	\$1.00	IC-Porting Charge per Telephone Number	\$4.00
NRC Total				\$4.00

Regulated communications services are provided by Allegiant Networks, LLC. By signing below, you have read and agree to be bound by the following terms and conditions:

*-Allegiant's Hosted Telephony Terms of Service

Upon acceptance by Allegiant : Customer will be sent an invoice and the total MRC and NRC listed above will be due upon receipt. Customer must pay by Credit Card/eCheck.



(<https://www.faxage.com/?ref=ec11>)

12.h

[Learn More \(https://www.faxage.com/learn_faxage_internet_fax.php?ref=ec11\)](https://www.faxage.com/learn_faxage_internet_fax.php?ref=ec11)

[Documentation \(https://www.faxage.com/docs.php?ref=ec11\)](https://www.faxage.com/docs.php?ref=ec11)

[Contact \(https://www.faxage.com/contact.php?ref=ec11\)](https://www.faxage.com/contact.php?ref=ec11)

[About Us \(https://www.faxage.com/about.php?ref=ec11\)](https://www.faxage.com/about.php?ref=ec11)

[News \(https://www.faxage.com/news.php?ref=ec11\)](https://www.faxage.com/news.php?ref=ec11)

[Blog \(https://www.faxage.com/internet-fax-blog-faxage.php?ref=ec11\)](https://www.faxage.com/internet-fax-blog-faxage.php?ref=ec11)

[Home \(https://www.faxage.com/?ref=ec11\)](https://www.faxage.com/?ref=ec11) / [Pricing](#)

Internet Fax Service Pricing

FAXAGE features low cost Internet Fax (<https://www.faxage.com/low-cost-internet-fax.php?ref=ec11>) plans designed to fit the way you use your fax. We encourage you to shop around and read all of the fine print. We think you'll find that FAXAGE is the best value for the money of any Internet Fax service (<https://www.faxage.com/?ref=ec11>).

FAXAGE offers both local Internet Fax numbers (<https://www.faxage.com/internet-fax-numbers.php?ref=ec11>) (click for a list) and Toll-Free Internet Fax numbers, which are accessible from all 50 United States and all of Canada.

All FAXAGE Internet Fax accounts have access to the same set of features, regardless of the pricing plan chosen: Web faxing, email to fax, fax to email and API fax are all included. You can send and receive faxes using unlimited email addresses (<https://www.faxage.com/email-fax-service.php?ref=ec11>) and take advantage of unlimited online fax storage (<https://www.faxage.com/unlimited-storage-online-fax.php?ref=ec11>) at no additional charge.

Help Me Choose

Enter your expected usage below and we'll recommend the most cost-effective Internet Fax plan for your needs

Local or Toll-Free Number?

Local



Inbound Minutes per Month

Outbound Minutes per Month

[Recommend Plan](#)

Internet Fax Pricing Plan Information

Individuals (<https://www.faxage.com/internet-fax-individual.php?ref=ec11>)

Plan Name	Local/Toll-Free	Never Busy?	Inbound Included	Outbound Included	Overage per minute	Monthly base fee per line	Setup Fee
Lite	Local	Yes	0	0	\$0.05	\$3.49	\$5.00
Toll-Free Lite	Toll-Free	Yes	0	0	\$0.05	\$3.49	\$5.00
Professional	Local	Yes	300	300	\$0.05	\$7.95	\$5.00
Toll-Free Professional	Toll-Free	Yes	300	300	\$0.05	\$7.95	\$5.00



Business (<https://www.faxage.com/internet-fax-business.php?ref=ec11>)

Plan Name	Local/Toll-Free	Never Busy?	Inbound Included	Outbound Included	Overage per minute	Monthly base fee per line	Setup Fee
Unlimited Inbound	Local	No	Unlimited	0	\$0.05	\$19.95	\$5.00
Small Office	Local	No	Unlimited	400	\$0.05	\$29.95	\$5.00
Toll-Free 1500	Toll-Free	Yes	750	750	\$0.05	\$19.95	\$5.00





1850 Velp Ave.
Green Bay, WI 54303

Direct Line
1-920-593-1814
Toll Free Line
1-800-236-1372 Ext. 1814
Fax
1-920-593-1830
e-mail
mikes@wis-imaging.com

August 3, 2023

CITY OF DE PERE - FIRE STATION 1 MAP ROOM

RICOH IMC 2510 COLOR MFP COPIER PROPOSAL

MACHINE FEATURES

Network printing, color scanning and scan to email

25 Pages per minute full color and black

Single pass document feeder (capacity 220 pages)

Scan speed 300 two sided images per minute

10.1" smart operation touch panel for ease of use (Exact same layout as your current Ricoh's)

Booklet making saddle stitch finisher folder (creates up to 60 page books)

33.6 Fax modem included

Two 550 sheet paper drawers plus a 100 sheet bypass tray

2 GB RAM, 256 GB Solid State Hard drive

PDF compression for color scanning

1200X1200 DPI resolution

ID card copy (copies driver's license, insurance cards, etc. both sides on one side of the page)

Scan to / print from USB flash drive standard

15 Amp surge protector / power filter included , five year warranty

Lease:

48 Months

No payments in advance

\$139.00 per month

NOTE:

Special pricing based on Ricoh's Municipality discount and US Bank's competitive replacement discounted rate.

We will need copy of lease or maintenance agreement of old equipment as proof of replacement.

Price includes delivery and training which I do myself. I will program the machine and transfer address books from your old machine's but you will need to load the new print driver on your server. IT support was not added.

Maintenance Agreement:

Includes all service calls, parts, labor and preventive maintenance. Includes black and color toners. Black billed at .0076 per page and color billed at .058 per page. No minimum volumes.

Mike Sevcik

Digital Imaging Specialist

Wisconsin Document Imaging

****Information herein is proprietary and confidential to Wisconsin Document Imaging (WDI) and shall not be used or disclosed without prior consent of WDI.****



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mikes@wis-imaging.com

August 3, 2023

CITY OF DE PERE - CITY HALL FLOOR 2 OFFICE

RICOH IMC 4510 COLOR MFP COPIER PROPOSAL

MACHINE FEATURES

Network printing, color scanning and scan to email

45 Pages per minute full color and black

Single pass document feeder (capacity 220 pages)

Scan speed 300 two sided images per minute

10.1" smart operation touch panel for ease of use (Exact same layout as your current Ricoh's)

1000 sheet external stapling finisher, staples up to 50 sheets per set and can crimp up to 5 sheets staple less

33.6 Fax modem included

Four 550 sheet paper drawers plus a 100 sheet bypass tray

4 GB RAM, 256 GB Solid State Hard drive

PDF compression for color scanning

1200X1200 DPI resolution

ID card copy (copies driver's license, insurance cards, etc. both sides on one side of the page)

Scan to / print from USB flash drive standard

15 Amp surge protector / power filter included, five year warranty

Lease:

48 Months

No payments in advance

\$189.00 per month

NOTE:

Special pricing based on Ricoh's Municipality discount and US Bank's competitive replacement discounted rate.

We will need copy of lease or maintenance agreement of old equipment as proof of replacement.

Price includes delivery and training which I do myself. I will program the machine and transfer address books from your old machine's but you will need to load the new print driver on your server. IT support was not added.

Maintenance Agreement:

Includes all service calls, parts, labor and preventive maintenance. Includes black and color toners. Black billed at .0062 per page and color billed at .037 per page. No minimum volumes.

Mike Sevcik

Digital Imaging Specialist

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mikes@wis-imaging.com

August 3, 2023

CITY OF DE PERE - COMMUNITY CENTER FLOOR 2 OFFICE

RICOH IMC 4510 COLOR MFP COPIER PROPOSAL

MACHINE FEATURES

Network printing, color scanning and scan to email

45 Pages per minute full color and black

Single pass document feeder (capacity 220 pages)

Scan speed 300 two sided images per minute

10.1" smart operation touch panel for ease of use (Exact same layout as your current Ricoh's)

1000 sheet external stapling finisher, staples up to 50 sheets per set and can crimp up to 5 sheets staple less

Automatic hole punch

33.6 Fax modem included

Four 550 sheet paper drawers plus a 100 sheet bypass tray

4 GB RAM, 256 GB Solid State Hard drive

PDF compression for color scanning

1200X1200 DPI resolution

ID card copy (copies driver's license, insurance cards, etc. both sides on one side of the page)

Scan to / print from USB flash drive standard

15 Amp surge protector / power filter included, five year warranty

Lease:

48 Months

No payments in advance

\$196.00 per month

NOTE:

Special pricing based on Ricoh's Municipality discount and US Bank's competitive replacement discounted rate.

We will need copy of lease or maintenance agreement of old equipment as proof of replacement.

Price includes delivery and training which I do myself. I will program the machine and transfer address books from your old machine's but you will need to load the new print driver on your server. IT support was not added.

Maintenance Agreement:

Includes all service calls, parts, labor and preventive maintenance. Includes black and color toners. Black billed at .0062 per page and color billed at .037 per page. No minimum volumes.

Mike Sevcik

Digital Imaging Specialist

Wisconsin Document Imaging

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mikes@wis-imaging.com

August 3, 2023

CITY OF DE PERE – MUNICIPAL SERVICE CENTER

RICOH IMC 6010 COLOR MFP COPIER PROPOSAL

MACHINE FEATURES

Network printing, color scanning and scan to email

60 Pages per minute full color and black

Single pass document feeder (capacity 220 pages)

Scan speed 300 two sided images per minute

10.1" smart operation touch panel for ease of use (Exact same layout as your current Ricoh's)

1000 sheet external stapling finisher, staples up to 50 sheets per set and can crimp up to 5 sheets staple less

33.6 Fax modem included

Four 550 sheet paper drawers plus a 100 sheet bypass tray

4 GB RAM, 256 GB Solid State Hard drive

PDF compression for color scanning

1200X1200 DPI resolution

ID card copy (copies driver's license, insurance cards, etc. both sides on one side of the page)

Scan to / print from USB flash drive standard

15 Amp surge protector / power filter included, five year warranty

Lease:

48 Months

No payments in advance

\$239.00 per month

NOTE:

Special pricing based on Ricoh's Municipality discount and US Bank's competitive replacement discounted rate.

We will need copy of lease or maintenance agreement of old equipment as proof of replacement.

Price includes delivery and training which I do myself. I will program the machine and transfer address books from your old machine's but you will need to load the new print driver on your server. IT support was not added.

Maintenance Agreement:

Includes all service calls, parts, labor and preventive maintenance. Includes black and color toners. Black billed at .0062 per page and color billed at .037 per page. No minimum volumes.

Mike Sevcik

Digital Imaging Specialist

Wisconsin Document Imaging

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City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Finance Department

FROM: Pamela Manley

SUBJECT: Consideration and Possible Action on state debt collection agreement.*

ATTACHMENTS:

- State Debt Collection Memo (PDF)
- State Debt Collection Agreement (PDF)

CITY OF DE PERE MEMO



To: Honorable Mayor and Members of the Finance Committee
Larry Delo, Administrator
From: Pam Manley, Finance Director
Date: August 2, 2023

RE: **State Debt Collection Agreement**

To assist with the collection of delinquent invoices I am requesting approval to enter into an agreement with the Wisconsin Department of Revenue for debt collection services. The State Debt Collection (SDC) program allows us to send delinquent invoices to the State to pursue collection. Once the debt is referred to the State, they will assess collection costs to the debtor. Personal information such as a social security number or driver's license number is needed to place the debt with the state. Currently, I hope to use this for collection of delinquent invoices for accidents less than \$1,000 (over \$1,000 goes to our insurance company). This agreement has been reviewed by our City Attorney.

Please reach out to me prior to the meeting with any questions you may have.

State of Wisconsin
Department of Revenue

State Debt Collection Agreement

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Introduction

This agreement between the _____, (hereafter referred to as “agency”) and the Wisconsin Department of Revenue (hereafter referred to as “department”) will set forth the requirements and expectations relating to debt collection services.

Statutory Authority

The department is authorized pursuant to sec. 71.93(8), Wis. Stats., to enter into a written agreement to collect any amount owed to the agency.

Duties of the Agency

1. Debt sent to the department for collection must be:
 - Greater than \$50.00
 - At least 90 days past due, unless the agency is negotiating a payment plan, has an active payment plan in good standing, the debtor has filed for bankruptcy, the debtor is deceased, or the debtor has objected to the basis of the debt and the agency is responding to the objection
 - Reduced to a judgment or the debtor was provided with reasonable notice and an opportunity to be heard with regard to the validity of the debt
2. At least 30 days prior to referral of the debt to the department, the agency shall send notice to the debtor of the agency’s intention to refer the debt to the department for collection. The notice must state the nature and amount of the debt, identify the agency to whom the debt is owed, and advise the debtor that collection costs will be assessed once the debt is referred to the department. Any appeal periods must have expired and all disputes resolved prior to referral of debt to the department.
3. The agency shall send the following file updates in an electronic format using the department's online application or by file exchange using the department's prescribed file layout:
 - New debts submitted to the department must contain the following information:
 - Legal name
 - Social Security Number (SSN), Federal Employer Identification Number (FEIN) or Driver's License Number (DLN)
 - Unique personal identification number that is not the SSN.
 - Unique debt identification number.
 - Original date the debt was incurred.
 - A short debt description and a more detailed debt description used to aid in the collection process.
 - A debt may only be updated or recalled by the agency for the following reasons:

- Recalling a debt that was submitted in error. The agency agrees to contact the department prior to recalling a debt to discuss the action. The department will cease collection actions in progress.
 - Changing an estimated assessment to the actual amount due
 - Correcting a debt balance due to error on initial submission
 - Changing the debt balance for other administrative adjustment
4. The agency agrees to adjust all debts certified to the department's Tax Refund Intercept Program (TRIP) that they intend to send to the department for debt collection to a zero balance. Through this agreement, the department will offset refunds to the agency's debts according to the debt setoff hierarchy as authorized in sec. 71.93(3)(a), Wis. Stats.
 5. Once debt is referred to the department for collection, the agency shall discontinue billing statements, demand letters, and active collection efforts. The agency will direct all debtor calls or requests regarding collection of the debt to the department.
 6. Once a debt is referred to the department for collection, the agency shall forward any payments received to the department for processing. Department collection fee must be paid even if the debtor sends full payment of the debt to the agency.
 7. If the debt is compromised or settled by the agency, the agency shall contact the department to determine the amount owed to the department for the collection fee. The agency is responsible for the full collection fee, based on the original amount certified, when entering a compromise or settlement agreement.
 8. Correspondence and telephone inquiries received that relate to the validity of the debt shall be forwarded to the agency for a timely response. The agency must have resources available to assist debtors and department collectors with debt-related issues.
 9. Once a debt is collected in full by the department, the debt is returned to the agency as satisfied. The agency shall not submit any changes to the department after the debt is satisfied. If the agency determines the debtor owed a lesser amount or the debt should have been adjusted, the agency shall refund the debtor the amount of overpayment received plus the department collection fee calculated at 15% of the amount overpaid, if appropriate. The department will not refund any paid collection when a debt is satisfied.
 10. A debt certified by the agency using the wrong SSN or DLN will be reversed by the department and returned to the agency. Any payments and refund setoffs that occur because of erroneous identification information will be reversed by the department. The agency shall be responsible for reimbursement of collection fees or unrecoverable amounts due to submitting a debt with incorrect identification information.
 11. The agency shall be responsible and liable for any claims or lawsuits made against the department arising from collection of a debt that is alleged to be incorrect or not owed by the debtor.
 12. The agency agrees to maintain the confidentiality of all accounts, correspondence, documents and any other related information, which may be obtained from or furnished by the

department in accordance with all applicable state and federal laws. If a third party is used by the agency to manage the debts referred to the department, the third party must sign a Vendor Confidentiality and Non-Disclosure Agreement with the department and will be bound by the same confidentiality requirements. Any unauthorized use or disclosure of such information, or inadequate procedures for safeguarding the confidentiality of such information, constitutes grounds for immediate termination of this agreement. All agency and vendor users who have access to the department's online system or access to files exchanged between the agency and the department must sign the attached user Certification of Understanding.

13. The agency shall review reports transmitted, reconcile accounts and notify the department within 60 days of any discrepancies.
14. The agency shall have technical staff available to maintain electronic file layouts, electronic reports, and other requirements as needed. Agency and department contact information will be periodically updated.

Duties of the Department

1. The department shall take all reasonable and cost-effective actions to collect referred debts. Collection efforts may include, but are not limited to:
 - Identify assets available for satisfaction of debts
 - Send demand letters
 - Subpoena records
 - Setoff refunds
 - Negotiate and monitor payment plans
 - Levy assets
 - Certify wages
2. The Secretary of the department may waive the referral of certain types of debts.
3. The department shall collect debts and assess interest in the same manner that it collects taxes and assesses interest under secs. 71.82(2), 71.91, 71.92, and 73.03 (20), Wis. Stats.
4. The department shall add a collection fee to each debt referred for collection. The collection fee is reviewed periodically and may be adjusted up or down. The department will provide 30 days' notice to the agency prior to any fee adjustment.
5. The department shall apply payments made on delinquencies first to fees, then penalties and interest, with the balance applied to principal. The department shall notify the agency and disburse payments on a monthly basis.
6. The department shall collect against debtors who owe multiple debts to various government entities. Proceeds collected shall be applied according to Sec. 71.93(3), Wis. Stats.
7. The department shall send periodic Statements of Account to the debtor. If the agency requests interest on the debt, interest shall be posted monthly. Debtors may view account balances and make online payments at any time using the department's My Tax Account online service.

8. The department may suspend collection action on an agency account temporarily if the debtor raises concerns regarding validity of the debt that need to be addressed by the agency. The debtor shall be advised that they must contact the agency within 30 days and the department may resume collection action after 30 days unless the agency contacts the department to request additional time or recalls the debt.
9. If a payment, refund, or refundable credit is determined to be in error or is otherwise adjusted after posting to an agency debt, the department may reverse the credit and reduce the monthly distribution by the adjusted amount.
10. The department may close out any debt with a balance that falls below \$20.00 and return the debt to the agency.
11. The department shall pursue debt collection until the debt is collected in full or the department has determined the debt to be uncollectible.
12. The department may pursue collection against the spouse of the debtor in accordance with Wisconsin marital property laws. When considering collection actions against a spouse, the department may take the following actions:
 - a. Contact the agency. When the department identifies that a debtor is married and the debt was incurred during the marriage, the department may contact the agency for additional information regarding the nature of the debt.
 - b. Contact the spouse. Prior to taking any collection action against a spouse, the department shall send a spousal notice providing an opportunity for the spouse to be heard in regards to the ability to collect from the spouse.
13. The department shall suspend collection action on debts if the debtor files bankruptcy. It is the agency's responsibility to handle all bankruptcy matters. The agency must contact the department if they wish to recall a debt when bankruptcy has been filed.
 - a. If the bankruptcy is discharged, the department will contact the agency to review the debt for potential write off. If the debt survives bankruptcy, the agency must notify the department in 60 days to resume collection activity.
 - b. If the bankruptcy is dismissed, the department will resume collection activity.
14. The department shall send the following files:
 - a. Debt Response File – The department shall respond to all new debt submissions with a response to notify the agency whether the debt was accepted or rejected.
 - b. Transaction File - The department shall notify the agency monthly of credits posted to interest and principal and disburse payments through an ACH credit or state accounting system general ledger transfer
 - c. Return Debt File - The department shall return debts to the agency on a monthly basis for the following reasons:
 - The debt is satisfied
 - The debt is uncollectible

- The debtor is deceased
- The debt balance is less than \$20
- The debtor name and ID do not match DOR records
- The agency recalled the debt

d. Performance Analysis Report – The department shall report on its collection performance upon agency request.

15. The department shall have collectors available to assist debtors and the agency with debt-related issues.
16. The department shall resolve any debtor disputes pertaining to improper collection by the department.
17. The department shall have technical staff available to create and maintain electronic file layouts, electronic reports, and other requirements as needed. Agency and department contact information will be periodically updated.
18. The Secretary of the department shall be the final authority in the resolution of any interagency disputes in regard to referral of debts.

Legal Requirements

This agreement is effective upon the signing below of the agency's and department's representatives. Amendments mutually agreed to by authorized representatives of the agency and the department shall become effective when signed and dated as an ADDENDUM to this agreement. If allowed by state law, the agreement may be terminated upon 60 days notice by either party.

Wisconsin Department of Revenue

Agency

Print Name

Print Name

Signature

Signature

Date

Date



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Finance Department

FROM: Pamela Manley

SUBJECT: Consideration and Possible Action on OPEB valuation agreement.*

ATTACHMENTS:

- OPEB Actuarial Valuation Contract-2023 (PDF)
- City of DePeRe - Sub OPEB Valuation Proposal 8-2-2023 (PDF)

CITY OF DE PERE MEMO



To: Honorable Mayor and Members of the Finance Committee
Larry Delo, Administrator
From: Pam Manley, Finance Director
Date: August 2, 2023

RE: **OPEB Valuation Agreement**

To comply with GASB 74/75 and as part of our annual financial audit, the City of De Pere is required to have an actuarial valuation of Other Post-Employment Benefits (OPEB) liability completed every two years. The City's last valuation was completed for year-end 2021, using December 31, 2020 data. With a table update being completed in April of 2023 as part of the year-end 2022 audit. As such, the city is due for a new valuation. The current vendor, Key Benefit Concepts, LLC, has submitted the attached proposal with a 2-year and 4-year option. Due to the slight cost savings, I am requesting approval of the 4-year agreement at a total cost of \$9,690. This agreement has been reviewed and modified with the help of our City Attorney.

Please reach out to me prior to the meeting with any questions you may have.

Subsequent OPEB Valuation for the City of DePere

Previous Study

Key Benefit Concepts completed an actuarial liability study for the City of DePere in April 2022. The study had a valuation date of December 31, 2020. We provided an actuarial valuation of Other Post-Employment Benefits (OPEB) liability. The City has clarified the post-employment benefits since the last valuation. Based upon the clarified benefits as illustrated on pages 6-8 in the summary of benefits, we anticipate our fee for an updated valuation to be \$3,990.

If the City wishes to have an updated study at this time, please sign and return the attached acceptance form and we will begin a subsequent liability study upon acceptance.

If further changes beyond those already noted on pages 6-8 have been made to your City's post employment benefits, and the City is interested in an updated study at this time, please sign the attached acceptance as well as send us the modified benefits. We will review the changes and reply with modifications to our fees, if needed, based upon the noted benefit changes.

New Study

Subsequent studies may be more complex than initial studies and require more work than merely updating terminated employees and new hires. The retirement, termination and addition of employees can change the demographics of a group (i.e. average age and years of service, average age of medical plan participant). These demographics are critical in the calculation of the liabilities, particularly in that of the implicit rate subsidy. In other words, when performing a subsequent study, regardless if it is the actuary that performed the prior valuation or some other actuary, calculation of the liabilities is performed as of the new valuation date, based upon the actives and retirees of the City as of this new valuation date and their associated demographics. So, in this regard, it is as if we are performing an initial study all over again.

Please note that KBC does not provide legal advice. The scope of the project is clearly defined in our proposal and does not include commentary or accountability for whether such benefits and eligibilities comply with state, federal or other required guidelines. The government entity is responsible for assuring that the benefits it provides are in compliance with all current regulations.

City Funding

Via emails from the City on June 14, 2023, the City is funding benefits as follows:

- OPEB: pay-as-you-go basis from general assets (i.e., the City is **not** funding its benefit via an irrevocable trust or account).
- Self-funded health benefit: The City provides health benefits on a self-funded basis

With recent changes in GASB guidelines, it is important to note that this proposal for a new valuation is based upon this City Funding approach.

Proposed Valuation

This proposal is for a valuation of the OPEB (GASB 74/75) benefits based upon compliance with the new GASB Statements.

The proposal assumes the following:

- Valuation Date: 12/31/2022
- Measurement Date: 12/31/2022
- Reporting Date: 12/31/2023

Fees: The fee for services is expected to be no greater than the fee shown. These fees are based upon the City's funding method noted above. Should the City be using a different funding method than as noted herein, the fees for services are not valid and a new proposal is required.

Under new GASB Statements, it is required for an actuary to update tables in the year between valuations. KBC will provide OPEB table updates for fiscal year end reporting 12/31/2024. Since this is billed separately in the subsequent year, the fee for the table updates are itemized separately. Our fee below is for the table updates, based upon following GASB Statement 75, and assuming that the City is agreeable to a measurement date that is 12 months prior to the reporting date for such updates. Our fee is based upon this assumption.

Subsequent Actuarial Valuation & Required Table Update Fee	
	Fee
OPEB Valuation	
• Discounted fee if paid by cash, check or ACH Transfer	\$ 3,990
• Paid by Debit/Credit Card (including processing fee) *	\$ 4,109
In Person Visit to City to Present Updated Report <i>(optional service)</i>	\$ 375
Virtual Meeting with City to Present Updated Report outside of regular business hours <i>(optional service)</i>	\$ 250
Required Table Update - for the 12/31/2024 financial reporting year end OPEB Table Updates GASB 75	
• Fee if paid by check or ACH Transfer	\$ 840
• Paid by Debit/Credit Card (including processing fee) *	\$ 865

Option: 4-year Agreement - (Fee for Valuation 12/31/2022, Table Updates 12/31/2023, Updated Valuation 12/31/2024, and Table Updates 12/31/2025)

Many entities request multi-year agreements; thus, we have provided this option for the City as well. Below are our fees for the 12/31/2022 (FYE 12/31/2023) valuation, 12/31/2023 (FYE 12/31/2024) table updates, the subsequent valuation as of 12/31/2024 (FYE 12/31/2025), and table updates as of 12/31/2025 (FYE 12/31/2026).

The fees for the valuations and the table updates assume there will be no changes or modifications to the eligibility or post employment benefits from the initial year valuation. The subsequent year following the valuation requires table updates. Each new valuation requires calculations of the inflows and outflows and preparation/update of the table of inflows and outflows. This multi-year agreement allows the City to budget for upcoming expected costs. Further, since

the 4-year agreement reduces KBC's administrative time/expense to prepare the proposal and request approval, the fees for the 4-year period reflects the reduced time/expense spread over the 4-year period.

Should the GASB guidelines, benefits, eligibility, or measurement date change, the fees below would be subject to change. With a material change, a current multi-year contract would be superseded by a new proposal/ agreement with revised fees; which the City would have the opportunity to accept for the remaining duration of the initial executed agreement **or** decline, thus terminating the contract for any remaining years. In addition, should it be determined there is no longer a post employment benefit requiring valuation for reporting purposes the contract would terminate for any remaining duration.

Actuarial Valuation & Required Table Update Fees	Credit Card*	Check or ACH
1. Subsequent OPEB Valuation GASB 75 as of 12/31/2022 for FYE 12/31/2023	\$ 4,002	\$ 3,885
2. Required OPEB Table Update GASB 75 for the fiscal year end 12/31/2024	\$ 865	\$ 840
3. Subsequent OPEB Valuation GASB 75 as of 12/31/2024 for FYE 12/31/2025	\$ 4,197	\$ 4,075
4. Required OPEB Table Updates GASB 75 for the fiscal year end 12/31/2026	\$ 917	\$ 890
Total 4-year Agreement Fees	\$ 9,981	\$ 9,690

*Paid by Debit/Credit Card (including processing fee). KBC offers the option of paying the fee by debit or credit card. The difference in the fee is the processing service cost. There is a discounted fee for payment by check, cash or ACH transfer as noted.

An in person visit to the City to present updated report (optional services) \$375/visit or \$250/visit for a virtual meeting with the City to present the updated report if outside of regular business hours.

Fees noted in this proposal are valid if accepted by August 18, 2023.

The fees for the table updates assume there will be no changes or modifications to the eligibility or post employment benefits from the 12/31/2022 valuation. Note, the fee for table update services will be invoiced in 2023/ 2024 after the service is provided.

Subsequent studies and alterations are not included in the above noted fee.

Because of the importance of oral and written representations to an effective agreement, The City hereby releases KBC and its current, former or future owners, agents, employees, personnel and assignees from any and all claims, liabilities, costs and expenses attributable to a misrepresentation by the City or its management. Further, the City understands and agrees to the valuation as prepared by KBC or assignee according to the following process and outcomes:

The calculations of cost and liabilities illustrated will be determined according to generally accepted actuarial principles and standards. Specific assumptions and actuarial methodology for the study will be defined within the report. Each material assumption will be, in the actuaries' opinion, individually reasonable and falls within the best estimate range,

taking into account past experience and reasonable future expectations, and is consistent with each other material assumption. Given that actual experience may vary from the actuarial assumptions projected, developing liabilities and costs may differ from those estimated in the report. Furthermore, in the event of any inaccuracies in the information or data provided, upon which these calculations were based, revisions may be needed. Fees associated with such revisions are not within the scope of this project. Additional fees will be determined and approved by the City before revisions are made.

The valuation and report will be prepared solely for the purposes of providing information required by The Government Accounting Standards Board (GASB) for the City's financial reporting. KBC assumes neither responsibility nor any liability for use of this report for any other purposes.

Timetable: Upon receipt of **all required data**, the valuation is scheduled to be completed within a 12-week timetable. However, please note that during periods of high volume, the timetable may be longer.

Review and Report: Our fees include a telephonic review of the draft report and preparation of an electronic version of the report and up to two hard copies of the final valuation report, if requested.

City Visit: Many government entities do not require a presentation with the subsequent study. Thus, the subsequent valuation does not include a visit to the City to present the finalized report. However, this service is available at an additional cost. Please contact us if you should like a presentation.

Invoicing: Statements for work completed will be invoiced when a draft valuation is provided to the City. Payment is due upon receipt. Subsequent invoices will be sent if additional services are requested.

Proposal Acceptance

If the City wishes to have an updated study at this time:

- Please sign and return the attached acceptance form and we will begin a subsequent liability study upon acceptance.

If further changes have been made to your City's post employment benefits, and the City is interested in an updated study at this time:

- Please sign the attached acceptance as noted and make the changes on the benefit summaries.
- We will review the changes and reply with modifications to our fees, if needed, based upon the noted benefit changes.

Acceptance for a Subsequent Actuarial Liability Study

This proposal forms an agreement between the City of DePere and Key Benefit Concepts, LLC.

Actuarial Valuation including OPEB & Required Table Updates:

Please check the appropriate boxes:

The City's medical plan is:	The City's benefits are funded through:
☐ Fully Insured ☐ Self-funded	OPEB ☐ General Assets ☐ Irrevocable Trust

If response does not agree with notes on page 1 & 2, fee will change.

Please check one box below:

- ☐ The City accepts the proposal for a 2-year agreement (**Valuation 12/31/2022 and Table Updates 12/31/2023**)
- ☐ The City accepts the proposal for the 4-year agreement (**Valuation 12/31/2022 Table Updates 12/31/2023, Updated Valuation 12/31/2024, and Table Updates 12/31/2025**). This agreement allows for early termination only if the City no longer has an OPEB liability.

Please check one box below:

- ☐ The Post Employment Benefit Summaries as provided in this proposal, accurately and completely reflect the current retirement benefits offered by the City.
- ☐ Modifications were made to the City's post-employment benefits beyond those already noted in the Post-Employment Benefit Summary. These additional modifications have been noted as illustrated on pages 6-8. The Post-Employment Benefit Summary **with** the noted changes accurately and completely reflects the retirement benefits currently offered by the City.

Disclaimer

- Upon receipt of the eligibility and post employment benefit data required for valuation, should we find that eligibility and/or benefits are significantly different than outlined in this proposal or changes in GASB requirements have occurred, KBC reserves the right to revise our proposal and the associated fees for the study.
- **To avoid additional charges, please make sure the benefit summaries provided are correct.** Upon review of the draft report should further modifications be required beyond those noted in the summary with the acceptance, wherein the calculated liabilities are affected, additional fees will be charged. These fees will be based upon the additional time required to recalculate the liabilities. With the inclusion of the additional fee, the total due may exceed the fee noted in this proposal.

City of DePere

Pamela R. Manley, Finance Director/ Treasurer

Date

Facsimiles of acceptance signatures shall be as valid as the original signatures.

City of De Pere

Post-Employment Benefit Summary

All City Employees

Eligibility	OPEB
Upon retirement	<u>Medical Insurance</u> (<i>Implicit Rate Subsidy Only</i>): Retirees may choose to remain on the City's medical plan provided that they pay 132% of the active premium rate or Medicare Supplement plan rate.
Note: Non-represented employees retiring on or after October 1, 2014 shall not be allowed to remain on the City provided group hospitalization and medical insurance plan after becoming Medicare eligible. The spouse of a retiree shall not be allowed to remain on the City provided group hospitalization and medical insurance plan after becoming Medicare eligible. A non-Medicare eligible spouse of a Medicare eligible employee may remain on the City provided group health plan until becoming eligible for Medicare.	

Firefighters

Eligibility	Non-OPEB: Compensated Absence
Eligible for retirement or disability under WRS	<u>Sick Leave Payout</u>: Upon discontinuation of employment, the City shall credit to the account of such employee an amount equal to the employee's then existing daily rate of pay times 66.67% of the accrued and unused sick leave (maximum of 90 days) credited to that employee as of the date the employee terminates their employment with the City not to exceed sixty (60) days. The amount so determined will be used by the City to pay the monthly premiums for group hospitalization and medical insurance provided by the City until such amount is exhausted or the employee reaches Medicare eligibility, subject to the approval and requirements of the insurance carrier and/or the policy provided by the City. For employees retiring on and after July 18, 2001, the monthly premium for group hospitalization and medical insurance may be paid as follows: 85% from such retiree account and 15% by the individual retiree. <i>The Sick Leave Benefit is not an OPEB benefit, but a compensated absence under GASB 16. However, the resulting implicit rate subsidy, when applicable, from use of such funds to remain on the City's medical plan should be accounted for as an OPEB.</i>

Police

Eligibility	Non-OPEB: Compensated Absence
Eligible for retirement or disability under WRS	<u>Sick Leave Payout:</u> Upon discontinuance of employment, the City shall pay the retired employee's monthly health insurance premiums, provided that the total amount expended for such insurance for each retired employee shall be limited to an amount equal to the percentage set forth below of the value of any accumulated and unused sick pay not to exceed 120 days, and further provided that such payments shall be made only until the employee reaches Medicare eligibility. The city shall convert 100% of any earned, but unused sick leave into an account for the benefit of the retiree. 85% of the retired employee's monthly health premium shall be paid from such sick leave account by the City and the employee shall pay from their own source (i.e., out-of-pocket) the remaining 15% of the premium. <i>The Sick Leave Benefit is not an OPEB benefit, but a compensated absence under GASB 16. However, the resulting implicit rate subsidy, when applicable, from use of such funds to remain on the City's medical plan should be accounted for as an OPEB.</i>

All Other City Employees

Eligibility	Non-OPEB: Compensated Absence
Eligible for retirement or disability under WRS with 5 years of consecutive service with the City	<u>Sick Leave Payout:</u> The City shall credit 100% of the accrued and unused sick leave credited to that employee as of the date the employee terminates their employment with the City, up to a maximum of 120 days. Employees who have accumulated sick days in excess of 120 days as of January 1, 2009 shall have such balance as their maximum accumulated sick leave balance. The City shall credit to the account of such employee an amount equal to the employee's then-existing rate of pay times 100% of the accrued and unused sick leave up to that maximum balance. The amount so determined may be used by the employee until such amount is exhausted to either pay the monthly premiums for medical insurance, dental insurance, and/or vision insurance provided by the City, subject to the approval and requirements of the insurance carrier and/or policy provided by the City, or on a quarterly basis for reimbursement of medical insurance, dental insurance, vision insurance, and/or long-term care insurance premiums of the employee's choosing. <i>The Sick Leave Benefit is not an OPEB benefit, but a compensated absence under GASB 16. However, the resulting implicit rate subsidy, when applicable, from use of such funds to remain on the City's medical plan should be accounted for as an OPEB.</i>

Note: The City provides active employees with HRA contributions up to \$1,000 single/ \$2,000 Employee + One/ \$ 2,000 family provided they complete an annual preventative routine physical and required screening as well as an annual preventative dental exam and cleaning. If they do not participate in the preventative exams they do not receive as much in HRA contributions. Retirees are not eligible for these HRA contributions.

The City will provide census and claims information by the following classifications:

- a. All Active
- b. Active (without retirees)
- c. Retirees less than 65 + COBRA
- d. Retirees greater than 65 + COBRA



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Finance Department

FROM: Pamela Manley

SUBJECT: Consideration and Possible Action on the City of De Pere Investments and Cash Detail report for June 2023.

ATTACHMENTS:

- 2023.06 Cash and Investments Memo 8.2.23 (PDF)
- June 2023 Cash Inv. Report (PDF)

CITY OF DE PERE MEMO



To: Honorable Mayor and Members of the Finance Committee
Larry Delo, Administrator
From: Pam Manley, Finance Director
Date: August 2, 2023

RE: **Cash and Investments Report for June 30th, 2023**

I have attached a summary of the City's Cash and Investments for your information and review as of June 30th, 2023. I have also attached last year's monthly summary of the accounts from January 1 to December 31, 2022, so you can see comparable activity throughout the course of the year for all accounts. The City's investment return increased to \$802,920.90 for the year through June. For your information, our budgeted annual amount for general fund investment income for 2023 is \$325,000. The LGIP investment account increased \$7,257.37 in June due to the receipt of an ARPA grant for the Police Department. The LGIP and money market interest rates continue to increase. The Associated Bank Trust and Charles Schwab Investment returns continue to drop slightly due to the change in market value. Feel free to contact me should you have any questions on this.

DE PERE CASH AND INVESTMENTS SUMMARY

June 30, 2023

CASH ACCOUNTS

CHECKING ACCOUNTS	BALANCE
CITY CHECKING	\$ 877,722.05
HEALTH CHECKING	\$ 1,493,879.79
DENTAL CHECKING	\$ 93,694.35
SUBTOTAL	\$ 2,465,296.19
TOTAL CASH	\$ 2,465,296.19

INVESTMENTS

	BALANCE	INTERST AND APPRECIATION	ANNUALIZED RATE OF RETURN
LGIP	\$ 13,459,518.13	\$ 315,106.03	4.72%
ASSOCIATED BANK TRUST	\$ 4,935,764.03	\$ 65,544.18	2.69%
CHARLES SCHWAB INVESTMENTS	\$ 6,241,934.54	\$ 97,868.15	3.19%
MONEY MARKET	\$ 8,862,843.41	\$ 324,402.54	5.07%
TOTAL INVESTMENTS	\$ 33,500,060.11	\$ 802,920.90	
TOTAL CASH AND INVESTMENTS	\$ 35,965,356.30		

NOTE: The City budgeted \$325,000 for general fund revenues in the 2023 Adopted Budget.

DE PERE CASH AND INVESTMENT YEARLY SUMMARY
June 30, 2023

	31-Jan-2023	28-Feb-2023	31-Mar-2023	30-Apr-2023	31-May-2023	30-Jun-2023
CHECKING ACCOUNTS						
CITY CHECKING	1,870,986.92	1,326,744.41	1,688,789.25	2,348,011.28	1,081,401.41	877,722.05
HEALTH CHECKING	1,755,720.84	1,709,250.66	1,582,427.99	1,540,734.47	1,564,055.37	1,493,879.79
DENTAL CHECKING	98,034.92	99,538.51	98,343.69	99,183.93	90,961.23	93,694.35
SUBTOTAL	\$ 3,724,742.68	\$ 3,135,533.58	\$ 3,369,560.93	\$ 3,987,929.68	\$ 2,736,418.01	\$ 2,465,296.19
TOTAL CASH	\$ 3,724,742.68	\$ 3,135,533.58	\$ 3,369,560.93	\$ 3,987,929.68	\$ 2,736,418.01	\$ 2,465,296.19
INVESTMENTS						
LGIP	13,692,384.53	13,740,090.86	13,803,274.90	13,209,784.55	13,396,221.04	13,459,518.13
ASSOCIATED BANK TRUST	4,906,570.44	4,873,387.33	4,941,856.39	4,951,046.34	4,947,506.81	4,935,764.03
CHARLES SCHWAB INVESTMENTS	6,196,864.06	6,164,016.10	6,208,110.42	6,256,136.34	6,248,519.28	6,241,934.54
MONEY MARKET	20,597,891.13	14,658,535.08	13,712,291.37	13,763,969.74	12,817,434.30	8,862,843.41
TOTAL INVESTMENTS	\$ 45,393,710.16	\$ 39,436,029.37	\$ 38,665,533.08	\$ 38,180,936.97	\$ 37,409,681.43	\$ 33,500,060.11
TOTAL CASH AND INVESTMENTS	\$ 49,118,452.84	\$ 42,571,562.95	\$ 42,035,094.01	\$ 42,168,866.65	\$ 40,146,099.44	\$ 35,965,356.30

	31-Jul-2023	31-Aug-2023	30-Sep-2023	31-Oct-2023	30-Nov-2023	31-Dec-2023
CHECKING ACCOUNTS						
CITY CHECKING	-	-	-	-	-	-
HEALTH CHECKING	-	-	-	-	-	-
DENTAL CHECKING	-	-	-	-	-	-
SUBTOTAL	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CASH	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
INVESTMENTS						
LGIP	-	-	-	-	-	-
ASSOCIATED BANK TRUST	-	-	-	-	-	-
CHARLES SCHWAB INVESTMENTS	-	-	-	-	-	-
MONEY MARKET	-	-	-	-	-	-
TOTAL INVESTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL CASH AND INVESTMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

DE PERE CASH AND INVESTMENT YEARLY SUMMARY
December 31, 2022

	31-Jan-2022	28-Feb-2022	31-Mar-2022	30-Apr-2022	31-May-2022	30-Jun-2022
CHECKING ACCOUNTS						
CITY CHECKING	1,882,432.25	1,656,061.96	1,252,891.03	1,426,451.35	1,536,669.18	2,289,596.82
HEALTH CHECKING	2,055,650.69	1,940,553.16	1,916,059.42	1,899,131.96	1,909,738.45	1,932,450.88
DENTAL CHECKING	76,478.58	77,741.34	79,124.80	81,774.28	78,088.86	76,231.42
SUBTOTAL	\$ 4,014,561.52	\$ 3,674,356.46	\$ 3,248,075.25	\$ 3,407,357.59	\$ 3,524,496.49	\$ 4,298,279.12
TOTAL CASH	\$ 4,014,561.52	\$ 3,674,356.46	\$ 3,248,075.25	\$ 3,407,357.59	\$ 3,524,496.49	\$ 4,298,279.12
INVESTMENTS						
LGIP	8,036,518.10	7,437,020.05	8,496,842.98	8,866,665.54	9,013,513.87	10,327,894.63
ASSOCIATED BANK TRUST	5,035,698.64	5,015,530.03	4,940,436.94	4,910,138.71	4,939,133.74	4,912,204.19
CHARLES SCHWAB INVESTMENTS	6,330,928.23	6,300,725.14	6,239,753.59	6,207,989.76	6,213,759.36	6,188,228.26
MONEY MARKET	18,842,507.70	12,690,550.12	11,691,830.39	10,192,939.12	9,195,922.20	6,200,046.32
TOTAL INVESTMENTS	\$ 38,245,652.67	\$ 31,443,825.34	\$ 31,368,863.90	\$ 30,177,733.13	\$ 29,362,329.17	\$ 27,628,373.40
TOTAL CASH AND INVESTMENTS	\$ 42,260,214.19	\$ 35,118,181.80	\$ 34,616,939.15	\$ 33,585,090.72	\$ 32,886,825.66	\$ 31,926,652.52

	31-Jul-2022	31-Aug-2022	30-Sep-2022	31-Oct-2022	30-Nov-2022	31-Dec-2022
CHECKING ACCOUNTS						
CITY CHECKING	822,949.66	953,122.70	1,901,788.97	1,535,230.43	1,189,749.44	3,442,584.63
HEALTH CHECKING	1,954,331.82	1,981,651.18	1,992,335.23	1,986,103.44	1,848,566.32	1,862,453.90
DENTAL CHECKING	80,211.31	84,975.21	88,158.71	92,293.53	89,569.90	88,633.27
SUBTOTAL	\$ 2,857,492.79	\$ 3,019,749.09	\$ 3,982,282.91	\$ 3,613,627.40	\$ 3,127,885.66	\$ 5,393,671.80
TOTAL CASH	\$ 2,857,492.79	\$ 3,019,749.09	\$ 3,982,282.91	\$ 3,613,627.40	\$ 3,127,885.66	\$ 5,393,671.80
INVESTMENTS						
LGIP	15,457,457.14	10,513,113.79	17,600,772.37	16,761,594.21	15,716,845.36	13,278,638.76
ASSOCIATED BANK TRUST	4,931,903.14	4,881,928.96	4,826,928.96	4,814,746.43	4,862,723.22	4,870,219.85
CHARLES SCHWAB INVESTMENTS	6,204,320.19	6,167,572.91	6,110,761.69	6,097,149.08	6,116,259.49	6,144,066.39
MONEY MARKET	6,204,659.81	3,410,209.27	3,413,712.90	3,417,337.04	3,420,847.99	16,538,440.87
TOTAL INVESTMENTS	\$ 32,798,340.28	\$ 24,972,824.93	\$ 31,952,175.92	\$ 31,090,826.76	\$ 30,116,676.06	\$ 40,831,365.87
TOTAL CASH AND INVESTMENTS	\$ 35,655,833.07	\$ 27,992,574.02	\$ 35,934,458.83	\$ 34,704,454.16	\$ 33,244,561.72	\$ 46,225,037.67



City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE: August 8, 2023

DEPARTMENT: Finance Department

FROM: Pamela Manley

SUBJECT: Presentation and approval of the 2022 Management Letter and Financial Statements.*

ATTACHMENTS:

- Signed Executive Summary City of De Pere (PDF)
- Signed Final Report and Financial Statements City of De Pere (PDF)



CliftonLarsonAllen LLP
1175 Lombardi Avenue, Suite 200
Green Bay, WI 54304

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CLAAconnect.com

City Council
City of De Pere
De Pere, Wisconsin

This Executive Audit Summary and Board Communications present information which we believe is important to you as members of the City Council. We encourage you to review the sections of this report, the audited financial statements, and the auditors' reports.

We would be pleased to furnish additional information with respect to these suggestions and discuss this memorandum with you at your convenience. We wish to express our appreciation to the City for the courtesies, cooperation, and assistance extended to us during the course of our work.

CliftonLarsonAllen LLP

Scott Sternhagen, CPA
Principal

CITY OF DE PERE, WISCONSIN
EXECUTIVE AUDIT SUMMARY AND
BOARD COMMUNICATIONS
DECEMBER 31, 2022



CPAs | CONSULTANTS | WEALTH ADVISORS

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**CITY OF DE PERE, WISCONSIN
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**EXECUTIVE AUDIT SUMMARY FOR
CITY OF DE PERE, WISCONSIN
YEAR ENDED DECEMBER 31, 2022**

We prepared this Executive Audit Summary in conjunction with our audit of City of De Pere, Wisconsin the City's financial statements for the year ended December 31, 2022.

Audit Opinion

The financial statements are fairly stated. We issued what is known as a "clean" audit report.

Internal Controls

Our report on internal control included the following deficiencies in internal controls over financial reporting:

Significant Deficiencies:

- Finding 2022-001 Preparation of Annual Financial Report
- Finding 2022-003 Journal Entry Documentation

Material Weaknesses

- Finding 2022-002 Material Adjusting Journal Entries

Compliance Findings

There were no separate compliance findings reported.

Summary Financial Information

See pages 9 through 16 for information related to fund balances, revenues, and expenditures.



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FORMAL REQUIRED COMMUNICATIONS

City Council
City of De Pere
De Pere, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of De Pere as of and for the year ended December 31, 2022, and have issued our report thereon dated July 28, 2023. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement agreement dated November 10, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of De Pere are described in Note 1 to the financial statements.

As described in Note 1.G, the entity changed accounting policies related to leases by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No.87, *Leases*, as of January 1, 2022. Accordingly, the accounting change has been applied to the beginning of the period of adoption.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

The most sensitive estimates affecting the financial statements were:

- Depreciation of capital assets
- Accumulated sick leave
- Net pension (WRS) asset/liability and related deferred outflows and inflows of resources
- OPEB liability and related deferred outflows and inflows of resources

City Council
City of De Pere

Management's estimate of useful lives for depreciable assets is based upon analysis of the expected useful life of the capital assets. The useful life of a depreciable asset determines the amount of depreciation that will be recorded in any given reporting period as well as the amount of accumulated depreciation that is reported at the end of a reporting period.

Management's estimate of accumulated sick leave is based upon analysis of the employees sick leave balance. We have evaluated the key factors and assumptions and the consistency in these factor and assumptions used to develop the estimate in determining that they are reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension asset/liability and related deferred inflows and deferred outflows of resources is based on an actuarially determined calculation of the City's proportionate share of the net pension liability of cost-sharing multiple-employer pension plans sponsored by the Wisconsin Retirement System in which the City participates.

Management's estimate of the OPEB liability and related deferred inflows and deferred outflows of resources is based on an actuarially determined calculation prepared by a professional actuarial firm.

We reviewed and tested management's procedures and underlying supporting documentation in the areas discussed above and evaluated the key factors and assumptions used to develop the estimates noted above in determining that they are reasonable in relation to the financial statements taken as a whole. We concluded that the accounting estimates and management judgments appeared to consider all significant factors and resulted in appropriate accounting recognition.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties encountered in performing the audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- Recorded payment of short-term debt
- Recorded close out of TID #5
- Recorded 2022 expenses as AP

City Council
City of De Pere

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Circumstances that affect the form and content of the auditors' report

As previously communicated to you, the report was modified to include an emphasis of matter paragraph to highlight the change in accounting principle related to the adoption of the new accounting guidance for leases as follows:

Change in Account Principle

As discussed in Note 1.G. to the financial statements, effective January 1, 2022, the City adopted new accounting guidance for leases. The guidance requires lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated July 28, 2023.

Management consultations with other independent accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the entity's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Significant issues discussed with management prior to engagement

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to engagement as the entity's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

Significant findings or issues that were discussed, or the subject of correspondence, with management

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. The following summarizes the significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management:

- Finding 2022-001 Preparation of annual financial report
- Finding 2022-002 Adjustment to the City's financial records
- Finding 2022-003 Journal Entry Documentation

City Council
City of De Pere

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

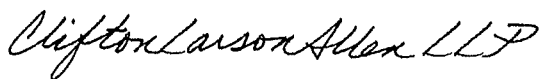
Supplementary information in relation to the financial statements as a whole

With respect to the detailed comparison of budgeted and actual revenues and expenditures of the General Fund, combining balance sheet, and combining statement of revenues, expenditures, and changes in fund balances of the nonmajor governmental funds, combining statement of net position, combining statement of revenues, expenses, and changes in net position, and combining statement of cash flows of Internal Service Funds, schedule of water utility operating revenues and expenses (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated July 28, 2023.

Our audit did not identify any key audit matters, and our audit report stated that conclusion.

* * *

This communication is intended solely for the information and use of the City Council and management of City of De Pere and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 28, 2023



CliftonLarsonAllen LLP
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INTERNAL CONTROL COMMUNICATIONS

City Council
City of De Pere
De Pere, Wisconsin

In planning and performing our audit of the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of City of De Pere, Wisconsin (the City) as of and for the year ended December 31, 2022, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. In addition, because of inherent limitations in internal control, including the possibility of management override of controls, misstatements due to fraud or error may occur and not be detected by such controls. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis.

Material weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in the entity's internal control to be a material weakness:

- Finding 2022-002 Adjustments to the City's Financial Records

Significant deficiency

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the entity's internal control to be a significant deficiency:

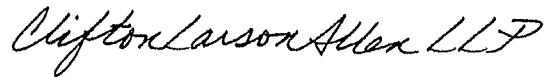
- Finding 2022-001 Preparation of Annual Financial Report
- Finding 2022-003 Retainage of Documents

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City Council
City of De Pere

* * *

The purpose of this communication is solely to describe the scope of our testing of internal control over financial reporting and the results of that testing. This communication is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 28, 2023

APPENDIX A

FINANCIAL TRENDS OF YOUR CITY

The following graphs reflect financial trends of City of De Pere. Information related to fund balances, revenues, and expenditures on pages 9 through 16 were obtained from current and prior year audit reports.

CITY GOVERNMENTAL FUND BALANCES

A comparative summary of the City's fund balances as shown on December 31, 2022 and 2021 follows:

	12/31/22	12/31/21
General Fund		
Nonspendable for		
Inventories and prepaid items	\$ 196,321	\$ 150,696
Special assessments held by County	26,611	57,162
Advances to other funds	1,330,817	2,288,467
Restricted for		
Recreation scholarship	35,212	32,409
Fire UTV fund	629	-
Property tax relief and economic development	139,783	191,232
Committed for		
Non-lapsing funds	1,465,833	513,994
Unassigned	7,518,800	7,017,753
Total General Fund Balance	<u>10,714,006</u>	<u>10,251,713</u>
Debt Service Fund		
Restricted for debt service	<u>1,985,896</u>	<u>2,318,646</u>
Special Revenue Funds		
Restricted for		
Loans	920,038	806,836
Park land acquisition	157,456	147,556
Housing	1,968,527	-
Committed for Subsequent years' expenditures		
Dog Park	13,390	12,876
Riverwalk pier	580,740	230,740
Southwest Park equipment	84,131	57,929
Unassigned (Deficit)		
De Pere Micro Fund Loan	<u>(15,392)</u>	<u>(106,096)</u>
Total Special Revenue Funds	<u>3,708,890</u>	<u>1,149,841</u>
Capital Projects Funds		
Restricted for		
TID No. 6	2,931,512	3,227,273
TID No. 8	1,769,531	1,395,584
TID No. 9	542,289	(288,859)
TID No. 11	591,889	502,110
TID No. 12	1,893,168	1,627,935
TID No. 13	367,519	463,229
TID No. 14	414,190	542,490
TID No. 15	381,402	305,221
TID No. 17	176,867	-
Committed for Subsequent years' expenditures		
Capital Equipment	678,512	725,927
Community Center	1,904	10,023
Police/Fire Expansion	2,932	2,932
Unassigned (Deficit)		
Public Improvements	(338,227)	(323,576)
Pool Capital Projects	(1,240,530)	(1,472,715)
TID No. 7	(1,687,917)	(1,552,270)
TID No. 9	-	(288,859)
TID No. 10	(1,489,911)	(1,080,684)
TID No. 16	(53,662)	(41,022)
TID No. 17	-	(7,991)
Total Capital Projects Funds	<u>4,941,468</u>	<u>3,746,748</u>
Total Governmental Fund Balances	<u>\$ 21,350,260</u>	<u>\$ 17,466,948</u>

Additional information on the fund balances is presented below:

General Fund

In total the City's general fund increased \$280,375 in 2022. Overall, the City's general fund balance continues to remain in stable financial condition entering the 2023 budget year. Additional information on various components of the City's general fund balance follows.

The City Council adopted a minimum unassigned general fund balance policy of 25% of the subsequent year General Fund budgeted expenditures. The purpose of the minimum fund balance amount is to ensure there are available cash funds for operating purposes and to segregate that portion of the general fund that is not available for current transfer or appropriation. On December 31, 2022, the City's unassigned general fund balance totaled \$7,518,800 and was higher than 25% of the 2023 budgeted expenditures which totaled \$5,147,993. Furthermore, the Council approved a policy whereby the unassigned reserve account should maintain a balance between 25% and 35% of the subsequent year General Fund budgeted expenditures; 35% of 2023 budgeted expenditures amounted to \$7,207,190.

Tax Incremental Districts

The City maintains separate accounting funds for each Tax Incremental Districts (TID) created in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. Information on the City's ten tax incremental districts on December 31, 2022 is presented below:

	TID 6	TID 7	TID 8	TID 9	TID 10
Date created	3/3/1998	10/17/2006	8/21/2007	8/7/2012	8/7/2012
Latest termination year	2023	2033	2027	2039	2032
	West Side Industrial Park	East Downtown Business District	West Side Commercial Development	West Downtown Business District	Industrial Park
Location					
Status	Donor	-	-	-	-
Fund balance at year end	\$ 2,931,512	\$ (1,687,917)	\$ 1,769,531	\$ 542,289	\$ (1,489,911)
Net unreimbursed cost	(6,110,315)	4,322,171	418,122	2,405,966	4,931,537
2022 Tax increment	-	87,717	267,442	29,772	120,688
2023 Tax increment	-	86,546	390,355	44,894	170,348
Outstanding debt due	881,603	860,000	1,365,000	2,940,800	3,436,000
Advances from (to) City	(4,060,406)	1,774,254	822,653	7,455	5,626

Tax Incremental Districts (Continued)

	TID 11	TID 12	TID 13	TID 14	TID 15
Date created	9/1/2015	9/1/2015	7/18/2017	9/19/2018	2/15/2020
Latest termination year	2035	2035	2037	2038	2040
					West
	West Side	West Side	West Side	Irwin	
	Industrial	Industrial	Main	School	
Location	Park	Park	Avenue		Industrial Park
Status	-	-	-	-	-
Fund balance at year end	\$ 591,889	\$ 1,893,168	\$ 367,519	\$ 414,190	\$ 381,402
Net unreimbursed cost	1,358,111	1,621,832	2,637,481	940,810	3,981,098
2022 Tax increment	219,256	224,990	149,089	38,281	-
2023 Tax increment	330,579	699,346	167,515	26,938	464,008
Outstanding debt due	1,950,000	3,515,000	3,005,000	1,355,000	4,362,500
Advances from (to) City	-	-	-	-	-

	TID 16	TID 17
Date created	2/21/2020	3/16/2021
Latest termination year	2040	2042
	East	
	Downtown	East
	Business	Industrial
Location	District	Park
Status	-	-
Fund balance at year end	\$ (53,662)	\$ 176,867
Net unreimbursed cost	53,662	1,488,133
2022 Tax increment	-	-
2023 Tax increment	-	-
Outstanding debt due	-	1,665,000
Advances from (to) City	-	-

Employees Medical Self-Insurance Funds

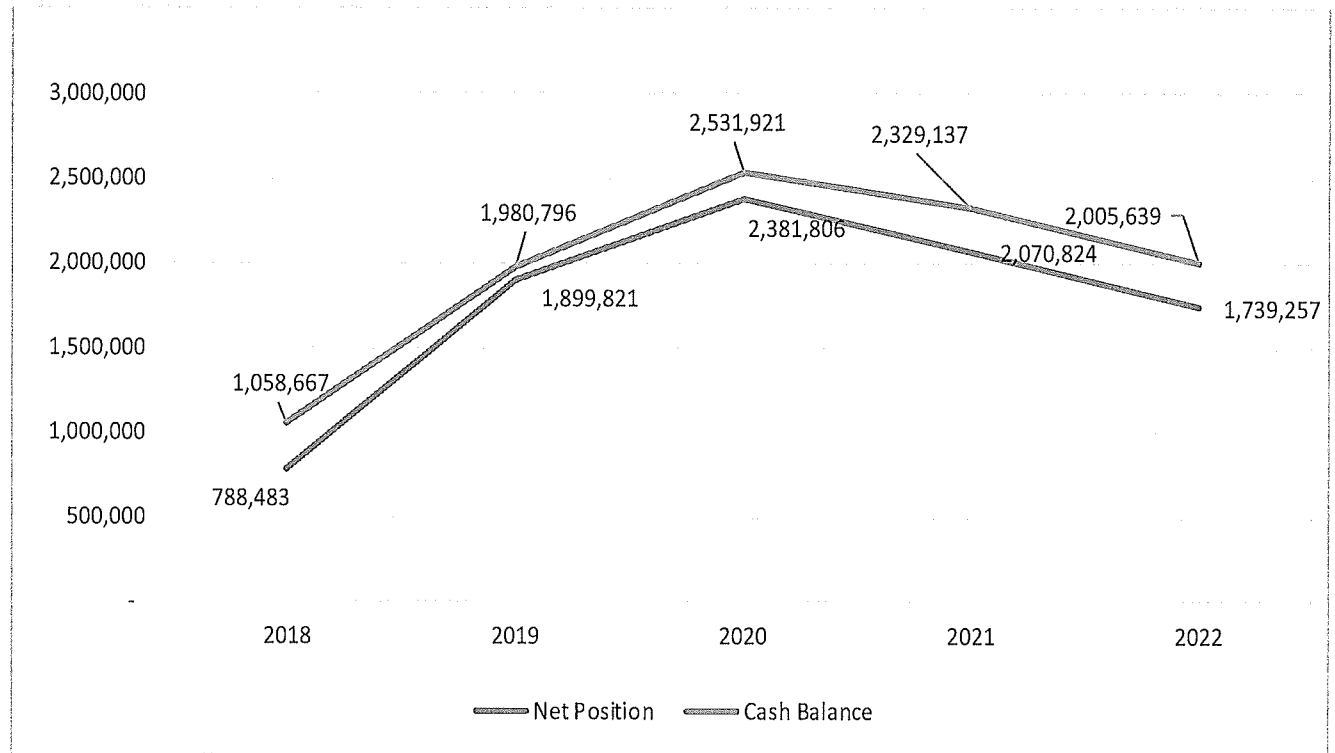
The City utilizes two separate self-insurance internal service funds to account for health and dental claims of City employees. The funds are financed from monthly insurance premiums charged to City employees. During 2021 and in prior years the monthly health insurance premiums were generally financed at 85% by the City with City employees contributing the remaining 15%. Starting in 2022, the City has approved the change of the self-insurance funds to be financed at rates of 90% by the City and with City employees contributing the remaining 10%. Presented below is a summary of each fund's financial transactions for 2022 including comparative totals of the health and dental funds for 2021.

	Health Self-Insurance		Dental Self-Insurance	
	2022	2021	2022	2021
Revenues				
Charges for employees medical and dental insurance premiums	\$ 2,081,152	\$ 1,736,058	\$ 134,781	\$ 144,378
Expenses				
Employees health and dental claims	1,679,556	1,649,790	133,174	140,973
Administrative fees	735,422	397,332	8,444	6,113
Total Expenses	2,414,978	2,047,122	141,618	147,086
Operating Loss	(333,826)	(311,064)	(6,837)	(2,708)
Nonoperating Revenues				
Interest revenue	2,259	82	26,363	13,011
Change in Net Position	(331,567)	(310,982)	19,526	10,303
Net Position - January 1	2,070,824	2,381,806	56,536	46,233
Net Position - December 31	\$ 1,739,257	\$ 2,070,824	\$ 76,062	\$ 56,536

The "key" component of an internal service fund is operating income since operating revenues should approximate operating expenses on an annual basis. The health self-insurance net position at year end is 104% of health claims for 2022.

Employees Medical Self-Insurance Funds (Continued)

Below is a chart illustrating the change in net position and cash in the Health Self-Insurance fund over the past 5 years:



WATER UTILITY

The Water Utility reported an increase in net position of \$1,492,930 and an operating gain of \$1,239,920 for the year ended December 31, 2022.

	2022	2021
Operating Revenues		
Metered sales	\$ 5,516,819	\$ 5,452,875
Fire protection	1,431,352	1,420,755
Other	321,828	335,907
Total Operating Revenues	<u>7,269,999</u>	<u>7,209,537</u>
Operating Expenses		
Operation and maintenance	5,200,095	5,222,869
Depreciation	770,604	742,558
Taxes	59,380	54,126
Total Operating Expenses	<u>6,030,079</u>	<u>6,019,553</u>
Operating Income	<u>1,239,920</u>	<u>1,189,984</u>
Nonoperating Revenues (Expenses)		
Interest revenue	649	275
Interest and fiscal charges	<u>(7,516)</u>	<u>(32,508)</u>
Total Nonoperating Revenues (Expenses)	<u>(6,867)</u>	<u>(32,233)</u>
Income before Contributions and Transfers	1,233,053	1,157,751
Capital contributions	672,250	-
Transfers out	<u>(412,373)</u>	<u>(488,907)</u>
Change in Net Position	<u>\$ 1,492,930</u>	<u>\$ 668,844</u>

Below is a summarized cash flow for the year ended December 31, 2022 for the Water Utility with a comparative to 2021:

	2022	2021
Cash Flows from Operating Activities	\$ 2,097,039	\$ 1,694,931
Transfer out to the general fund	(412,373)	(488,907)
Principal payments on long-term debt	(100,000)	(470,000)
Interest payments on long-term debt	<u>(10,875)</u>	<u>(26,618)</u>
Amounts available to fund capital assets	1,573,791	709,406
Acquisition of capital assets	<u>(863,876)</u>	<u>(1,560,910)</u>
Net Change in Cash for Year Ended December 31	<u>\$ 709,915</u>	<u>\$ (851,504)</u>
Due to City's other funds	<u>\$ 4,679,237</u>	<u>\$ 5,389,801</u>

WASTEWATER UTILITY

A comparative summary of the Wastewater Utility's change in net position for the years ended December 31, 2022 and 2021 appears below:

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Measured sales	\$ 7,606,943	\$ 7,507,905
Other	2,813,897	3,303,165
Total Operating Revenues	<u>10,420,840</u>	<u>10,811,070</u>
Operating Expenses		
Operation and maintenance	7,494,436	8,075,738
Depreciation	679,765	661,220
Total Operating Expenses	<u>8,174,201</u>	<u>8,736,958</u>
Operating Income	2,246,639	2,074,112
Nonoperating Expenses		
Interest and fiscal charges	<u>(889)</u>	<u>(10,181)</u>
Income before Contributions and Transfers	2,245,750	2,063,931
Capital contributions	500,548	500,548
Transfers out	<u>(257,093)</u>	<u>(255,728)</u>
Change in Net Position	<u>\$ 2,489,205</u>	<u>\$ 2,308,751</u>

Below is a summarized cash flow for the year ended December 31, 2022 for the Wastewater Utility with a comparative to 2021:

	<u>2022</u>	<u>2021</u>
Cash Flows from Operating Activities	\$ 2,644,209	\$ 3,323,979
Transfer out to the general fund	(257,093)	(255,728)
Cash Flows from Capital and Related Financing Activities:		
Acquisition of capital assets	(633,428)	(774,613)
Principal payments on long-term debt	(400,000)	(390,000)
Interest payments on long-term debt	<u>(33,370)</u>	<u>(26,349)</u>
Net Cash Flows from Capital and Related Financing Activities	<u>(1,066,798)</u>	<u>(1,190,962)</u>
Net Change in Cash for Year Ended December 31	<u>\$ 1,320,318</u>	<u>\$ 1,877,289</u>

The City used cash on hand to fund capital assets during 2022.

STORMWATER UTILITY

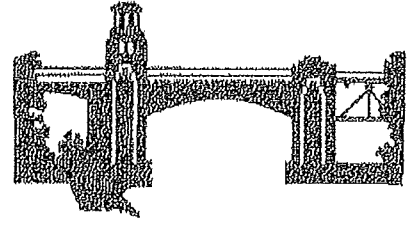
A comparative summary of the Stormwater Utility's change in net position for the years ended December 31, 2022 and 2021 appears below:

	<u>2022</u>	<u>2021</u>
Operating Revenues		
Charges for services	\$ 2,085,408	\$ 1,951,031
Operating Expenses		
Operation and maintenance	1,077,056	945,624
Depreciation	526,202	501,850
Total Operating Expenses	<u>1,603,258</u>	<u>1,447,474</u>
Operating Income	<u>482,150</u>	<u>503,557</u>
Capital contributions	<u>694,492</u>	<u>-</u>
Change in Net Position	<u>\$ 1,176,642</u>	<u>\$ 503,557</u>

In 2022, the Stormwater Utility had an operating income of \$482,150 in 2022 compared to an operating income of \$503,557 in 2021.

CITY OF DE PERE

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De Pere, WI 54115
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Web: <http://de-pere.org>



July 28, 2023

CliftonLarsonAllen LLP
1175 Lombardi Ave, Suite 200
Green Bay, Wisconsin 54304

This representation letter is provided in connection with your audit of the financial statements of City of De Pere, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to misstatements that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm, to the best of our knowledge and belief, as of July 28, 2023, the following representations made to you during your audit of the financial statements as of and for the year ended December 31, 2022.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement agreement dated November 28, 2022, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We acknowledge and have fulfilled our responsibility for 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions used in making those estimates, and we believe the estimates (including those measured at fair value) and the significant assumptions used in making those accounting estimates are reasonable.

5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.
6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
8. We have not identified or been notified of any uncorrected financial statement misstatements. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We have reviewed and approved those adjusting journal entries and understand the nature of the changes and their impact on the financial statements. We are in agreement with those adjustments and accept responsibility for them.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
12. The fact that the amount of "uncollateralized" deposits or "uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the entity's name" during the period significantly exceeded the amounts in those categories as of the financial statement date was properly disclosed in the financial statements.
13. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.
14. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
15. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with U.S. GAAP.
16. We have implemented GASB Statement No. 87, *Leases*, during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the standard. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.

17. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
18. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.
19. We do not plan to make frequent amendments to our pension or other postretirement benefit plans.

Information Provided

1. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records (including information obtained from within and outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - e. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.
 - f. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
 - g. Access to all audit or relevant monitoring reports, if any, received from funding sources.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;
 - b. Employees who have significant roles in internal control; or
 - c. Others when the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.

6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
7. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
8. There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
9. We have disclosed to you the identity of all the entity's related parties and all the related party relationships and transactions of which we are aware, including any side agreements.
10. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
11. We have a process to track the status of audit findings and recommendations.
12. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
13. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
14. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to City of De Pere, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
15. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
16. The entity has complied with all aspects of contractual or grant agreements that would have a material effect on the financial statements in the event of noncompliance.
17. We have complied with all restrictions on resources (including donor restrictions) and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy their restrictions.
18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
22. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
23. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
24. Provisions for uncollectible receivables have been properly identified and recorded.
25. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
26. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
27. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
28. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
29. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
30. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
31. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
32. We acknowledge our responsibility for presenting the nonmajor fund combining statements, individual statements, and supporting schedules (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the

July 28, 2023
CliftonLarsonAllen LLP
Page 6

supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.

33. As part of your audit, you prepared the draft financial statements, related notes, and supplementary information. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgments and decisions; and have assumed all management responsibilities. We have evaluated the adequacy and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, and supplementary information. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
34. We have evaluated the adequacy and results of the depreciation services performed and accept responsibility for the results. We acknowledge our responsibility for our depreciation schedules and have determined the methods and rates of depreciation and the salvage values used in the calculations. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your depreciation services; have made all significant management judgments and decisions; and have assumed all management responsibilities. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.

Signature: Paul R. Manley Title: Finance Director

CITY OF DE PERE, WISCONSIN
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED DECEMBER 31, 2022



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**CITY OF DE PERE, WISCONSIN
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CITY OF DE PERE, WISCONSIN
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INDEPENDENT AUDITORS' REPORT

City Council
City of De Pere, Wisconsin

Report on the Audit of the Financial Statements

Opinions

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 De Pere, Wisconsin (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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 as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1.G to the financial statements, effective January 1, 2022, the City adopted new accounting guidance for leases. The guidance requires lessees to recognize a right-to-use asset and corresponding lease liability and lessors to recognize a lease receivable and corresponding deferred inflow of resources for all leases with lease terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

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City Council
City of De Pere, Wisconsin

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the schedules relating to pensions and other postemployment benefits on pages 78 through 80 be presented to supplement the basic financial statements. Such information is the responsibility of management, and although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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 the financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

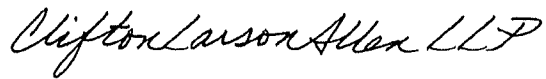
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information for the year ended December 31, 2022 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

City Council
City of De Pere, Wisconsin

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2023, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 28, 2023

BASIC FINANCIAL STATEMENTS

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
DECEMBER 31, 2022**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Investments	\$ 32,193,953	\$ 1,477,687	\$ 33,671,640
Receivables:			
Taxes and Special Charges	11,860,778	-	11,860,778
Delinquent Taxes	8,214	-	8,214
Accounts	571,028	4,689,074	5,260,102
Special Assessments	981,905	-	981,905
Loans	182,816	-	182,816
Other	-	164,671	164,671
Leases	-	184,617	184,617
Internal Balances	(210,930)	210,930	-
Due from Other Governments	-	694,819	694,819
Inventories and Prepaid Items	196,321	26,343	222,664
Restricted Assets:			
Cash and Investments	2,799,370	150,000	2,949,370
Lease Receivable	97,452	667,181	764,633
Net Pension Asset	7,269,383	774,709	8,044,092
Capital Assets, Nondepreciable	15,848,323	121,348	15,969,671
Capital Assets, Depreciable	66,133,519	63,991,936	130,125,455
Total Assets	137,932,132	73,153,315	211,085,447
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Amounts	14,244,966	1,516,509	15,761,475
Other Postemployment Related Amounts	687,660	72,506	760,166
Total Deferred Outflows of Resources	14,932,626	1,589,015	16,521,641
LIABILITIES			
Accounts Payable	2,497,800	2,029,184	4,526,984
Accrued And Other Current Liabilities	1,003,390	13,215	1,016,605
Due to Other Governments	1,668	-	1,668
Accrued Interest Payable	428,204	5,616	433,820
Special Deposits	266,671	-	266,671
Unearned Revenues	2,613,574	-	2,613,574
Short-Term Note Payable	350,000	-	350,000
Long-Term Obligations:			
Due Within One Year	6,433,611	210,400	6,644,011
Due in More Than One Year	47,670,789	934,530	48,605,319
Other Postemployment Benefits	2,139,341	207,055	2,346,396
Total Liabilities	63,405,048	3,400,000	66,805,048
DEFERRED INFLOWS OF RESOURCES			
Property Taxes Levied For Subsequent Year	17,777,983	-	17,777,983
Lease Related Amounts	97,452	851,798	949,250
Pension Related Amounts	17,125,624	1,825,102	18,950,726
Other Postemployment Related Amounts	420,589	25,022	445,611
Total Deferred Inflows of Resources	35,421,648	2,701,922	38,123,570
NET POSITION			
Net Investment in Capital Assets	32,260,509	63,073,583	95,334,092
Restricted:			
Debt Service	1,557,692	-	1,557,692
Pension Benefits	7,269,383	774,709	8,044,092
Capital Project - TIDs	5,338,896	-	5,338,896
Equipment Replacement	-	150,000	150,000
Property Tax Relief and Economic Development	139,783	-	139,783
Development Loans	920,038	-	920,038
Recreation Scholarship	35,841	-	35,841
Housing	1,968,527	-	1,968,527
Park Land Acquisition	157,456	-	157,456
Unrestricted	4,389,937	4,642,116	9,032,053
Total Net Position	\$ 54,038,062	\$ 68,640,408	\$ 122,678,470

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 2,387,138	\$ 415,865	\$ -	\$ -
Public Safety	9,837,761	2,196,998	421,014	-
Public Works	4,900,625	946,641	1,670,904	2,001,450
Sanitation	703,431	-	212,879	-
Health and Human Services	685,325	1,679	66,789	-
Culture and Recreation	4,067,206	986,469	2,613	647,313
Conservation and Development	6,869,913	50,981	1,497,500	5,263
Interest and Fiscal Charges	896,312	-	-	-
Total Governmental Activities	30,347,711	4,598,633	3,871,699	2,654,026
Business-Type Activities:				
Water Utility	6,052,996	7,269,999	-	672,250
Wastewater Collection	8,187,160	10,420,840	-	500,548
Stormwater Utility	1,617,250	2,085,408	-	694,492
Total Business-Type Activities	15,857,406	19,776,247	-	1,867,290
Total	\$ 46,205,117	\$ 24,374,880	\$ 3,871,699	\$ 4,521,316

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS			
Governmental Activities:			
General Government	\$ (1,971,273)	\$ -	\$ (1,971,273)
Public Safety	(7,219,749)	-	(7,219,749)
Public Works	(281,630)	-	(281,630)
Sanitation	(490,552)	-	(490,552)
Health and Human Services	(616,857)	-	(616,857)
Culture and Recreation	(2,430,811)	-	(2,430,811)
Conservation and Development	(5,316,169)	-	(5,316,169)
Interest and Fiscal Charges	(896,312)	-	(896,312)
Total Governmental Activities	(19,223,353)	-	(19,223,353)
Business-Type Activities:			
Water Utility	-	1,889,253	1,889,253
Wastewater Collection	-	2,734,228	2,734,228
Stormwater Utility	-	1,162,650	1,162,650
Total Business-Type Activities	-	5,786,131	5,786,131
Total	(19,223,353)	5,786,131	(13,437,222)
GENERAL REVENUES			
Taxes:			
Property Taxes	14,406,636	-	14,406,636
Tax Increments	3,113,261	-	3,113,261
Sales Tax	261	-	261
Other Taxes	252,627	-	252,627
Federal and State Grants and Other			
Contributions not Restricted to			
Specific Functions	2,460,094	-	2,460,094
Interest and Investment Earnings	(36,966)	41,378	4,412
Miscellaneous	145,127	-	145,127
Transfers	669,466	(669,466)	-
Total General Revenues and Transfers	21,010,506	(628,088)	20,382,418
CHANGE IN NET POSITION	1,787,153	5,158,043	6,945,196
Net Position - Beginning of Year	52,250,909	63,482,365	115,733,274
NET POSITION - END OF YEAR	<u>\$ 54,038,062</u>	<u>\$ 68,640,408</u>	<u>\$ 122,678,470</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	General	Debt Service	Public Improvements
ASSETS			
Cash and Investments	\$ 16,775,432	\$ -	\$ 1,086,557
Restricted Cash and Investments	-	1,985,896	-
Receivables:			
Taxes and Special Charges	3,299,359	4,438,614	942,276
Delinquent Taxes	8,214	-	-
Accounts	553,080	-	-
Special Assessments	47,001	-	488,634
Loans	-	-	-
Leases	97,452	-	-
Due from Other Funds	1,271,788	-	-
Advance to Other Funds	90,287	-	-
Inventories and Prepaid Items	196,321	-	-
	<u>\$ 22,338,934</u>	<u>\$ 6,424,510</u>	<u>\$ 2,517,467</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 689,283	\$ -	\$ 1,424,784
Accrued and Other Current Liabilities	1,010,290	-	-
Due to Other Funds	-	-	-
Due to Other Governments	1,668	-	-
Special Deposits	259,671	-	-
Unearned Revenues	-	-	-
Short-Term Note Payable	350,000	-	-
Total Liabilities	<u>2,310,912</u>	<u>-</u>	<u>1,424,784</u>
Deferred Inflows Of Resources			
Property Taxes Levied for Subsequent Year	9,216,564	4,438,614	942,276
Loans Receivable	-	-	-
Special Assessments	-	-	488,634
Lease Related Amounts	97,452	-	-
Total Deferred Inflows of Resources	<u>9,314,016</u>	<u>4,438,614</u>	<u>1,430,910</u>
Fund Balances:			
Nonspendable	1,553,749	-	-
Restricted	175,624	1,985,896	-
Committed	1,465,833	-	-
Unassigned	7,518,800	-	(338,227)
Total Fund Balances	<u>10,714,006</u>	<u>1,985,896</u>	<u>(338,227)</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 22,338,934</u>	<u>\$ 6,424,510</u>	<u>\$ 2,517,467</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

ASSETS	Other Governmental Funds	Total
Cash and Investments	\$ 12,237,692	\$ 30,099,681
Restricted Cash and Investments	813,474	2,799,370
Receivables:		
Taxes and Special Charges	3,180,529	11,860,778
Delinquent Taxes	-	8,214
Accounts	19,448	572,528
Special Assessments	446,270	981,905
Loans	182,816	182,816
Leases	-	97,452
Due from Other Funds	3,231,490	4,503,278
Advance to Other Funds	-	90,287
Inventories and Prepaid Items	-	196,321
	<u> </u>	<u> </u>
Total Assets	<u><u>\$ 20,111,719</u></u>	<u><u>\$ 51,392,630</u></u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities:		
Accounts Payable	\$ 171,742	\$ 2,285,809
Accrued and Other Current Liabilities	24,925	1,035,215
Due to Other Funds	4,503,278	4,503,278
Due to Other Governments	-	1,668
Special Deposits	-	259,671
Unearned Revenues	2,613,574	2,613,574
Short-Term Note Payable	-	350,000
Total Liabilities	<u>7,313,519</u>	<u>11,049,215</u>
Deferred Inflows Of Resources		
Property Taxes Levied for Subsequent Year	3,180,529	17,777,983
Loans Receivable	182,816	182,816
Special Assessments	446,270	934,904
	<u> </u>	<u>97,452</u>
Total Deferred Inflows of Resources	<u><u>3,809,615</u></u>	<u><u>18,993,155</u></u>
Fund Balances:		
Nonspendable	-	1,553,749
Restricted	12,114,388	14,275,908
Committed	1,361,609	2,827,442
Unassigned	(4,487,412)	2,693,161
Total Fund Balances	<u><u>8,988,585</u></u>	<u><u>21,350,260</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 20,111,719</u></u>	<u><u>\$ 51,392,630</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
BALANCE SHEET
GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances as Shown on Previous Page	\$ 21,350,260
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds.	81,981,842
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	1,117,720
Net position of the internal service fund is reported in the Statement of Net Position as governmental activities	1,604,389
Some deferred outflows and inflows of resources reflect changes in long-term liabilities and are not reported in the funds.	
Deferred Outflows Related to Pensions	14,244,966
Deferred Inflows Related to Pensions	(17,125,624)
Deferred Outflows Related to Other Postemployment Benefits	687,660
Deferred Inflows Related to Other Postemployment Benefits	(420,589)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.	
Bonds and Notes Payable	(49,865,000)
Lease Liability	(145,136)
Premium on Debt	(2,153,720)
Compensated Absences	(1,940,544)
Net Pension Liability (Asset)	7,269,383
Other Postemployment Benefit	(2,139,341)
Accrued Interest on Long-Term Obligations	(428,204)
Net Position of Governmental Activities as Reported on the Statement of Net Position	<u>\$ 54,038,062</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	General	Debt Service	Public Improvements
REVENUES			
Taxes	\$ 8,678,592	\$ 4,049,205	\$ 942,276
Special Assessments	-	-	2,633,623
Intergovernmental	4,214,969	-	273,625
Licenses and Permits	867,152	-	-
Fines and Forfeits	250,348	-	-
Public Charges for Services	2,093,917	-	-
Intergovernmental Charges for Services	1,440,016	-	-
Miscellaneous	415,020	-	-
Total Revenues	<u>17,960,014</u>	<u>4,049,205</u>	<u>3,849,524</u>
EXPENDITURES			
Current:			
General Government	2,278,932	-	-
Public Safety	10,385,631	-	-
Public Works	2,128,653	-	-
Sanitation	730,450	-	-
Health and Human Services	913,540	-	-
Culture and Recreation	2,894,795	-	-
Conservation and Development	424,538	-	-
Debt Service:			
Principal	-	5,135,000	-
Interest and Fiscal Charges	-	1,052,279	56,565
Capital Outlay	-	-	6,451,665
Total Expenditures	<u>19,756,539</u>	<u>6,187,279</u>	<u>6,508,230</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,796,525)	(2,138,074)	(2,658,706)
OTHER FINANCING SOURCES (USES)			
Long-Term Debt Issued	-	-	2,598,570
Lease Issued	145,136	-	-
Premium on Debt Issued	-	-	295,485
Proceeds from Sale of Capital Assets	-	-	-
Transfers in	1,954,395	2,705,324	-
Transfers out	(22,631)	(900,000)	(250,000)
Total Other Financing Sources (Uses)	<u>2,076,900</u>	<u>1,805,324</u>	<u>2,644,055</u>
NET CHANGE IN FUND BALANCES	280,375	(332,750)	(14,651)
Fund Balances - Beginning of Year	<u>10,433,631</u>	<u>2,318,646</u>	<u>(323,576)</u>
FUND BALANCES - END OF YEAR	<u>\$ 10,714,006</u>	<u>\$ 1,985,896</u>	<u>\$ (338,227)</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED, DECEMBER 31, 2022

	Other Governmental Funds	Total
REVENUES		
Taxes	\$ 3,913,261	\$ 17,583,334
Special Assessments	-	2,633,623
Intergovernmental	1,846,885	6,335,479
Licenses and Permits	75,778	942,930
Fines and Forfeits	-	250,348
Public Charges for Services	9,900	2,103,817
Intergovernmental Charges for Services	-	1,440,016
Miscellaneous	584,085	999,105
Total Revenues	<u>6,429,909</u>	<u>32,288,652</u>
EXPENDITURES		
Current:		
General Government	-	2,278,932
Public Safety	-	10,385,631
Public Works	-	2,128,653
Sanitation	-	730,450
Health and Human Services	-	913,540
Culture and Recreation	133,796	3,028,591
Conservation and Development	4,840,724	5,265,262
Debt Service:		
Principal	-	5,135,000
Interest and Fiscal Charges	103,611	1,212,455
Capital Outlay	3,891,688	10,343,353
Total Expenditures	<u>8,969,819</u>	<u>41,421,867</u>
EXCESS OF REVENUES OVER (UNDER)		
EXPENDITURES	(2,539,910)	(9,133,215)
OTHER FINANCING SOURCES (USES)		
Long-Term Debt Issued	8,386,430	10,985,000
Lease Issued	-	145,136
Premium on Debt Issued	429,632	725,117
Proceeds from Sale of Capital Assets	21,031	21,031
Transfers in	922,631	5,582,350
Transfers out	(3,740,253)	(4,912,884)
Total Other Financing Sources (Uses)	<u>6,019,471</u>	<u>12,545,750</u>
NET CHANGE IN FUND BALANCES	3,479,561	3,412,535
Fund Balances - Beginning of Year	<u>5,509,024</u>	<u>17,937,725</u>
FUND BALANCES - END OF YEAR	<u>\$ 8,988,585</u>	<u>\$ 21,350,260</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED, DECEMBER 31, 2022**

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balances as Shown on Previous Page	\$ 3,412,535
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation/amortization expense.	
Capital Assets Reported as Capital Outlay in Governmental Fund Statements	8,315,570
Depreciation/Amortization Expense Reported in the Statement of Activities	(3,866,542)
Net Book Value of Disposals	(54,159)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.	(851,879)
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.	
Long-Term Debt Issued	(10,985,000)
Leases Issued	(145,136)
Premium on Debt Issued	(725,117)
G.O. Debt Principal Repaid	5,135,000
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:	
Accrued Interest on Long-Term Debt	(123,525)
Amortization of Debt Premium	436,897
Compensated Absences	(1,397)
Net Pension Asset	1,752,855
Deferred Outflows of Resources Related to Pensions	5,028,074
Deferred Inflows of Resources Related to Pensions	(5,040,718)
Other Postemployment Benefits	(201,801)
Deferred Outflows of Resources Related to Other Postemployment Benefits	(32,458)
Deferred Inflows of Resources Related to Other Postemployment Benefits	4,532
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of the Internal service funds is reported with governmental activities.	(270,578)
Change in Net Position of Governmental Activities as Reported in the Statement of Activities	<u>\$ 1,787,153</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED DECEMBER 31, 2022

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 8,706,441	\$ 8,706,441	\$ 8,678,592	\$ (27,849)
Intergovernmental	3,737,846	3,737,846	4,214,969	477,123
Licenses and Permits	965,849	965,849	867,152	(98,697)
Fines and Forfeits	428,750	428,750	250,348	(178,402)
Public Charges for Services	1,647,938	1,647,938	2,093,917	445,979
Intergovernmental Charges for Services	1,442,174	1,442,174	1,440,016	(2,158)
Miscellaneous	280,292	280,292	415,020	134,728
Total Revenues	17,209,290	17,209,290	17,960,014	750,724
EXPENDITURES				
Current:				
General Government	2,417,883	2,510,931	2,278,932	231,999
Public Safety	10,015,648	10,093,249	10,385,631	(292,382)
Public Works	2,296,369	2,296,369	2,128,653	167,716
Sanitation	784,491	784,491	730,450	54,041
Health and Human Services	584,564	584,564	913,540	(328,976)
Culture and Recreation	2,720,374	2,724,107	2,894,795	(170,688)
Conservation and Development	406,933	406,933	424,538	(17,605)
Total Expenditures	19,226,262	19,400,644	19,756,539	(355,895)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,016,972)	(2,191,354)	(1,796,525)	394,829
OTHER FINANCING SOURCES (USES)				
Lease Issued	-	-	145,136	145,136
Transfers in	2,016,973	2,016,973	1,954,395	(62,578)
Transfers out	-	-	(22,631)	(22,631)
Total Other Financing Sources (Uses)	2,016,973	2,016,973	2,076,900	59,927
NET CHANGE IN FUND BALANCE	1	(174,381)	280,375	454,756
Fund Balance - Beginning of Year	10,433,631	10,433,631	10,433,631	-
FUND BALANCE - END OF YEAR	<u>\$ 10,433,632</u>	<u>\$ 10,259,250</u>	<u>\$ 10,714,006</u>	<u>\$ 454,756</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2022**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
ASSETS				
Current Assets:				
Cash and Investments	\$ -	\$ 396,435	\$ -	\$ 1,081,252
Receivables:				
Taxes and Special Charges	-	-	-	-
Customer Accounts	2,075,477	-	2,613,597	-
Leases	184,617	-	-	-
Other	164,671	-	-	-
Due from Other Funds	-	-	4,024,670	654,567
Due from Other Governments	-	694,819	-	-
Inventories and Prepaid Items	26,343	-	-	-
Total Current Assets	2,451,108	1,091,254	6,638,267	1,735,819
Noncurrent Assets:				
Restricted Assets:				
Cash and Investments	-	-	150,000	-
Other Assets:				
Net Pension Asset	116,780	-	234,963	238,349
Lease Receivables	851,798	-	-	-
Total Other Assets	968,578	-	234,963	238,349
Capital Assets:				
Nondepreciable	63,650	-	10,444	47,254
Depreciable	29,098,187	-	19,862,224	15,031,525
Total Capital Assets	29,161,837	-	19,872,668	15,078,779
Total Assets	32,581,523	1,091,254	26,895,898	17,052,947
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Amounts	590,034	-	460,206	466,269
Other Postemployment Related Amounts	28,208	-	21,991	22,307
Total Deferred Outflows of Resources	618,242	-	482,197	488,576

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Total	Governmental Activities - Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,477,687	\$ 2,094,272
Receivables:		
Taxes and Special Charges	-	-
Customer Accounts	4,689,074	-
Leases	184,617	-
Other	164,671	-
Due from Other Funds	4,679,237	-
Due from Other Governments	694,819	-
Inventories and Prepaid Items	26,343	-
Total Current Assets	11,916,448	2,094,272
Noncurrent Assets:		
Restricted Assets:		
Cash and Investments	150,000	-
Other Assets:		
Net Pension Asset	590,092	-
Leases	851,798	-
Total Other Assets	1,441,890	-
Capital Assets:		
Nondepreciable	121,348	-
Depreciable	63,991,936	-
Total Capital Assets	64,113,284	-
Total Assets	77,621,622	2,094,272
DEFERRED OUTFLOWS OF RESOURCES		
Pension Related Amounts	1,516,509	-
Other Postemployment Related Amounts	72,506	-
Total Deferred Outflows of Resources	1,589,015	-

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 760,580	\$ -	\$ 1,084,822	\$ 183,782
Accrued and Other Current Liabilities	5,565	-	4,187	3,463
Due to Other Funds	4,679,237	-	-	-
Current Portion of Long-Term Debt	105,200	-	105,200	-
Accrued Interest Payable	2,808	-	2,808	-
Total Current Liabilities	<u>5,553,390</u>	<u>-</u>	<u>1,197,017</u>	<u>187,245</u>
Long-Term Obligations, Less Current Portion:				
Advance from Other Funds	-	-	-	-
General Obligation Debt	324,673	-	324,673	-
Compensated Absences	95,201	-	91,852	98,131
Other Postemployment Benefits	80,554	-	62,798	63,703
Total Long-Term Liabilities	<u>500,428</u>	<u>-</u>	<u>479,323</u>	<u>161,834</u>
Total Liabilities	6,053,818	-	1,676,340	349,079
DEFERRED INFLOWS OF RESOURCES				
Lease Related Amounts	851,798	-	-	-
Pension Related Amounts	710,048	-	553,539	561,515
Other Postemployment Related Amounts	9,735	-	7,589	7,698
Total Deferred Inflows of Resources	<u>1,571,581</u>	<u>-</u>	<u>561,128</u>	<u>569,213</u>
NET POSITION				
Net Investment in Capital Assets	28,688,580	-	19,424,201	14,960,802
Restricted	116,780	-	384,963	238,349
Unrestricted	<u>(3,230,994)</u>	<u>1,091,254</u>	<u>5,331,463</u>	<u>1,424,080</u>
Total Net Position	<u>\$ 25,574,366</u>	<u>\$ 1,091,254</u>	<u>\$ 25,140,627</u>	<u>\$ 16,623,231</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF NET POSITION
PROPRIETARY FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Total	Governmental Activities - Internal Service Funds
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 2,029,184	\$ 188,666
Accrued and Other Current Liabilities	13,215	-
Due to Other Funds	4,679,237	-
Current Portion of Long-Term Debt	210,400	-
Accrued Interest Payable	5,616	-
Total Current Liabilities	<u>6,937,652</u>	<u>188,666</u>
Long-Term Obligations, Less Current Portion:		
Advance from Other Funds	-	90,287
General Obligation Debt	649,346	-
Compensated Absences	285,184	-
Other Postemployment Benefits	207,055	-
Total Long-Term Liabilities	<u>1,141,585</u>	<u>90,287</u>
Total Liabilities	8,079,237	278,953
DEFERRED INFLOWS OF RESOURCES		
Leases	851,798	-
Pension Related Amounts	1,825,102	-
Other Postemployment Related Amounts	25,022	-
Total Deferred Inflows of Resources	2,701,922	-
NET POSITION		
Net Investment in Capital Assets	63,073,583	-
Restricted	740,092	-
Unrestricted	4,615,803	1,815,319
Total Net Position	68,429,478	<u>\$ 1,815,319</u>
Adjustment to reflect the consolidation of internal Service Fund Activities Related to Enterprise Funds	<u>210,930</u>	
Net Position of Business-Type Activities as Reported on the Statement of Net Position	<u>\$ 68,640,408</u>	

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
OPERATING REVENUES				
Charges for Services	\$ 6,948,171	\$ -	\$ 7,606,943	\$ 2,085,408
Other	321,828	-	2,813,897	-
Total Operating Revenues	7,269,999	-	10,420,840	2,085,408
OPERATING EXPENSES				
Claims and Administrative Fees	-	-	-	-
Operation and Maintenance	5,200,095	-	7,494,436	1,077,056
Depreciation	770,604	-	679,765	526,202
Taxes	59,380	-	-	-
Total Operating Expenses	6,030,079	-	8,174,201	1,603,258
OPERATING INCOME (LOSS)	1,239,920	-	2,246,639	482,150
NONOPERATING REVENUES (EXPENSES)				
Interest Income	649	40,729	-	-
Interest and Fiscal Charges	(7,516)	-	(889)	-
Total Nonoperating Revenues (Expenses)	(6,867)	40,729	(889)	-
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,233,053	40,729	2,245,750	482,150
Capital Contributions	672,250	-	500,548	694,492
Transfers Out	(412,373)	-	(257,093)	-
CHANGE IN NET POSITION	1,492,930	40,729	2,489,205	1,176,642
Net Position - Beginning of Year	24,081,436	1,050,525	22,651,422	15,446,589
NET POSITION - END OF YEAR	<u>\$ 25,574,366</u>	<u>\$ 1,091,254</u>	<u>\$ 25,140,627</u>	<u>\$ 16,623,231</u>

See accompanying Notes to Basic Financial Statements.

CITY OF DE PERE, WISCONSIN
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	Total	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ 16,640,522	\$ 2,215,933
Other	3,135,725	-
Total Operating Revenues	<u>19,776,247</u>	<u>2,215,933</u>
OPERATING EXPENSES		
Claims and Administrative Fees	-	2,556,596
Operation and Maintenance	13,771,587	-
Depreciation	1,976,571	-
Taxes	59,380	-
Total Operating Expenses	<u>15,807,538</u>	<u>2,556,596</u>
OPERATING INCOME (LOSS)	3,968,709	(340,663)
NONOPERATING REVENUES (EXPENSES)		
Interest Income	41,378	28,622
Interest and Fiscal Charges	(8,405)	-
Total Nonoperating Revenues (Expenses)	<u>32,973</u>	<u>28,622</u>
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	4,001,682	(312,041)
Capital Contributions	1,867,290	-
Transfers Out	(669,466)	-
CHANGE IN NET POSITION	5,199,506	(312,041)
Net Position - Beginning of Year	<u>63,229,972</u>	<u>2,127,360</u>
NET POSITION - END OF YEAR	<u>\$ 68,429,478</u>	<u>\$ 1,815,319</u>
Change in Net Position, per Above	\$ 5,199,506	
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>(41,463)</u>	
Change in Net Position of Business-Type Activities as Reported on the Statement of Activities	<u>\$ 5,158,043</u>	

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 7,370,881	\$ -	\$ 10,439,733	\$ 2,085,408
Cash Received for Services Provided	-	-	-	-
Cash Paid for Employee Wages and Benefits	(883,102)	-	(702,241)	(720,299)
Cash Paid to Suppliers	(4,390,740)	-	(7,093,283)	(240,118)
Net Cash Provided (Used) by Operating Activities	2,097,039	-	2,644,209	1,124,991
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Due to/from Other Funds	(710,564)	235,950	(1,320,318)	825,083
Transfer in (out)	(412,373)	-	(257,093)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(1,122,937)	235,950	(1,577,411)	825,083
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of Capital Assets	(863,876)	-	(633,428)	(868,822)
Proceeds from Sale of Treatment Plant	-	119,756	-	-
Principal Paid on Long-Term Debt	(100,000)	-	(400,000)	-
Interest Paid on Long-Term Debt	(10,875)	-	(33,370)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(974,751)	119,756	(1,066,798)	(868,822)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	649	40,729	-	-
CHANGE IN CASH AND CASH EQUIVALENTS	-	396,435	-	1,081,252
Cash and Cash Equivalents - Beginning of Year	-	-	150,000	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 396,435</u>	<u>\$ 150,000</u>	<u>\$ 1,081,252</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Total	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 19,896,022	\$ -
Cash Paid for Services Provided	-	2,215,933
Cash Paid for Employee Wages and Benefits	(2,305,642)	-
Cash Paid to Suppliers	(11,724,141)	(2,614,365)
Net Cash Provided (Used) by Operating Activities	5,866,239	(398,432)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Due to/from Other Funds	(969,849)	62,466
Transfer in (out)	(669,466)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(1,639,315)	62,466
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of Capital Assets	(2,366,126)	-
Proceeds from Sale of Treatment Plant	119,756	-
Principal Paid on Long-Term Debt	(500,000)	-
Interest Paid on Long-Term Debt	(44,245)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(2,790,615)	-
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	41,378	28,622
CHANGE IN CASH AND CASH EQUIVALENTS	1,477,687	(307,344)
Cash and Cash Equivalents - Beginning of Year	150,000	2,401,616
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 1,627,687</u>	<u>\$ 2,094,272</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 1,239,920	\$ -	\$ 2,246,639	\$ 482,150
Adjustments to Reconcile Operating (Used) by Operating Activities:				
Depreciation	770,604	-	679,765	526,202
Depreciation Charged to Sewer Utility	25,954	-	(25,954)	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:				
Pension	(71,133)	-	(56,415)	(57,020)
Other Postemployment Benefits	9,196	-	7,542	8,303
Change in Operating Assets and Liabilities:				
Accounts Receivables	100,882	-	18,893	-
Inventories and Prepaid Items	158	-	-	-
Accounts Payable	27,618	-	(210,944)	159,882
Accrued and Other Current Liabilities	(120)	-	(134)	(514)
Compensated Absences	(6,040)	-	(15,183)	5,988
Net Cash Provided (Used) by Operating Activities	<u>\$ 2,097,039</u>	<u>\$ -</u>	<u>\$ 2,644,209</u>	<u>\$ 1,124,991</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION				
Cash and Cash Equivalents in Current Assets	\$ -	\$ 396,435	\$ -	\$ 1,081,252
Cash and Cash Equivalents in Restricted Assets	-	-	150,000	-
Total Cash and Cash Equivalents	<u>\$ -</u>	<u>\$ 396,435</u>	<u>\$ 150,000</u>	<u>\$ 1,081,252</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Contributions	<u>\$ 672,250</u>	<u>\$ -</u>	<u>\$ 500,548</u>	<u>\$ 694,492</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	<u>Total</u>	<u>Governmental Activities - Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 3,968,709	\$ (340,663)
Adjustments to Reconcile Operating (Used) by Operating Activities:		
Depreciation	1,976,571	-
Depreciation Charged to Sewer Utility	-	-
Change in Liability (Asset) and Deferred Outflows and Inflows of Resources:		
Pension	(184,568)	-
Other Postemployment Benefits	25,041	-
Change in Operating Assets and Liabilities:		
Accounts Receivables	119,775	-
Inventories and Prepaid Items	158	-
Accounts Payable	(23,444)	(57,769)
Accrued and Other Current Liabilities	(768)	-
Compensated Absences	(15,235)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,866,239</u>	<u>\$ (398,432)</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and Cash Equivalents in Current Assets	\$ 1,477,687	\$ 2,094,272
Cash and Cash Equivalents in Restricted Assets	150,000	-
Total Cash and Cash Equivalents	<u>\$ 1,627,687</u>	<u>\$ 2,094,272</u>
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES		
Capital Contributions	<u>\$ 1,867,290</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF FIDUCIARY NET POSITION
TAX COLLECTION CUSTODIAL FUND
DECEMBER 31, 2022**

ASSETS

Current Assets:

Cash and Investments

\$ 9,838,480

Receivables:

Taxes

16,137,587

Total Assets

25,976,067**DEFERRED INFLOWS OF RESOURCES**

Property Taxes Levied for Subsequent Year

25,976,067**FIDUCIARY NET POSITION**

Restricted for Other Governments

\$ -

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
TAX COLLECTION CUSTODIAL FUND
YEAR ENDED, DECEMBER 31, 2022**

ADDITIONS	
Cash and Investments	\$ 20,572,879
DEDUCTIONS	
Payments to Other Taxing Entities	<u>20,572,879</u>
CHANGE IN NET POSITION	-
Fiduciary Net Position - Beginning of Year	<u>-</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity

The City is a municipal corporation governed by an elected eight member board. In accordance with GAAP, the basic financial statements are required to include the City 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 in accordance with standards.

B. Related Organizations

The City's officials are also responsible for appointing the members of the boards of other organizations, but the City's accountability for these organizations does not extend beyond making the appointments. Therefore, these organizations are not included in the City's reporting entity. The Mayor and the City Council appoints some or all of the members of the following related organization:

De Pere Housing Authority

C. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily 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 and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide and Fund Financial Statements (Continued)

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

The City reports the following major governmental funds:

General Fund

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

Debt Service Fund

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

Public Improvements Fund

This fund accounts for the acquisition or construction of major capital facilities other than those financed by proprietary fund types.

Water Utility Fund

This fund accounts for the operations of the City's water utility.

Wastewater Treatment Plant Utility Fund

This fund is used to account for the collection of the long-term receivable from the sale of the City's wastewater treatment plant utility.

Wastewater Utility Fund

This fund accounts for the operations of the City's wastewater utility.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Government-Wide and Fund Financial Statements (Continued)

Stormwater Utility Fund

This fund accounts for the operations of the City's stormwater utility. Additionally, the City reports the following fund types:

- *Internal service fund* accounts for health insurance and dental insurances services provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.
- The City accounts for property taxes collected on behalf of other governments in a custodial fund.

D. Measurement Focus and Basis of Accounting

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

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

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer functions 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.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Measurement Focus and Basis of Accounting (Continued)

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

Proprietary funds distinguish operating revenues and expenses from *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 proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

1. Cash and Investments

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

2. Property Taxes and Special Charges/Receivable

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. They are levied during December of the prior year 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 and special charges 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 purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City. Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

2. Property Taxes and Special Charges/Receivable (Continued)

In addition to its levy, the City also levies and collects taxes for the De Pere and West De Pere Schools, Brown County, and Northeast Wisconsin Technical College. Brown County currently collects the City's property taxes by agreement.

3. Accounts Receivable

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

4. Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. Installments placed on the 2021 tax roll are recognized as revenue in 2022. Special assessments are subject to collection procedures.

5. Loans Receivable

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

6. Interfund Receivables and Payables

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

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

6. Interfund Receivables and Payables (Continued)

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

7. Inventories

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

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

8. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

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

9. 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 higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

9. Capital Assets (Continued)

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

Assets	Governmental Activities	Business-Type Activities
	Years	
Land Improvements	15 - 25	-
Buildings and Improvements	30 - 50	25 - 50
Machinery and Equipment	5 - 25	3 - 10
Infrastructure	25 - 100	25 - 100

10. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

11. Deferred Outflows/Inflows of Resources

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments and loan receivables. These inflows are recognized as revenues in the government-wide financial statements.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

12. Long-Term Obligations

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund 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. Bond issuance costs are expensed as incurred.

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

13. Leases

Lessor

The City is a lessor for noncancellable leases of buildings and land. The City recognizes a lease receivable and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

13. Leases (Continued)

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

14. Pensions

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

15. Other Postemployment Benefits Other Than Pensions (OPEB)

Defined Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense (revenue), information about the fiduciary net position of the City's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

16. Fund Equity

Governmental Fund Financial Statements

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed fund balance.** Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- **Assigned fund balance.** Amounts that are constrained for specific purposes by action of City management. The City Council has not authorized any City official or committee to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned fund balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)

16. Fund Equity (Continued)

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

Government-Wide and Proprietary Fund Statements

Equity is classified as net position and displayed in three components:

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

F. Use of Estimates

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

G. Adoption of New Accounting Standards

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Adoption of New Accounting Standards (Continued)

The City adopted the requirements of the guidance effective January 1, 2022 and has elected to apply the provisions of this standard to the beginning of the period of adoption. As a result of the implementation of this standard, the City recorded right-to-use assets.

NOTE 2 STEWARDSHIP AND COMPLIANCE

A. Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, City management submits to the City 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.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budget is defined as the originally approved budget plus or minus approved amendments. Individual amendments throughout the year were not material in relation to the original budget. 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.
3. During the year, formal budgetary integration is employed as a management control device for the governmental funds adopting a budget.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

The City did not have any material violation of legal or contractual provisions for the fiscal year ended December 31, 2022.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

B. Excess of Expenditures Over Budget Appropriations

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2022 as follows:

Funds	Excess Expenditures
General Government:	
Clerk/Treasurer	\$ 19,106
Elections	1,832
Elections Outlay	38,660
Accounting and Finance	26,788
Data Processing Outlay	8,358
Personnel And Insurance Outlay	114
Legal	16,558
Legal Outlay	412
City Hall	3,972
City Hall Outlay	438
Public Safety:	
Police Department Outlay	186,935
Fire/Ambulance Department	173,647
Fire/Ambulance Department Outlay	23,244
Building and Electrical	2,449
Public Works:	
Street Machinery Repair Outlay	1,296
Municipal Service Center	25,281
Municipal Service Center Outlay	8,002
Engineer Outlay	10
Street Maintenance Outlay	39,349
Brush Pickup	6,744
Weed Cutting	2,795
Street Lighting	16,312
Street Lighting Outlay	9,450
Sanitation:	
Garbage and Refuse Collection	18,788
Recycling	7,024
Health and Human Services:	
Nurse	329,056
Culture and Recreation:	
Community Center	40,030
Park and Recreation Administration	23,205
Swimming Pools	46,057
Parks - General	34,774
Parks Outlay	25,369
Parks Equipment Maintenance	10,340
Boat Ramps Outlay	8,034
Forestry	41,756

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)

C. Deficit Fund Equity

The following funds had deficit fund balance as of December 31, 2022:

Funds	Deficit Fund Balance
Special Revenue Funds:	
De Pere Micro Fund Loan Program	\$ 15,392
Capital Projects Funds:	
Public Improvements	338,227
Pool Capital Projects	1,240,530
TID No. 7	1,687,917
TID No. 10	1,489,911
TID No. 16	53,662

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

D. Property Tax Levy Limit

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns, and counties. For the 2022 and 2023 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2022 budget was 1.68%. The actual limit for the City for the 2023 budget was 2.29%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

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

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

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

The carrying amount of the City's cash and investments totaled \$46,459,490 on December 31, 2022 as summarized below:

Petty Cash and Cash on Hand	\$ 3,883
Deposits with Financial Institutions	22,162,682
Investments:	
U.S. Treasury Securities	3,992,611
Federal Agency Securities	2,234,558
Negotiable Certificate of Deposits	2,744,208
Corporate Bonds and Notes	223,694
Municipal Bonds	1,778,437
Money Market Mutual Funds	40,778
Wisconsin Local Government Investment Pool	13,278,639
Total	<u>\$ 46,459,490</u>

Reconciliation to the Basic Financial Statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 33,671,640
Restricted Cash and Investments	2,949,370
Fiduciary Fund Statement of Net Position:	
Cash and Investments	9,838,480
Total	<u>\$ 46,459,490</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2022:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
U.S. Treasury Securities	\$ -	\$ 3,992,611	\$ -
Federal Agency Securities	-	2,234,558	-
Corporate Bonds and Notes	-	223,694	-
Municipal Bonds	-	1,778,437	-
Money Market Mutual Funds	40,778	-	-
Negotiable Certificates of Deposit	-	2,744,208	-
Total	<u>\$ 40,778</u>	<u>\$ 10,973,508</u>	<u>\$ -</u>

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

Custodial Credit Risk

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

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Custodial Credit Risk (Continued)

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

As of December 31, 2022, \$22,035,841 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$22,035,841 was collateralized with securities held by the pledging financial institution or its trust department or agent but not in the City's name.

Credit Risk

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

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	A	Not Rated
U.S. Treasury Securities	\$ 3,992,611	\$ 3,992,611	\$ -	\$ -	\$ -	\$ -
Federal Agency Securities	2,234,558	-	2,234,558	-	-	-
Negotiable Certificates of Deposit	2,744,208	-	2,744,208	-	-	-
Corporate Bonds and Notes	223,694	223,694	-	-	-	-
Municipal Bonds	1,778,437	375,287	982,724	826,079	137,854	-
Money Market Mutual Funds	40,778	40,778	-	-	-	-
Wisconsin Local Government Investment Pool	13,278,639	13,278,639	-	-	-	-
Totals	<u>\$ 24,292,925</u>	<u>\$ 17,911,009</u>	<u>\$ 5,961,490</u>	<u>\$ 826,079</u>	<u>\$ 137,854</u>	<u>\$ -</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The City 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. As of June 30, 2022, the Wisconsin local government investment pool had a weighted average maturity of 74 days.

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
U.S. Treasury Securities	\$ 3,992,611	\$ 1,406,907	\$ 913,362	\$ 1,672,342	\$ -
Federal Agency Securities	2,234,558	123,750	389,280	1,721,528	-
Negotiable Certificates of Deposit	2,744,208	729,459	710,357	1,304,392	-
Corporate Bonds and Notes	223,694	-	-	223,694	-
Municipal Bonds	1,778,437	510,570	624,081	643,786	-
Money Market Mutual Funds	40,778	40,778	-	-	-
Wisconsin Local Government Investment Pool	13,278,639	13,278,639	-	-	-
Totals	\$ 24,292,925	\$ 16,090,103	\$ 2,637,080	\$ 5,565,742	\$ -

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City's investments include the following investments that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above):

Highly Sensitive Investments	Fair Value at Year-End
Mortgage backed securities. These securities are subject to early payment in a period of declining interest rates. The resultant reduction in expected total cash flows affects the fair value of these securities and makes the fair values of these securities highly sensitive to changes in interest rates.	\$ 2,234,558

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Cash and Investments (Continued)

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin Local Government Investment Pool of \$13,278,639 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice.

B. Restricted Assets

Restricted assets on December 31, 2022 totaled \$2,949,370 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Debt Service Fund:		
Debt Retirement	\$ 1,985,896	Resources available for debt retirement
Special Revenue Funds:		
Development Loans	<u>813,474</u>	Resources available for economic development loans
Total Governmental Funds	2,799,370	
Enterprise Funds:		
Wastewater Utility:		
Equipment Replacement	<u>150,000</u>	To be used for replacement of certain assets for DNR requirements
Total	<u>\$ 2,949,370</u>	

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Due from Other Governments

In prior years, the City of De Pere sold its wastewater treatment facility to the Green Bay Metropolitan Sewerage District (GBMSD) with the sale price repaid to the City over a 20 year period. The notes receivable from GBMSD was discounted using a 5% interest rate. Annual principal and interest payments of \$160,485 are due annually through 2027, with a notes receivable balance of \$694,819 as of December 31, 2022 as summarized below.

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 125,744	\$ 34,741	\$ 160,485
2024	132,031	28,454	160,485
2025	138,633	21,852	160,485
2026	145,564	14,921	160,485
2027	152,847	7,638	160,485
Total	<u>\$ 694,819</u>	<u>\$ 107,606</u>	<u>\$ 802,425</u>

D. Leases Receivable

During the year ended December 31, 2022, the City recognized lease revenue and interest revenue in the governmental activities of \$40,325 and \$1,184, and in the business-type activities of \$168,674 and \$8,417, respectively, pursuant to these contracts.

A summary of the City's lease terms and interest rates is as follows:

Governmental Activities

Space lease. Monthly installments ranging from \$3,254 to \$3,520 including interest at 1%, termination date through 2025.

Business-Type Activities

Tower lease. Monthly installments ranging from \$9,685 to \$11,330 including interest at 1%, termination date through 2027.

Tower lease. Annual installments ranging from \$33,280 to \$37,435 including interest at 1%, termination date through 2026.

Tower lease. Quarterly installments ranging from \$10,068 to \$11,325 including interest at 1%, termination date through 2026.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets

Capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Nondepreciable/Nonamortizable:				
Land	\$ 9,369,077	\$ -	\$ 25,868	\$ 9,343,209
Construction In Progress	-	6,505,114	-	6,505,114
Total Capital Assets, Nondepreciable/Nonamortizable	9,369,077	6,505,114	25,868	15,848,323
Capital Assets, Depreciable/Amortizable:				
Land Improvements	13,327,262	28,934	22,427	13,333,769
Buildings and Improvements	13,103,795	109,619	-	13,213,414
Machinery and Equipment	11,979,074	910,666	19,650	12,870,090
Infrastructure	86,636,595	1,887,066	138,448	88,385,213
Subtotals	125,046,726	2,936,285	180,525	127,802,486
Less Accumulated Depreciation/Amortization for:				
Land Improvements	2,989,608	618,432	14,858	3,593,182
Buildings and Improvements	8,391,511	339,723	-	8,731,234
Machinery and Equipment	8,371,444	696,925	19,650	9,048,719
Infrastructure	38,202,096	2,211,462	117,726	40,295,832
Subtotals	57,954,659	3,866,542	152,234	61,668,967
Total Capital Assets, Depreciable/Amortizable, Net	67,092,067	(930,257)	28,291	66,133,519
Governmental Activities Capital Assets, Net	<u>\$ 76,461,144</u>	<u>\$ 5,574,857</u>	<u>\$ 54,159</u>	81,981,842
Less: Capital Related Debt				50,011,435
Less: Lease Liability				186,935
Less: Debt Premium				2,153,720
Less: Capital Related Accounts Payable				1,098,714
Add: Unspent Proceeds				<u>3,729,471</u>
Net Investment in Capital Assets				<u>\$ 32,260,509</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Capital Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Nondepreciable:				
Land	\$ 53,207	\$ -	\$ -	\$ 53,207
Construction in Progress	-	68,141	-	68,141
Total Capital Assets, Nondepreciable	53,207	68,141	-	121,348
Capital Assets, Depreciable:				
Buildings and Improvements	892,181	-	-	892,181
Machinery and Equipment	6,842,008	66,567	1,300	6,907,275
Infrastructure	84,604,364	4,098,708	34,587	88,668,485
Subtotals	92,338,553	4,165,275	35,887	96,467,941
Less Accumulated Depreciation	30,535,321	1,976,571	35,887	32,476,005
Total Capital Assets, Depreciable, Net	61,803,232	2,188,704	-	63,991,936
Business-Type Activities Capital Assets, Net	<u>\$ 61,856,439</u>	<u>\$ 2,256,845</u>	<u>\$ -</u>	64,113,284
Less: Capital Related Debt				840,000
Less: Debt Premium				19,746
Less: Capital Related Accounts Payable				<u>179,955</u>
Net Investment in Capital Assets				<u>\$ 63,073,583</u>

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

Governmental Activities:	
General Government	\$ 120,266
Public Safety	339,344
Public Works	2,561,373
Culture and Recreation	845,559
Total Depreciation Expense - Governmental Activities	<u>\$ 3,866,542</u>
Business-Type Activities:	
Water Utility	\$ 770,604
Wastewater Utility	679,765
Stormwater Utility	526,202
Total Depreciation/Amortization Expense - Business-Type Activities	<u>\$ 1,976,571</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivable, Payables, and Transfers

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2022 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary Cash Advances to Finance		
Operating Cash Deficits:		
Governmental Funds:		
General	\$ 1,271,788	\$ -
Cable Access	-	15,866
TID No. 6	2,931,512	-
TID No. 7	-	1,687,917
TID No. 8	299,978	-
TID No. 10	-	1,489,911
TID No. 16	-	53,662
De Pere Micro Loan Fund	-	15,392
Pool Capital Projects	-	1,240,530
Proprietary Fund:		
Wastewater Utility	4,024,670	-
Stormwater Utility	654,567	-
Water Utility	-	4,679,237
Subtotal	<u>9,182,515</u>	<u>9,182,515</u>
Long-Term Advances:		
General Fund	90,287	-
Internal Service Funds:		
Health Self Insurance	-	80,287
Dental Self Insurance	-	10,000
Subtotal	<u>90,287</u>	<u>90,287</u>
Totals	<u><u>\$ 9,272,802</u></u>	<u><u>\$ 9,272,802</u></u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Interfund Receivable, Payables, and Transfers (Continued)

Interfund transfers for the year ended December 31, 2022 were as follows:

Funds	Transfer In	Transfer Out
General	\$ 1,954,395	\$ 22,631
Wastewater Collection Utility	-	257,093
Water Utility	-	412,373
Public Improvements	-	250,000
Capital Equipment	-	800,000
Pool Capital Projects	900,000	654,373
TID No. 6	-	324,560
TID No. 7	-	216,812
TID No. 8	-	274,754
TID No. 9	-	211,428
TID No. 10	-	516,872
TID No. 11	-	259,075
TID No. 12	-	89,046
TID No. 13	-	185,575
TID No. 14	-	152,750
TID No. 15	-	55,008
Cable Access	22,631	-
Debt Service	2,705,324	900,000
Total	<u>\$ 5,582,350</u>	<u>\$ 5,582,350</u>

Interfund transfers were made for the following purposes:

Transfer to Debt Service for Debt Payments	\$ 2,705,324
Transfer to General Fund for Equipment Purchases	1,534,929
Transfer to General Fund for Payment in-Lieu of Taxes	419,466
Transfer to Cable Access for Deficit	22,631
Transfer to Fund Pool Projects	900,000
Total	<u>\$ 5,582,350</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

G. Short-Term Obligations

The City issued short-term promissory notes in advance of property tax collections. Short-term debt activity for the year ended December 31, 2022 was as follows:

Note	Outstanding 1/1/22	Issued	Retired	Outstanding 12/31/22
	<u>\$ 350,000</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>

Short-term notes payable at December 31, 2022 of \$350,000 consist of the following promissory notes:

Note	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/22
	<u>12/21/21</u>	<u>2/24/23</u>	<u>7.25%</u>	<u>\$ 350,000</u>	<u>\$ 350,000</u>

Total interest paid for the year on short-term debt totaled \$1,414.

H. Long-Term Obligations

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2022:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Debt:					
Bonds	\$ 3,435,000	\$ -	\$ 615,000	\$ 2,820,000	\$ 620,000
Taxable bonds	295,000	-	145,000	150,000	150,000
Community Development Bonds	5,005,000	-	230,000	4,775,000	290,000
Notes	27,505,000	10,100,000	3,700,000	33,905,000	4,355,000
Taxable Notes	7,775,000	885,000	445,000	8,215,000	460,000
Total General Obligation Debt	44,015,000	10,985,000	5,135,000	49,865,000	5,875,000
Debt Premium	1,865,500	725,117	436,897	2,153,720	488,763
Lease Liability - Financed Purchased	-	145,136	-	145,136	69,848
Compensated Absences	1,939,147	199,014	197,617	1,940,544	-
Governmental Activities					
Long-Term Obligations	<u>\$ 47,819,647</u>	<u>\$ 12,054,267</u>	<u>\$ 5,769,514</u>	<u>\$ 54,104,400</u>	<u>\$ 6,433,611</u>
Business-Type Activities:					
General Obligation Debt:					
Notes	\$ 1,340,000	\$ -	\$ 500,000	\$ 840,000	\$ 205,000
Debt Premium	52,268	-	32,522	19,746	5,400
Compensated Absences	300,419	33,548	48,783	285,184	-
Business-Type Activities					
Long-Term Obligations	<u>\$ 1,692,687</u>	<u>\$ 33,548</u>	<u>\$ 581,305</u>	<u>\$ 1,144,930</u>	<u>\$ 210,400</u>

Total interest paid during the year on long-term debt totaled \$1,067,624.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Long-Term Obligations (Continued)

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/22
General Obligation Bonds:					
2013A	08/13/13	2028	3.00-3.625%	\$ 5,650,000	\$ 1,140,000
2014A	11/20/14	2029	2.00-3.00%	1,075,000	540,000
2014B	11/20/14	2023	2.00-3.00%	2,530,000	80,000
2017B	10/18/17	2027	2.75%	1,700,000	1,060,000
General Obligation Taxable Bonds:					
2013B	08/13/13	2023	2.00-3.50%	2,530,000	150,000
General Obligation Community Development Bonds:					
2018B	09/20/18	2033	3.25-5.00%	5,545,000	4,775,000
General Obligation Notes:					
2015A	09/24/15	2025	2.00-3.00%	8,285,000	1,020,000
2016A	10/19/16	2026	1.00-2.00%	7,915,000	3,070,000
2017A	10/18/17	2027	2.00-2.25%	2,015,000	885,000
2018A	09/20/18	2028	3.00-5.00%	2,600,000	1,540,000
2019A	10/21/19	2029	3.00-4.00%	8,715,000	5,805,000
2020A	10/14/20	2030	1.00-2.00%	8,340,000	6,630,000
2021A	10/15/21	2031	2.00%	6,375,000	5,695,000
2022A	09/07/22	2032	4.00%	10,100,000	10,100,000
General Obligation Taxable Notes:					
2016B	10/19/16	2026	2.00-2.25%	890,000	355,000
2019B	10/21/19	2029	2.25-2.70%	880,000	820,000
2020B	10/14/20	2030	0.35-1.40%	2,670,000	2,280,000
2021B	10/15/21	2031	0.35-1.80%	3,895,000	3,875,000
2022B	09/07/22	2032	0.35-1.80%	885,000	885,000
Total Outstanding General Obligation Debt					<u>\$ 50,705,000</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

H. Long-Term Obligations (Continued)

General Obligation Debt (Continued)

Annual principal and interest maturities of the outstanding general obligation debt of \$50,705,000 on December 31, 2022 are detailed below:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2023	\$ 5,875,000	\$ 1,363,855	\$ 205,000	\$ 16,800	\$ 6,080,000	\$ 1,380,655
2024	5,945,000	1,210,804	210,000	12,700	6,155,000	1,223,504
2025	6,005,000	1,049,156	210,000	8,500	6,215,000	1,057,656
2026	5,805,000	878,191	215,000	4,300	6,020,000	882,491
2027	5,420,000	712,471	-	-	5,420,000	712,471
2028-2032	20,360,000	1,650,634	-	-	20,360,000	1,650,634
2033	455,000	14,788	-	-	455,000	14,788
Total	<u>\$ 49,865,000</u>	<u>\$ 6,879,899</u>	<u>\$ 840,000</u>	<u>\$ 42,300</u>	<u>\$ 50,705,000</u>	<u>\$ 6,922,199</u>

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

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2022 was \$93,660,475 as follows:

Equalized Valuation of the City	\$ 2,887,309,500
Statutory Limitation Percentage	(x) 5%
General Obligation Debt Limitation, Per Section 67.03 of the Wisconsin Statutes	144,365,475
Total Outstanding General Obligation Debt Applicable to Debt Limitation	50,705,000
Legal Margin for New Debt	<u>\$ 93,660,475</u>

I. Leases Liability: Finance Purchases

The City is required to make various monthly principal and interest payments. This lease has an interest rate of 7.79%. The equipment has an estimated useful life of three years. The financed purchase lease expires in 2024.

This lease agreement qualifies as a financed purchase for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The asset acquired through a financed purchase lease is as follows:

Year Ended December 31,	Principal	Interest	Total
2023	\$ 69,847	\$ 11,306	\$ 81,153
2024	75,289	5,865	81,154
Total	<u>\$ 145,136</u>	<u>\$ 18,586</u>	<u>\$ 162,307</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan

1. 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 1200 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 issued a standalone Annual Comprehensive (ACFR), which can be found at <https://etf.wi.gov/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial report, which can also be found using the link above.

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

Employees who retire at or after age 65 (54 for protective occupation 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 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.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

1. Plan Description (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.

2. Postretirement 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
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%
2019	0.0%	-10%
2020	1.7%	21%
2021	5.1%	13%

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

3. 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. Employers 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 year ending December 31, 2022, the WRS recognized \$1,234,602 in contributions from the City.

Contribution rates for the reporting period are (per WRS Employer Rates website for 2022):

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.50%	6.50%
Protective with Social Security	6.50%	12.00%
Protective without Social Security	6.50%	16.40%

4. Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2022, the City reported an asset of \$8,044,092 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020 rolled forward to December 31, 2021. 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 asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2021, the City's proportion was 0.09980036% which was an increase of 0.00198848% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized pension revenue of \$693,612.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

4. Pension Assets, Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 12,994,824	\$ 937,066
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	-	17,995,303
Changes in Assumptions	1,500,751	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	31,298	18,357
Employer Contributions Subsequent to the Measurement Date	1,234,602	-
Total	<u>\$ 15,761,475</u>	<u>\$ 18,950,726</u>

\$1,234,602 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	<u>(Revenue) Expense</u>
2023	\$ (369,417)
2024	(2,173,967)
2025	(957,420)
2026	(923,049)
Total	<u>\$ (4,423,853)</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions

The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net Pension Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

* *No postretirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 1.7% is the assumed annual adjustment based on the investment return assumption and the postretirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability charged form prior year, including the discount rate, long-term expected rate of return, postretirement adjustment, price inflation, mortality and separation rates. The total pension liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2020 actuarial valuation.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

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 geometric real rates of return for each major asset class are summarized in the following table:

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Global Equities	52%	6.8%	4.2%
Fixed Income	25%	4.3%	1.8%
Inflation Sensitive Assets	19%	2.7%	0.2%
Real Estate	7%	5.6%	3.0%
Private Equity/Debt	12%	9.7%	7.0%
Total Core Fund	100%	6.6%	4.0%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70%	6.3%	3.7%
International Equities	30%	7.2%	4.6%
Total Variable Fund	100%	6.8%	4.2%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

J. Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

Single Discount Rate. A single discount rate of 6.80% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.00% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.80% and a municipal bond rate of 1.84% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2021. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.80% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.80%, 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 5,707,854	\$ (8,044,092)	\$ (17,942,935)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS

The City reports OPEB related balances at December 31, 2022 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-Employer Defined OPEB Plan	\$ 196,464	\$ 7,310	\$ 185,795	\$ 3,933
Local Retiree Life Insurance Fund (LRLIF)	2,149,932	752,856	259,816	271,945
Total	<u>\$ 2,346,396</u>	<u>\$ 760,166</u>	<u>\$ 445,611</u>	<u>\$ 275,878</u>

1. Single-Employer Defined OPEB Plan

Plan Description

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the City. Eligible retired employees have access to group medical coverage through the City's group plan. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75. City paid medical benefits are paid for as indicated below. All employees of the City are eligible for the Plan if they meet the following age and service requirements below.

Benefits Provided

The City provides medical (including prescription drugs) and dental coverage for retired employees through the City's self-insured plans.

Employees Covered by Benefit Terms

At December 31, 2022, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving	
Benefit Payments	2
Active Employees	119
Total	<u>121</u>

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. City paid medical and dental benefits are paid until the retiree or surviving spouse becomes eligible for Medicare.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

Total OPEB Liability

The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2021 and rolled forward to December 31, 2022.

Actuarial Assumptions. The total OPEB liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	December 31, 2020
Measurement Date of Net OPEB Liability (Asset):	December 31, 2022
Actuarial Cost Method:	Entry Age Normal
Health Care Trend:	Actual first year trend, then 6.40% decreasing by .10% per year down to 5.0%, and level thereafter
Discount Rate:	4.25%
Municipal Bond Rate Source:	S&P Municipal 20 Year High Grade Index
Assumed rate of Inflation:	2.50%
Mortality:	Wisconsin 2018 Mortality Table adjusted for future mortality using the MP-2018 generated improvement scale

The projection of cash flows used to determine the single discount rate assumed that plan would continue to be funded on a pay as you go basis. Based on these assumptions, the 20-year AA municipal bond rate was applied to all periods of projected benefits payment to determine the total OPEB liability.

The discount rate was changed to the 20-year AA municipal bond rate (2.00%) as of the measurement date. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2020.

Discount Rate. The discount rate used to measure the total OPEB liability was based on the 20-year AA municipal bond note.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

Changes in the Total OPEB Liability

	Increase (Decrease) Total OPEB Liability
Balance at December 31, 2021	\$ 219,327
Changes for the Year:	
Service Cost	18,510
Interest	4,505
Differences Between Expected and Actual Experience	-
Changes of Assumptions	(39,218)
Benefit Payments	(6,660)
Net Changes	(22,863)
Balance at December 31, 2022	<u>\$ 196,464</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current rate:

	1% Decrease to Discount Rate (3.25%)	Current Discount Rate (4.25%)	1% Increase to Discount Rate (5.25%)
Total OPEB Liability	\$ 213,081	\$ 196,464	\$ 181,127

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.4% decreasing to 4.0%) or 1-percentage-point higher (7.4% decreasing to 6.0%) than the current healthcare cost trend rates:

	1% Decrease (5.4% Decreasing to 4.0%)	Healthcare Cost Trend Rates (6.4% Decreasing to 5.0%)	1% Increase (7.4% Decreasing to 6.0%)
Total OPEB Liability	\$ 174,802	\$ 194,464	\$ 221,943

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

1. Single-Employer Defined OPEB Plan (Continued)

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2022, the City recognized OPEB expense of \$3,933. At December 31, 2022, the City reported deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 129,955
Changes in Assumptions	7,310	55,840
Total	<u>\$ 7,310</u>	<u>\$ 185,795</u>

The amounts above reported as deferred inflows of resources related to OPEB will be recognized in other postemployment benefit expense as follows:

<u>Year Ended December 31,</u>	<u>(Revenue)/Expense</u>
2023	\$ (26,086)
2024	(26,086)
2025	(26,086)
2026	(26,086)
2027	(26,086)
Thereafter	(48,055)
Total	<u>\$ (178,485)</u>

2. Local Retiree Life Insurance Fund

Plan Description

The 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 postemployment life insurance benefits for all eligible employees.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

OPEB Plan Fiduciary Net Position

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found using the link above.

Benefits Provided

The LRLIF plan provides fully paid up life insurance benefits for post-age 64 retired members 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 postretirement 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 member premiums until age 65 in order to be eligible for the benefit after age 65.

Contribution rates as of December 31, 2022 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

Contributions (Continued)

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2021 are listed below:

Life Insurance Employee Contribution Rates For the Year Ended December 31, 2021		
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

During the year ended December 31, 2022, the LRLIF recognized \$7,445 in contributions from the employer.

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

At December 31, 2022, the City reported a liability of \$2,149,932 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2021 rolled forward to December 31, 2021. No material changes in assumptions or benefits 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, 2021, the City's proportion was 0.36375600%, which was an increase of 0.01798700% from its proportion measured as of December 31, 2020.

For the year ended December 31, 2022, the City recognized OPEB expense of \$271,945.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

At December 31, 2022, 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 Experience	\$ -	\$ 109,366
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	27,972	-
Changes in Assumptions	649,568	104,208
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	75,316	46,242
Total	<u>\$ 752,856</u>	<u>\$ 259,816</u>

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended December 31,</u>	<u>Expense</u>
2023	\$ 110,086
2024	106,841
2025	95,520
2026	115,152
2027	55,818
Thereafter	9,623
Total	<u>\$ 493,040</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Actuarial assumptions. The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2021
Measurement Date of Net OPEB Liability (Asset):	December 31, 2021
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.06%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	2.17%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2020 that covered a three-year period from January 1, 2018 to December 31, 2020. Based on this experience study, actuarial assumptions used to measure the total pension liability charged form prior year, including the discount rate, long-term expected rate of return, postretirement adjustment, price inflation, mortality and separation rates. The total OPEB liability for December 31, 2021 is based upon a roll-forward of the liability calculated from the December 31, 2021 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 Securian, 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.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return %
U.S. Intermediate Credit Bonds	Bloomberg U.S. Intermediate Credit	45%	1.68%
U.S. Long Credit Bonds	Bloomberg U.S. Long Credit	5%	1.82%
U.S. Mortgages	Bloomberg U.S. MBS	50%	1.94%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term returns and reflecting expected volatility and correlation. The expected inflation rate increased from 2.20% as of December 31, 2020 to 2.30% as of December 31, 2021.

Single discount rate. A single discount rate of 2.17% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.25% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.12% as of December 31, 2021 to 2.06% as of December 31, 2020. 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.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

K. OTHER POSTEMPLOYMENT BENEFITS (Continued)

2. Local Retiree Life Insurance Fund (Continued)

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

Sensitivity of the City's proportionate share of 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 2.17%, 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 (1.17%) or 1-percentage-point higher (3.17%) than the current rate:

	1% Decrease to Discount Rate (1.17%)	Current Discount Rate (2.17%)	1% Increase to Discount Rate (3.17%)
City's Proportionate Share of the Net OPEB Liability (Asset)	\$ 2,916,683	\$ 2,149,932	\$ 1,572,984

Payable to the OPEB Plan

At December 31, 2022, the City reported no payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2022.

L. Fund Equity

Nonspendable Fund Balance

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2022, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Inventories and Prepaid Items	\$ 196,321
Special Assessments	26,611
Advances to Other Funds	1,330,817
Total Nonspendable Fund Balance	<u>\$ 1,553,749</u>

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

L. Fund Equity (Continued)

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2022, restricted fund balance was as follows:

General Fund:

Restricted for:

Property Tax Relief and Economic Development	\$ 139,783
Fire UTV Fund	629
Recreation Scholarship	<u>35,212</u>
Total General Fund Restricted Fund Balance	175,624

Debt Service Fund	1,985,896
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Special Revenue Funds:

Restricted for:

Development Loans	920,038
Public Land Acquisition	157,456
Affordable Housing	<u>1,968,527</u>
Total Special Revenue Funds Balance	3,046,021

Capital Projects Funds:

Restricted for:

Capital Projects

TID No. 6	2,931,512
TID No. 8	1,769,531
TID No. 9	542,289
TID No. 11	591,889
TID No. 12	1,893,168
TID No. 13	367,519
TID No. 14	414,190
TID No. 15	381,402
TID No. 17	<u>176,867</u>

Total Tax incremental Financing District Expenditures	<u>9,068,367</u>
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Total Restricted Fund Balance	<u><u>\$ 14,275,908</u></u>
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**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

L. Fund Equity (Continued)

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2022, General Fund balance was committed as follows:

General Fund:		
Committed for:		
Nonlapsing Funds	\$	1,465,833
Special Revenue Funds:		
Committed for:		
Riverwalk Pier		580,740
Dog Park		13,390
Park Equipment		84,131
Total Special Revenue Fund Committed		<u>678,261</u>
Fund Balance		678,261
Capital Project Funds:		
Committed for:		
Capital Equipment		678,512
Community Center		1,904
Police/Fire Expansion		2,932
Total Capital Project Funds		<u>683,348</u>
Total Committed Fund Balance	\$	<u><u>2,827,442</u></u>

Minimum General Fund Balance Policy

The City has also adopted a minimum fund balance policy of 25% of subsequent year budgeted expenditures for the general fund. The minimum fund balance is maintained for cash flow and working capital purposes. The minimum fund balance amount is calculated as follows:

Budgeted 2023 General Fund Expenditures	\$	20,591,971
Minimum Fund Balance %		(x) 25%
Minimum Fund Balance Amount	\$	<u><u>5,147,993</u></u>

The City's unassigned general fund balance of \$7,518,800 is above the minimum fund balance amount.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 3 OTHER INFORMATION

A. Tax Incremental Financing

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

Since creation of the TID's, the City has provided various financing sources to the TID. The foregoing amounts are not recorded as liabilities in the TID capital project fund but can be recovered by the City from any future excess tax increment revenues. As of December 31, 2022, the City can recover \$16,080,080 from future excess tax increment revenues of the following. Furthermore, the intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Cities. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	TID No. 6	TID No. 7	TID No. 8	TID No. 9
Creation Date	3/3/1998	10/17/2006	8/21/2007	8/7/2012
Termination Date	2/17/2022	10/17/2033	8/21/2027	8/7/2039
Tax Increment Property Tax Revenues for 2022	\$ -	\$ 87,717	\$ 271,469	\$ 33,249
Net Unreimbursed Project Costs Due City	\$ (8,078,842)	\$ 4,322,171	\$ 418,122	\$ 2,405,968
	TID No. 10	TID No. 11	TID No. 12	TID No. 13
Creation Date	8/7/2012	9/1/2015	9/1/2015	7/18/2017
Termination Date	8/7/2032	9/1/2035	9/1/2035	7/18/2037
Tax Increment Property Tax Revenues for 2022	\$ 120,688	\$ 219,256	\$ 224,990	\$ 149,089
Net Unreimbursed Project Costs Due City	\$ 4,931,536	\$ 1,358,111	\$ 1,621,832	\$ 2,637,481
	TID No. 14	TID No. 15	TID No. 16	TID No. 17
Creation Date	9/19/2018	2/15/2020	2/21/2020	3/16/2021
Termination Date	12/31/2038	2/18/2040	2/21/2040	3/16/2042
Tax Increment Property Tax Revenues for 2022	\$ 38,281	\$ -	\$ -	\$ -
Net Unreimbursed Project Costs Due City	\$ 940,809	\$ 3,981,097	\$ 53,662	\$ 1,488,133

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceeded coverage in each of the past three years.

In addition to the above, the City has established separate internal service funds for the following risk management programs:

Health Self-Insurance Fund

City employees, retirees and employee dependents are eligible for medical benefits from a health self-insurance fund. Funding is provided by charges to City departments, employees, and retirees. The program is supplemented by stop loss protection, which limits the City's annual liability. Fund expenses consist of payments to a third-party administrator for medical claims, stop loss insurance premiums and administrative fees. On December 31, 2022, the fund had a balance of \$1,739,257.

The claims liability of \$186,095 reported in the fund at December 31, 2022 is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2022	\$ 240,492	\$ 1,679,556	\$ 2,106,143	\$ 186,095
2021	132,294	1,649,790	2,022,576	240,492

Dental Self-Insurance Fund

City employees, retirees and employee dependents are eligible for dental benefits from a dental self-insurance fund. Funding is provided by charges to City departments, employees and retirees. The program is supplemented by stop loss protection, which limits the City's annual liability. Fund expenses consist of payments to a third-party administrator for dental claims, stop loss insurance premiums and administrative fees. On December 31, 2022, the fund had a balance of \$76,062.

**CITY OF DE PERE, WISCONSIN
NOTES TO BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2022**

NOTE 4 OTHER INFORMATION (CONTINUED)

B. Risk Management (Continued)

Dental Self-Insurance Fund (Continued)

The claims liability of \$2,571 reported in the fund at December 31, 2022, is based on the requirements of GASB Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the fund's claims liability amount are as follows:

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
2022	\$ 5,943	\$ 133,174	\$ 136,546	\$ 2,571
2021	3,797	140,973	138,827	5,943

C. Contingencies

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the City that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

D. Water Purchase Contract with Central Brown County Water Authority

The City of De Pere is a Charter member of the Central Brown County Water Authority with five other Brown County communities. The Authority was formed under Wisconsin Statutes in 1998 to provide a long-term solution to water quantity and quality concerns. In 2004, the Authority entered into a contract to purchase Lake Michigan water from the City of Manitowoc. In 2007 the Authority completed construction of a 30 mile water transmission main from the City of Manitowoc and a 35 mile long spoke transmission system to distribute the water to its individual members. To provide funds to complete construction projects, the Authority issued \$136,625,000 of revenue bonds in June of 2005.

Each Charter Member has entered into a water purchase contract under which they agree to purchase wholesale water from the Authority. Rates charged to each member are billed monthly and are based on (1) operation and maintenance costs, (2) fixed costs, including debt service on the revenue bond and (3) required Security Fund deposits. During 2022, the City paid the Authority \$3,642,175 in accordance with the water purchase contract.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DE PERE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
WISCONSIN RETIREMENT SYSTEM
LAST 10 MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability (Asset)
12/31/14	0.08664090%	\$ (2,128,138)	\$ 9,073,681	23.45%	102.74%
12/31/15	0.08721909%	1,417,293	9,424,305	15.04%	98.20%
12/31/16	0.08851511%	729,575	9,577,125	7.62%	99.12%
12/31/17	0.09092334%	(2,699,621)	9,670,368	27.92%	102.93%
12/31/18	0.09310308%	3,312,315	10,029,996	33.02%	96.45%
12/31/19	0.09492159%	(3,060,705)	10,457,329	-29.27%	102.96%
12/31/20	0.09781188%	(6,106,531)	11,200,080	-54.52%	105.26%
12/31/21	0.09980036%	(8,044,092)	11,354,060	-70.85%	106.02%

SCHEDULE OF CONTRIBUTIONS
WISCONSIN RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (fiscal year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 853,538	\$ 853,538	\$ -	\$ 9,424,305	9.06%
12/31/16	862,667	862,667	-	9,577,125	9.01%
12/31/17	947,840	947,840	-	9,670,368	9.80%
12/31/18	976,960	976,960	-	10,029,996	9.74%
12/31/19	1,006,862	1,006,862	-	10,457,329	9.63%
12/31/20	1,156,889	1,156,889	-	11,200,080	10.33%
12/31/21	1,180,293	1,180,293	-	11,354,060	10.40%
12/31/22	1,234,602	1,234,602	-	12,055,709	10.24%

See accompanying Notes to Required Supplementary Information.

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CITY OF DE PERE, WISCONSIN
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST 10 MEASUREMENT PERIODS

	2022	2021	2020	2019	2018	2017
Total OPEB Liability:						
Service Cost	\$ 18,510	\$ 20,168	\$ 18,239	\$ 20,928	\$ 22,795	\$ 22,795
Interest	4,505	5,929	6,523	15,145	13,298	12,862
Differences Between Expected and Actual Experience	-	(44,531)	-	(157,218)	-	-
Changes of Assumptions	(39,218)	(11,767)	10,442	(6,038)	(13,769)	(5,254)
Benefit Payments	(6,660)	(7,758)	(12,016)	(13,749)	(31,655)	(14,784)
Net Change in Total OPEB Liability	(22,863)	(37,959)	23,188	(140,932)	(9,331)	15,619
Total OPEB Liability - Beginning	219,327	257,286	234,098	375,030	384,361	368,742
Total OPEB Liability - Ending	<u>\$ 196,464</u>	<u>\$ 219,327</u>	<u>\$ 257,286</u>	<u>\$ 234,098</u>	<u>\$ 375,030</u>	<u>\$ 384,361</u>
Covered-Employee Payroll	\$ 10,509,539	\$ 10,509,539	\$ 9,732,159	\$ 9,732,159	\$ 7,447,066	\$ 7,447,066
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	1.87%	2.09%	2.64%	2.41%	5.04%	5.16%

* The amounts presented for each fiscal year were determined as of the current fiscal year-end. Amounts for prior years were not available.

See accompanying Notes to Required Supplementary Information.

CITY OF DE PERE, WISCONSIN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 MEASUREMENT PERIODS

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.36553200%	\$ 1,099,732	\$ 9,670,368	11.37%	44.81%
12/31/18	0.37112800%	957,635	9,292,000	10.31%	48.69%
12/31/19	0.35037200%	1,491,952	9,509,000	15.69%	37.58%
12/31/20	0.34576900%	1,901,979	10,418,000	18.26%	31.36%
12/31/21	0.36375600%	2,149,932	10,514,000	20.45%	29.57%

SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
12/31/17	\$ 6,917	\$ 6,917	\$ -	\$ 9,670,368	0.07%
12/31/18	7,150	7,150	-	9,292,000	0.08%
12/31/19	6,915	6,915	-	10,457,330	0.07%
12/31/20	6,829	6,829	-	10,418,000	0.07%
12/31/21	7,358	7,358	-	11,354,060	0.06%
12/31/22	7,445	7,445	-	10,514,000	0.07%

See accompanying Notes to Required Supplementary Information.

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**CITY OF DE PERE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022**

NOTE 1 WISCONSIN RETIREMENT SYSTEM

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

Changes of assumptions.

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021 including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0 to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the postretirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the EFT Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2018 including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the postretirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The City is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

**CITY OF DE PERE, WISCONSIN
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2022**

NOTE 2 OTHER POSTEMPLOYMENT BENEFITS

The City is required to present the last ten fiscal years of data; however accounting standard allow the presentation of as many years as are available until ten fiscal years are presented.

Single-Employer Defined Postemployment Benefit Plan

The discount rate was changed to the 20-year AA municipal bond rate (2.00%) for the measurement date of December 31, 2022. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2019. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Local Retiree Life Insurance Fund (LRLIF)

Assumptions: The ETF Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect update trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect update trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

SUPPLEMENTARY INFORMATION

**CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
YEAR ENDED DECEMBER 31, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Taxes:				
General Property	\$ 8,615,156	\$ 8,615,156	\$ 8,615,155	\$ (1)
Mobile Home	6,600	6,600	5,315	(1,285)
Excess Stadium District Sales Tax	120	120	381	261
Room Tax	9,500	9,500	10,626	1,126
Payments in Lieu of Taxes	21,665	21,665	1,395	(20,270)
Housing Authority	32,000	32,000	33,922	1,922
Interest and Penalties:				
Taxes	1,400	1,400	1,018	(382)
Special Assessments	20,000	20,000	10,780	(9,220)
Total Taxes	8,706,441	8,706,441	8,678,592	(27,849)
Intergovernmental:				
Law Enforcement Training	125,803	125,803	121,686	(4,117)
State Shared Taxes	1,488,436	1,488,436	1,488,148	(288)
Exempt Computer Aid	77,852	77,852	80,185	2,333
Fire Insurance	97,800	97,800	103,800	6,000
Rescue Squad	15,000	15,000	76,240	61,240
Transportation	1,399,991	1,399,991	1,396,114	(3,877)
Mass Transit	274,790	274,790	274,790	-
Public Health	60,199	60,199	66,789	6,590
Recycling	97,975	97,975	97,691	(284)
Other	100,000	100,000	509,526	409,526
Total Intergovernmental	3,737,846	3,737,846	4,214,969	477,123
Licenses and Permits:				
Licenses:				
Liquor and Malt Beverage	37,800	37,800	29,295	(8,505)
Operators	32,550	32,550	25,604	(6,946)
Cigarette	2,205	2,205	2,248	43
Food and Beverage	86,415	86,415	91,958	5,543
Cable Television	110,000	110,000	113,673	3,673
Trailer Park	100	100	-	(100)
Dog	3,780	3,780	4,363	583
Other Licenses/Permits	11,550	11,550	11,799	249
Permits:				
Construction	10,657	10,657	8,750	(1,907)
Electrical, Mechanical, and Plumbing	241,500	241,500	218,556	(22,944)
Sanitary Sewer	14,385	14,385	9,400	(4,985)
Zoning	414,907	414,907	351,506	(63,401)
Total Licenses and Permits	965,849	965,849	867,152	(98,697)

**CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Fines and Forfeits:				
Court Forfeitures and Costs	\$ 393,750	\$ 393,750	\$ 212,145	\$ (181,605)
Parking Violations	35,000	35,000	38,203	3,203
Total Fines and Forfeits	428,750	428,750	250,348	(178,402)
Public Charges for Services:				
General Government	39,585	39,585	34,749	(4,836)
Police	1,890	1,890	2,104	214
Alarm Monitoring Fees	5,250	5,250	11,100	5,850
Ambulance	791,590	791,590	1,028,163	236,573
Streets	58,800	58,800	80,958	22,158
Snow Removal	6,930	6,930	4,842	(2,088)
Weed Cutting	4,200	4,200	8,085	3,885
Recycling	16,800	16,800	3,687	(13,113)
Public Health	525	525	1,379	854
Community Center	39,127	39,127	65,899	26,772
Swimming Pools	206,115	206,115	255,548	49,433
Parks	14,595	14,595	32,381	17,786
Recreation	421,859	421,859	514,284	92,425
Concession Sales	40,672	40,672	50,738	10,066
Total Public Charges for Services	1,647,938	1,647,938	2,093,917	445,979
Intergovernmental Charges for Services:				
General Government	182,945	182,945	172,135	(10,810)
Public Safety	527,707	527,707	536,360	8,653
Public Works	731,522	731,522	731,521	(1)
Total intergovernmental charges for services	1,442,174	1,442,174	1,440,016	(2,158)
Miscellaneous:				
Investment Income	100,000	100,000	(65,590)	(165,590)
Donations	7,500	7,500	324,892	317,392
Sale of City Property	16,500	16,500	5,214	(11,286)
Rental Income	146,525	146,525	44,944	(101,581)
Department Revenue	9,189	9,189	105,560	96,371
Other	578	578	-	(578)
Total Miscellaneous	280,292	280,292	415,020	134,728
Total Revenues	<u>\$ 17,209,290</u>	<u>\$ 17,209,290</u>	<u>\$ 17,960,014</u>	<u>\$ 750,724</u>

**CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
YEAR ENDED DECEMBER 31, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
General Government:				
Council	\$ 80,846	\$ 80,846	\$ 76,269	\$ 4,577
Municipal Court	116,410	116,410	116,018	392
Mayor	36,881	39,144	37,033	2,111
Administrator	162,313	162,313	157,402	4,911
Administrator Outlay	200	200	-	200
Clerk/Treasurer	242,893	242,893	261,999	(19,106)
Elections	55,350	55,350	57,182	(1,832)
Elections Outlay	2,500	2,500	41,160	(38,660)
Assessment of Property	97,492	97,492	97,341	151
Accounting and Finance	142,881	147,631	174,419	(26,788)
Accounting and Finance Outlay	500	500	195	305
Data Processing	205,841	205,841	197,526	8,315
Data Processing Outlay	10,000	10,000	18,358	(8,358)
Personnel and Insurance	411,864	411,864	389,159	22,705
Personnel and Insurance Outlay	500	6,781	6,895	(114)
Legal	292,061	349,311	365,869	(16,558)
Legal Outlay	1,000	1,000	1,412	(412)
City Hall	125,397	125,397	129,369	(3,972)
City Hall Outlay	18,000	23,938	24,376	(438)
Other General Government	414,954	431,520	126,950	304,570
Total General Government	2,417,883	2,510,931	2,278,932	231,999
Public Safety:				
Police Department	5,384,344	5,387,327	5,324,165	63,162
Police Department Outlay	-	38,800	225,735	(186,935)
Traffic Control	94,556	94,556	67,435	27,121
Fire/Ambulance Department	4,236,484	4,267,084	4,440,731	(173,647)
Fire/Ambulance Department Outlay	6,500	11,718	34,962	(23,244)
Building and Electrical	287,514	287,514	289,963	(2,449)
Jail	6,250	6,250	2,640	3,610
Total Public Safety	10,015,648	10,093,249	10,385,631	(292,382)
Public Works:				
Street Machinery Repair	111,708	111,708	111,697	11
Street Machinery Repair Outlay	1,592	1,592	2,888	(1,296)
Municipal Service Center	76,962	76,962	102,243	(25,281)
Municipal Service Center Outlay	3,300	3,300	11,302	(8,002)
Mechanics	156,467	156,467	134,659	21,808
Administration	125,087	125,087	124,671	416
Engineer	253,399	253,399	238,814	14,585
Engineer Outlay	2,000	2,000	2,010	(10)
Street Maintenance	138,437	138,437	121,246	17,191

**CITY OF DE PERE, WISCONSIN
GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
Public Works (Continued):				
Street Maintenance Outlay	\$ -	\$ -	\$ 39,349	\$ (39,349)
Brush Pickup	102,525	102,525	109,269	(6,744)
Weed Cutting	14,479	14,479	17,274	(2,795)
Snow and Ice Control	275,108	275,108	171,253	103,855
Traffic Signs and Markings	163,202	163,202	134,420	28,782
Traffic Signs and Markings Outlay	2,500	2,500	2,080	420
Traffic Lights	41,000	41,000	34,135	6,865
Street Lighting	403,940	403,940	420,252	(16,312)
Street Lighting Outlay	-	-	9,450	(9,450)
Transit Systems	424,663	424,663	341,641	83,022
Total Public Works	<u>2,296,369</u>	<u>2,296,369</u>	<u>2,128,653</u>	<u>167,716</u>
Sanitation:				
Garbage and Refuse Collection	339,125	339,125	357,913	(18,788)
Landfill Waste Disposal	320,000	320,000	240,147	79,853
Recycling	125,366	125,366	132,390	(7,024)
Total Sanitation	<u>784,491</u>	<u>784,491</u>	<u>730,450</u>	<u>54,041</u>
Health and Human Services:				
Nurse	584,464	584,464	913,520	(329,056)
Board of Health	100	100	20	80
Total Health and Human Services	<u>584,564</u>	<u>584,564</u>	<u>913,540</u>	<u>(328,976)</u>
Culture and Recreation:				
Community Center	340,967	340,967	380,997	(40,030)
Special Events and Celebrations	35,213	35,213	10,106	25,107
Park and Recreation Administration	264,934	264,934	288,139	(23,205)
Recreation	585,287	585,287	558,108	27,179
Swimming Pools	483,127	483,127	529,184	(46,057)
Swimming Pools Outlay	-	750	750	-
Parks - General	542,734	545,717	580,491	(34,774)
Parks Outlay	-	-	25,369	(25,369)
Parks Equipment Maintenance	90,781	90,781	101,121	(10,340)
Boat Ramps	24,591	24,591	23,859	732
Boat Ramps Outlay	-	-	8,034	(8,034)
Forestry	329,180	329,180	370,936	(41,756)
Historical Society	23,560	23,560	17,701	5,859
Total Culture and Recreation	<u>2,720,374</u>	<u>2,724,107</u>	<u>2,894,795</u>	<u>(170,688)</u>
Conservation and Development:				
Economic Development	<u>406,933</u>	<u>406,933</u>	<u>424,538</u>	<u>(17,605)</u>
Total Expenditures	<u>\$ 19,226,262</u>	<u>\$ 19,400,644</u>	<u>\$ 19,756,539</u>	<u>\$ (355,895)</u>

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2022**

	Special Revenue				
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access	Dog Park
ASSETS					
Cash and Investments	\$ 106,564	\$ 157,456	\$ 580,740	\$ -	\$ 13,390
Restricted Cash and Investments	813,474	-	-	-	-
Receivables:					
Taxes and Special Charges	-	-	-	-	-
Accounts	-	-	-	19,448	-
Special Assessments	-	-	-	-	-
Loans	82,416	-	-	-	-
Due from Other Funds	-	-	-	-	-
Total Assets	\$ 1,002,454	\$ 157,456	\$ 580,740	\$ 19,448	\$ 13,390
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ 2,978	\$ -
Accrued and Other Current Liabilities	-	-	-	604	-
Due to Other Funds	-	-	-	15,866	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	-	-	-	19,448	-
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	-	-	-	-	-
Loans Receivable	82,416	-	-	-	-
Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	82,416	-	-	-	-
Fund Balances:					
Restricted	920,038	157,456	-	-	-
Committed	-	-	580,740	-	13,390
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	920,038	157,456	580,740	-	13,390
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,002,454	\$ 157,456	\$ 580,740	\$ 19,448	\$ 13,390

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Special Revenue				Capital Projects	
	Southwest Park Equipment	De Pere Micro Fund Loan	Local Fiscal Recovery Funds	Affordable Housing	Capital Equipment	Community Center
ASSETS						
Cash and Investments	\$ 84,131	\$ -	\$ 2,613,574	\$ 1,968,527	\$ 700,112	\$ 12,122
Restricted Cash and Investments	-	-	-	-	-	-
Receivables:						
Taxes and Special Charges	-	-	-	-	800,000	-
Accounts	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-
Loans	-	100,400	-	-	-	-
Due from Other Funds	-	-	-	-	-	-
Total Assets	\$ 84,131	\$ 100,400	\$ 2,613,574	\$ 1,968,527	\$ 1,500,112	\$ 12,122
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 21,600	\$ 10,218
Accrued and Other Current Liabilities	-	-	-	-	-	-
Due to Other Funds	-	15,392	-	-	-	-
Unearned Revenues	-	-	2,613,574	-	-	-
Total Liabilities	-	15,392	2,613,574	-	21,600	10,218
Deferred Inflows of Resources:						
Property Taxes Levied for Subsequent Year	-	-	-	-	800,000	-
Loans Receivable	-	100,400	-	-	-	-
Special Assessments	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	100,400	-	-	800,000	-
Fund Balances:						
Restricted	-	-	-	1,968,527	-	-
Committed	84,131	-	-	-	678,512	1,904
Unassigned (Deficit)	-	(15,392)	-	-	-	-
Total Fund Balances	84,131	(15,392)	-	1,968,527	678,512	1,904
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 84,131	\$ 100,400	\$ 2,613,574	\$ 1,968,527	\$ 1,500,112	\$ 12,122

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Capital Projects				
	Police/Fire Expansion	Pool Capital Projects	TID No. 6	TID No. 7	TID No. 8
ASSETS					
Cash and Investments	\$ 2,932	\$ -	\$ -	\$ -	\$ 1,492,522
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Taxes and Special Charges	-	-	-	86,546	390,355
Accounts	-	-	-	-	-
Special Assessments	-	-	-	-	-
Loans	-	-	-	-	-
Due from Other Funds	-	-	2,931,512	-	299,978
Total Assets	\$ 2,932	\$ -	\$ 2,931,512	\$ 86,546	\$ 2,182,855
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 22,837
Accrued and Other Current Liabilities	-	-	-	-	132
Due to Other Funds	-	1,240,530	-	1,687,917	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	-	1,240,530	-	1,687,917	22,969
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	-	-	-	86,546	390,355
Loans Receivable	-	-	-	-	-
Special Assessments	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	86,546	390,355
Fund Balances:					
Restricted	-	-	2,931,512	-	1,769,531
Committed	2,932	-	-	-	-
Unassigned (Deficit)	-	(1,240,530)	-	(1,687,917)	-
Total Fund Balances	2,932	(1,240,530)	2,931,512	(1,687,917)	1,769,531
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,932	\$ -	\$ 2,931,512	\$ 86,546	\$ 2,182,855

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Capital Projects				
	TID No. 9	TID No. 10	TID No. 11	TID No. 12	TID No. 13
ASSETS					
Cash and Investments	\$ 542,289	\$ -	\$ 592,290	\$ 1,943,970	\$ 368,128
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Taxes and Special Charges	44,894	170,348	330,579	699,346	167,515
Accounts	-	-	-	-	-
Special Assessments	-	-	-	446,270	-
Loans	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Total Assets	\$ 587,183	\$ 170,348	\$ 922,869	\$ 3,089,586	\$ 535,643
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ -	\$ -	\$ 229	\$ 50,660	\$ -
Accrued and Other Current Liabilities	-	-	172	142	609
Due to Other Funds	-	1,489,911	-	-	-
Unearned Revenues	-	-	-	-	-
Total Liabilities	-	1,489,911	401	50,802	609
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	44,894	170,348	330,579	699,346	167,515
Loans Receivable	-	-	-	-	-
Special Assessments	-	-	-	446,270	-
Total Deferred Inflows of Resources	44,894	170,348	330,579	1,145,616	167,515
Fund Balances:					
Restricted	542,289	-	591,889	1,893,168	367,519
Committed	-	-	-	-	-
Unassigned (Deficit)	-	(1,489,911)	-	-	-
Total Fund Balances	542,289	(1,489,911)	591,889	1,893,168	367,519
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 587,183	\$ 170,348	\$ 922,869	\$ 3,089,586	\$ 535,643

**CITY OF DE PERE, WISCONSIN
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
DECEMBER 31, 2022**

	Capital Projects				
	TID No. 14	TID No. 15	TID No. 16	TID No. 17	Totals
ASSETS					
Cash and Investments	\$ 414,690	\$ 404,668	\$ -	\$ 239,587	\$ 12,237,692
Restricted Cash and Investments	-	-	-	-	813,474
Receivables:					
Taxes and Special Charges	26,938	464,008	-	-	3,180,529
Accounts	-	-	-	-	19,448
Special Assessments	-	-	-	-	446,270
Loans	-	-	-	-	182,816
Due from Other Funds	-	-	-	-	3,231,490
Total Assets	\$ 441,628	\$ 868,676	\$ -	\$ 239,587	\$ 20,111,719
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 500	\$ -	\$ -	\$ 62,720	\$ 171,742
Accrued and Other Current Liabilities	-	23,266	-	-	24,925
Due to Other Funds	-	-	53,662	-	4,503,278
Unearned Revenues	-	-	-	-	2,613,574
Total Liabilities	500	23,266	53,662	62,720	7,313,519
Deferred Inflows of Resources:					
Property Taxes Levied for Subsequent Year	26,938	464,008	-	-	3,180,529
Loans Receivable	-	-	-	-	182,816
Special Assessments	-	-	-	-	446,270
Total Deferred Inflows of Resources	26,938	464,008	-	-	3,809,615
Fund Balances:					
Restricted	414,190	381,402	-	176,867	12,114,388
Committed	-	-	-	-	1,361,609
Unassigned (Deficit)	-	-	(53,662)	-	(4,487,412)
Total Fund Balances	414,190	381,402	(53,662)	176,867	8,988,585
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 441,628	\$ 868,676	\$ -	\$ 239,587	\$ 20,111,719

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2022

	Special Revenue				
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access	Dog Park
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	47,422	-
Licenses and Permits	-	-	-	75,778	-
Public Charges for Services	-	9,900	-	-	-
Miscellaneous	113,202	-	350,000	948	514
Total Revenues	113,202	9,900	350,000	124,148	514
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Culture and Recreation	-	-	-	133,796	-
Conservation and Development	-	-	-	-	-
Debt Service:					
Interest and Fiscal Charges	-	-	-	-	-
Capital Outlay	-	-	-	12,983	-
Total Expenditures	-	-	-	146,779	-
EXCESS OF REVENUES OVER (UNDER)					
EXPENDITURES	113,202	9,900	350,000	(22,631)	514
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	-	-
Premium on Debt Issued	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfers in	-	-	-	22,631	-
Transfers out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	22,631	-
NET CHANGE IN FUND BALANCES	113,202	9,900	350,000	-	514
Fund Balances (Deficit) - Beginning of Year	806,836	147,556	230,740	-	12,876
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 920,038</u>	<u>\$ 157,456</u>	<u>\$ 580,740</u>	<u>\$ -</u>	<u>\$ 13,390</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	Special Revenue				Capital Projects	
	Southwest Park Equipment	De Pere Micro Fund Loan	Local Fiscal Recovery Funds	Affordable Housing	Capital Equipment	Community Center
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 1,968,527	\$ 800,000	\$ -
Intergovernmental	-	-	-	-	4,056	-
Licenses and Permits	-	-	-	-	-	-
Public Charges for Services	-	-	-	-	-	-
Miscellaneous	26,202	91,120	-	-	-	2,099
Total Revenues	26,202	91,120	-	1,968,527	804,056	2,099
EXPENDITURES						
Current:						
General Government	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-
Conservation and Development	-	416	-	-	-	-
Debt Service:						
Interest and Fiscal Charges	-	-	-	-	-	-
Capital Outlay	-	-	-	-	1,567,901	10,218
Total Expenditures	-	416	-	-	1,567,901	10,218
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	26,202	90,704	-	1,968,527	(763,845)	(8,119)
OTHER FINANCING SOURCES (USES)						
Long-Term Debt Issued	-	-	-	-	1,516,430	-
Premium on Debt Issued	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-
Transfers out	-	-	-	-	(800,000)	-
Total Other Financing Sources (Uses)	-	-	-	-	716,430	-
NET CHANGE IN FUND BALANCES	26,202	90,704	-	1,968,527	(47,415)	(8,119)
Fund Balances (Deficit) - Beginning of Year	57,929	(106,096)	-	-	725,927	10,023
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 84,131</u>	<u>\$ (15,392)</u>	<u>\$ -</u>	<u>\$ 1,968,527</u>	<u>\$ 678,512</u>	<u>\$ 1,904</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	Capital Projects				
	Police/Fire Expansion	Pool Capital Projects	TID No. 6	TID No. 7	TID No. 8
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 87,717	\$ 271,469
Intergovernmental	-	-	32,563	6,998	230,172
Licenses and Permits	-	-	-	-	-
Public Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	-	-	32,563	94,715	501,641
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Conservation and Development	-	-	3,764	56,979	59,256
Debt Service:					
Interest and Fiscal Charges	-	2,771	-	819	2,679
Capital Outlay	-	10,671	-	20,030	-
Total Expenditures	-	13,442	3,764	77,828	61,935
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	(13,442)	28,799	16,887	439,706
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	-	-	60,000	195,000
Premium on Debt Issued	-	-	-	4,278	13,995
Proceeds from Sale of Capital Assets	-	-	-	-	-
Transfers in	-	900,000	-	-	-
Transfers out	-	(654,373)	(324,560)	(216,812)	(274,754)
Total Other Financing Sources (Uses)	-	245,627	(324,560)	(152,534)	(65,759)
NET CHANGE IN FUND BALANCES	-	232,185	(295,761)	(135,647)	373,947
Fund Balances (Deficit) - Beginning of Year	2,932	(1,472,715)	3,227,273	(1,552,270)	1,395,584
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 2,932</u>	<u>\$ (1,240,530)</u>	<u>\$ 2,931,512</u>	<u>\$ (1,687,917)</u>	<u>\$ 1,769,531</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	Capital Projects				
	TID No. 9	TID No. 10	TID No. 11	TID No. 12	TID No. 13
REVENUES					
Taxes	\$ 33,244	\$ 120,688	\$ 219,256	\$ 224,990	\$ 149,089
Intergovernmental	8,005	20,109	60	-	1,497,500
Licenses and Permits	-	-	-	-	-
Public Charges for Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	41,249	140,797	219,316	224,990	1,646,589
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Culture and Recreation	-	-	-	-	-
Conservation and Development	46,473	33,153	47,337	2,914,717	1,556,722
Debt Service:					
Interest and Fiscal Charges	30,130	-	2,332	39,311	-
Capital Outlay	707,327	-	2,975	3,066	2
Total Expenditures	783,930	33,153	52,644	2,957,094	1,556,724
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(742,681)	107,644	166,672	(2,732,104)	89,865
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	1,725,000	-	170,000	2,860,000	-
Premium on Debt Issued	60,257	-	12,182	205,353	-
Proceeds from Sale of Capital Assets	-	1	-	21,030	-
Transfers in	-	-	-	-	-
Transfers out	(211,428)	(516,872)	(259,075)	(89,046)	(185,575)
Total Other Financing Sources (Uses)	1,573,829	(516,871)	(76,893)	2,997,337	(185,575)
NET CHANGE IN FUND BALANCES	831,148	(409,227)	89,779	265,233	(95,710)
Fund Balances (Deficit) - Beginning of Year	(288,859)	(1,080,684)	502,110	1,627,935	463,229
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 542,289</u>	<u>\$ (1,489,911)</u>	<u>\$ 591,889</u>	<u>\$ 1,893,168</u>	<u>\$ 367,519</u>

CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2022

	Capital Projects				
	TID No. 14	TID No. 15	TID No. 16	TID No. 17	Totals
REVENUES					
Taxes	\$ 38,281	\$ -	\$ -	\$ -	\$ 3,913,261
Intergovernmental	-	-	-	-	1,846,885
Licenses and Permits	-	-	-	-	75,778
Public Charges for Services	-	-	-	-	9,900
Miscellaneous	-	-	-	-	584,085
Total Revenues	38,281	-	-	-	6,429,909
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Culture and Recreation	-	-	-	-	133,796
Conservation and Development	13,831	75,127	12,640	20,309	4,840,724
Debt Service:					
Interest and Fiscal Charges	-	2,679	-	22,890	103,611
Capital Outlay	-	-	-	1,556,515	3,891,688
Total Expenditures	13,831	77,806	12,640	1,599,714	8,969,819
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	24,450	(77,806)	(12,640)	(1,599,714)	(2,539,910)
OTHER FINANCING SOURCES (USES)					
Long-Term Debt Issued	-	195,000	-	1,665,000	8,386,430
Premium on Debt Issued	-	13,995	-	119,572	429,632
Proceeds from Sale of Capital Assets	-	-	-	-	21,031
Transfers in	-	-	-	-	922,631
Transfers out	(152,750)	(55,008)	-	-	(3,740,253)
Total Other Financing Sources (Uses)	(152,750)	153,987	-	1,784,572	6,019,471
NET CHANGE IN FUND BALANCES	(128,300)	76,181	(12,640)	184,858	3,479,561
Fund Balances (Deficit) - Beginning of Year	542,490	305,221	(41,022)	(7,991)	5,509,024
FUND BALANCES (DEFICIT) - END OF YEAR	<u>\$ 414,190</u>	<u>\$ 381,402</u>	<u>\$ (53,662)</u>	<u>\$ 176,867</u>	<u>\$ 8,988,585</u>

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2022**

	<u>Health Self Insurance</u>	<u>Dental Self Insurance</u>	<u>Total</u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 2,005,639	\$ 88,633	\$ 2,094,272
LIABILITIES			
Current Liabilities:			
Accounts and Claims Payable	186,095	2,571	188,666
Advance from Other Funds	80,287	10,000	90,287
Total Liabilities	<u>266,382</u>	<u>12,571</u>	<u>278,953</u>
NET POSITION			
Unrestricted	<u>\$ 1,739,257</u>	<u>\$ 76,062</u>	<u>\$ 1,815,319</u>

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Health Self Insurance	Dental Self Insurance	Total
OPERATING REVENUES			
Charges for Services	\$ 2,081,152	\$ 134,781	\$ 2,215,933
OPERATING EXPENSES			
Claims and Administrative Fees	<u>2,414,978</u>	<u>141,618</u>	<u>2,556,596</u>
OPERATING INCOME (LOSS)	(333,826)	(6,837)	(340,663)
NONOPERATING REVENUES			
Interest Income	<u>2,259</u>	<u>26,363</u>	<u>28,622</u>
CHANGE IN NET POSITION	(331,567)	19,526	(312,041)
Net Position - Beginning of Year	<u>2,070,824</u>	<u>56,536</u>	<u>2,127,360</u>
NET POSITION - END OF YEAR	<u><u>\$ 1,739,257</u></u>	<u><u>\$ 76,062</u></u>	<u><u>\$ 1,815,319</u></u>

**CITY OF DE PERE, WISCONSIN
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED DECEMBER 31, 2022**

	Health Self Insurance	Dental Self Insurance	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Interfund Services	\$ 2,081,152	\$ 134,781	\$ 2,215,933
Cash Paid to Suppliers	<u>(2,469,375)</u>	<u>(144,990)</u>	<u>(2,614,365)</u>
Net Cash Provided (Used) by Operating Activities	(388,223)	(10,209)	(398,432)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Interfund Advance Received	62,466	-	62,466
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	<u>2,259</u>	<u>26,363</u>	<u>28,622</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(323,498)	16,154	(307,344)
Cash and Cash Equivalents - Beginning of Year	<u>2,329,137</u>	<u>72,479</u>	<u>2,401,616</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 2,005,639</u></u>	<u><u>\$ 88,633</u></u>	<u><u>\$ 2,094,272</u></u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (333,826)	\$ (6,837)	\$ (340,663)
Change in Operating Assets and Liabilities			
Accounts and Claims Payable	<u>(54,397)</u>	<u>(3,372)</u>	<u>(57,769)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (388,223)</u></u>	<u><u>\$ (10,209)</u></u>	<u><u>\$ (398,432)</u></u>
Noncash Capital and Related Financing Activities			
None			

**CITY OF DE PERE, WISCONSIN
SCHEDULE OF WATER UTILITY OPERATING REVENUES AND EXPENSES
YEAR ENDED DECEMBER 31, 2022**

OPERATING REVENUES

Charges for Services:	
Residential	\$ 3,418,121
Commercial	1,242,815
Industrial	669,670
Public Authority	186,213
Private Fire Protection	131,842
Public Fire Protection	<u>1,299,510</u>
Total Charges for Services	6,948,171
Other Revenues:	
Forfeited Discounts	40,675
Other Water Revenues	<u>281,153</u>
Total Other Revenues	<u>321,828</u>
Total Operating Revenues	7,269,999

OPERATING EXPENSES

Operation and Maintenance:	
Source of Supply	3,688,837
Pumping	122,571
Water Treatment	38,121
Transmission and Distribution	569,183
Customer Accounts	407,276
Administrative and General	<u>374,107</u>
Total Operation and Maintenance	5,200,095
Depreciation	770,604
Taxes	<u>59,380</u>
Total Operating Expenses	<u>6,030,079</u>
Operating Income	<u><u>\$ 1,239,920</u></u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT
FOR BASIC FINANCIAL STATEMENTS**



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

City Council
City of De Pere, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of De Pere, Wisconsin (the City) as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated July 28, 2023.

Report on Internal Control Over Financial Reporting

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and responses, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2022-002 to be a material weakness.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and responses as items 2022-001 and 2022-003 to be significant deficiencies.

City Council
City of De Pere, Wisconsin

Report on Compliance and Other Matters

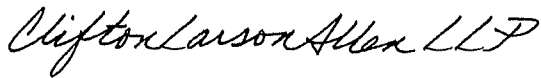
As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect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

City of De Pere, Wisconsin's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and responses. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Green Bay, Wisconsin
July 28, 2023

**CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED DECEMBER 31, 2022**

Section I – Summary of Auditors’ Results

Type of auditors’ report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies) identified?	Yes
Noncompliance material to basic financial statements noted?	No

Section II – Internal Control Over Financial Reporting

FINDING NO.	FINANCIAL STATEMENT FINDINGS
2022-001	Preparation of Annual Financial Report Repeat of Finding 2021-001
Type of Finding:	Significant deficiency in internal control over financial reporting.
Condition:	Current City staff maintains accounting records which reflect the City’s financial transactions; however, preparing the City’s annual financial report, including note disclosures, involves the selection and application of specific accounting principles which would require additional experience and knowledge. The City contracts with us and our knowledge of applicable accounting principles, financial statement format, and note disclosures to assist in the preparation of the annual financial report in an efficient manner. Management reviews, approves, and takes responsibility for the fair presentation of the financial statements. However, as independent auditors, CLA cannot be considered part of the City’s internal control system. As part of its internal control over preparation of its financial statements, including disclosures, the City had implemented a comprehensive review procedure to ensure that the financial statements, including note disclosures, are complete and accurate.
Criteria or Specific Requirement:	The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect, and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.
Cause:	City management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.
Effect:	Without our involvement, the City may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.
Recommendation:	We recommend the City continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding accounting principles generally accepted in the United States of America and knowledge of the City’s activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the City is necessary to obtain a complete and adequate understanding of the City’s annual financial report.
View of Responsible Officials:	There is no disagreement with the audit finding.

**CITY OF DE PERE, WISCONSIN
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2022**

Section II – Internal Control Over Financial Reporting (Continued)

FINDING NO.	FINANCIAL STATEMENT FINDINGS
2022-002	Adjustments to the City's Financial Records
	Repeat of Finding 2021-002
Type of Finding:	Material weakness in internal control over financial reporting.
Condition:	As part of our audit, we proposed adjusting journal entries that were material to the City's financial statements.
Criteria or Specific Requirement:	Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.
Cause:	While City staff maintains financial records which accurately report revenues and expenditures throughout the year, preparing year-end adjusting and closing entries requires additional expertise that would entail additional training and staff time to develop.
Effect:	Year-end financial records prepared by the City may contain material misstatements.
Recommendation:	We recommend the City designate an individual to obtain additional training in order to prepare the adjusting and closing entries. We are available to assist the individual in obtaining the understanding to prepare these entries.
View of Responsible officials:	There is no disagreement with the audit finding.
FINDING NO.	FINANCIAL STATEMENT FINDINGS
2022-003	Journal Entry Documentation
Type of Finding:	Significant Deficiency in internal control over financial reporting.
Condition:	The City was unable to provide supporting documentation to support certain transactions recorded in the general ledger.
Criteria or Specific Requirement:	Maintaining adequate supporting documentation is an important process to document the purpose of a transaction but also to justify why the transaction was necessary and to document how the transaction was calculated.
Cause:	The City Finance Director retired and the information could not be found after departure.
Effect:	The City is unable to provide support to demonstrate how certain transactions were calculated or why they were recorded.
Recommendation:	We recommend the City review its policies regarding record retention and journal entry procedures.
View of Responsible officials:	



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