



Common Council

Regular Meeting

335 South Broadway
De Pere, WI 54115
<http://www.de-pere.org>

Agenda

Tuesday, October 20, 2020

7:30 PM

Pursuant to Wisconsin Statutes 19.84, Notice is hereby given to the public that a meeting of the **Common Council** of the City of De Pere will be held on **October 20, 2020** at **7:30 PM**.

Due to the current public health emergency, the meeting will be held electronically and the public may attend this meeting electronically or telephonically by accessing either:

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 WILL NOT BE HELD IN PERSON.

This meeting may also be rebroadcast on TV throughout the week and available on demand at www.depere.tv.

I. Call to Order

1. Roll Call
2. Approval of the minutes of the October 6, 2020 Common Council meeting.
3. Recommendation from Finance/Personnel Committee to approve 2021 Benefit Renewal and Plan Design Changes
4. Recommendation from the License Committee on the Application for Change of Agent submitted by Kwik Trip #127.
5. Ordinance #20-18 Amending § 150-22(2) De Pere Municipal Code Regarding Overnight Parking.
6. Ordinance #20-19 Establishing Salaries for Elected Officials for the City of De Pere (2022 and 2023).
7. Resolution #20-107 Authorizing Extension of Agreement for Contractor Services Between the City of De Pere and One Curb 'n Decor LLC (Nicolet Alley Snow Removal).
8. Resolution #20-108 Authorizing Green Bay Electronics Record Program Software Sub-License and Service Agreement.
9. Resolution #20-109 Authorizing Agreement Regarding the Sale and Purchase of Property Between the City of De Pere, Song Industries, Inc. and Bowman Commercial Holdings, LLC [Parcel ED-344-102-5]
10. Resolution #20-110 Approving the Eighth Amendment to Central Brown County Water Authority Water Purchase and Sale Contract.

11. Resolution #20-111 Authorizing Memorandum of Understanding Regarding Continuity of Election Operation Plan - Brown County (2020 Presidential Election).
12. Presentation of and Action on 2019 Preliminary Audit Management Letter and Financial Statements.
13. Review and Discussion of Community Equity and Inclusion Survey Results (Request of Ald. Raasch).
14. Voucher approval.
15. Future agenda items.
16. Adjournment.

Carey Danen
City Clerk

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.

Agenda Sent To:

Alderspersons
City Administrator
Mayor
Department Heads
TV, Newspapers & Radio Stations
Kress Family Library
De Pere Chamber of Commerce
Sandra Perkins
Nicolas Sparacio, Central Brown County Water Authority
Bowie Retzlaff, One Curb N Décor
Cort Condon, Condon & Herald
Chuck Koehler, Herrling Clark Law Firm
Doug Stecker, Keller



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Carey Danen

SUBJECT: Approval of the minutes of the October 6, 2020 Common Council meeting.

ATTACHMENTS:

- 10-6-20 Common Council Minutes Draft (PDF)



Common Council

Regular Meeting

335 South Broadway
De Pere, WI 54115
<http://www.de-pere.org>

Draft Minutes

Tuesday, October 6, 2020

7:30 PM

1. Call to Order. The meeting was called to order at 7:30 PM by Alderperson Dean Raasch.

Attendee Name	Title	Status	Arrived
Dan Carpenter	Alderperson	Present	
Mike Eserkaln	Alderperson	Present	
Jonathon Hansen	Alderperson	Present	
Amy Chandik Kunding	Alderperson	Present	
Shana Defnet Ledvina	Alderperson	Present	
Casey Nelson	Alderperson	Present	
Dean Raasch	Alderperson	Present	
Kelly Ruh	Alderperson	Present	
James Boyd	Mayor	Excused	

2. Approval of the minutes of the September 15, 2020 Common Council meeting.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Casey Nelson, Alderperson
SECONDER:	Jonathon Hansen, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

3. Public Hearing on a request to amend the 2010 City of De Pere Comprehensive Plan Update for the following property: part of Parcel ED-649-H-3-2 at 347 Libal Street to change the Future Land Use from 'Institutional/Governmental Facilities' to 'Commercial'.

A. Notice of Public Hearing.

City Clerk Carey Danen reported that the public hearing notice was published in the Green Bay Press-Gazette on September 5, 2020.

B. Recommendation from the Plan Commission.

Development Services Director Dan Lindstrom reviewed the proposal to amend the City's Comprehensive Plan, explaining that when a proposal doesn't meet the future land use designation, applicants have a right to request a review. He noted that tonight is only the first step of the process; any potential parcel split, rezoning, and site plan would be reviewed at a later date. Dan reported that the petitioner hosted a virtual neighborhood information meeting, and he reviewed the steps taken by the City to notify the public as required by statute.

C. Ordinance #20-15 Adopting Amendment #1 to the 2010 Update of the City of De Pere Comprehensive Plan.

Aldersperson Raasch declared the public hearing open. The following residents expressed their opposition to the proposed amendment to the Comprehensive Plan: Terry Hendricks, Cheryl Roarty, Deidre Egan-Ryan and Tom Ryan, Glen Strebel, Amy Koffunus, John & Mary Thoele, Mark Higgins, Brian Rabas, and Dennis Resnowski. Eric Miller, senior warden of St. Anne's Episcopal Church, and De Pere resident and church member Mary Jo Van Gemert spoke in favor of the proposal. Maria Grishina and Andrew Veatch, representatives of development group SimonCRE, explained elements of the applicant's plan that would address neighbors' concerns. No one else wished to speak, so Aldersperson Raasch declared the public hearing closed.

Discussion followed regarding allowed uses for the parcel if the amendment is not approved. Aldersperson Ledvina stated that an exception was made for Aurora back in 1996 for the benefit of the community to have a clinic in that area; she doesn't feel this proposal is in the best interest of the public.

Aldersperson Kunding requested an explanation of the process going forward if the amendment is approved. Dan Lindstrom reported that the applicant would apply for a CSM, rezoning, and site plan review, either separately or together, which would go to Plan Commission and then Council. He explained that if the residents who submitted the petition in tonight's agenda packet wish to do so again, they would have to submit a notarized protest petition, because the rules are different for rezoning. If the protest petition is determined to be valid, then the ordinance requires a 3/4 vote for the rezoning to be approved. Aldersperson Kunding asked if an exclusion could be placed on a rezoning, such as a stipulation against chain retail stores. Dan explained that the City cannot do that, unless it is specifically written in the City's zoning code.

Aldersperson Hansen stated that he thinks there are some commercial uses which could potentially fit this parcel, but he's not comfortable voting for the amendment because it opens up too many issues.

Alderspersons Ruh and Carpenter both stated they think the potential business type is a separate consideration, and that this process should go forward with due diligence from Council.

Aldersperson Nelson stated that he doesn't feel this amendment would alter the character of the neighborhood. He supports the change because he feels that Council should look at the benefit to the entire City; Council members would still have input on what type of business goes in there.

Aldersperson Raasch indicated that he is in favor of the amendment, and that Council should consider opportunities for the City as a whole; he feels it is already part of a commercial district because of the business zoning across the street in Ledgeview.

A roll call vote on the motion resulted in a tie; because Mayor Boyd was not present to cast a tie-breaking vote, the motion failed.

RESULT:	DEFEATED [4 TO 4]
MOVER:	Dan Carpenter, Aldersperson
SECONDER:	Kelly Ruh, Aldersperson
AYES:	Carpenter, Nelson, Raasch, Ruh
NAYS:	Eserkaln, Hansen, Kunding, Ledvina

4. Recommendation from Plan Commission to approve a proposed extraterritorial 2 lot certified survey map, with right-of-way dedication, at the 2800 BLK Lawrence DR in the Town of Lawrence (Parcels L-472, L-473).

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dan Carpenter, Alderperson
SECONDER:	Dean Raasch, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

5. Recommendation from the Board of Park Commissioners to Accept a \$250 Donation from the Pink Flamingos to the Recreation Scholarship Fund.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Casey Nelson, Alderperson
SECONDER:	Shana Defnet Ledvina, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

6. Recommendation from the Board of Park Commissioners to Approve Proposed Membership Rates for De Pere Pool Facilities in 2021.

Alderperson Ledvina inquired why seasonal membership rates are double for non-residents, but daily fees are not. Parks Director Marty Kosobucki explained that staff tried to replicate other communities' rates.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Casey Nelson, Alderperson
SECONDER:	Dean Raasch, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

7. Request from Parks Director to accept donation from De Pere Baseball in the amount of \$12,700 toward Gandrud Field at Southwest Park.

RESULT:	ACCEPTED [UNANIMOUS]
MOVER:	Dan Carpenter, Alderperson
SECONDER:	Kelly Ruh, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

8. Recommendation from the License Committee for the application for Class "A" Fermented Malt Beverage License and "Class A" Intoxicating Liquor License for M & H Mart LLC (DBA De Pere Mini Mart), 821 George St. Submitted by M & H Mart, LLC; Agent Min Bahadur Bogati Green Bay, WI.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Dan Carpenter, Alderperson
SECONDER:	Shana Defnet Ledvina, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

9. Ordinance #20-16 Amending Chapter 46 of the De Pere Municipal Code Related to Applicability to Condominiums.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jonathon Hansen, Alderperson
SECONDER:	Dean Raasch, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

10. Ordinance #20-17 Amending Sections 7-2(e)(3), 7-2(e)(5), and 7-13(I) De Pere Municipal Code Authorizing the City Clerk to Grant Operator's Licenses.

Alderperson Carpenter thanked the Legal Department and Clerk's Office for their work on this item. In response to Alderperson Hansen's question, City Clerk Carey Danen explained that the License Committee will retain authority to approve retail liquor licenses for restaurants, taverns, and convenience stores. The License Committee will also hear the appeal of any operator license applications denied by the Clerk's Office.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Shana Defnet Ledvina, Alderperson
SECONDER:	Mike Eserkaln, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

11. Resolution #20-104 Ratifying Mayoral Proclamations from August 15, 2020 through October 2, 2020.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jonathon Hansen, Alderperson
SECONDER:	Casey Nelson, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

12. Resolution #20-105 Regarding the Vacation of a Public Thoroughfare (200 Block South Wisconsin Street Adjacent to Parcels ED-812 and ED-920).

City Attorney Judy Schmidt-Lehman explained that the vacation request will be referred to a public hearing.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Dean Raasch, Alderperson
SECONDER:	Shana Defnet Ledvina, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kunding, Ledvina, Nelson, Raasch, Ruh

13. Resolution #20-106 Acceptance of Grant in the amount of \$1,780 from Unisom Credit Union to the Police Department for Training Equipment.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Dean Raasch, Alderperson
SECONDER:	Dan Carpenter, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kundinger, Ledvina, Nelson, Raasch, Ruh

14. Operator License Applications.

Alderperson Carpenter moved, seconded by Alderperson Eserkaln to approve New Operator applications #1-13. Upon vote, motion carried unanimously.

15. Voucher approval.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Jonathon Hansen, Alderperson
SECONDER:	Casey Nelson, Alderperson
AYES:	Carpenter, Eserkaln, Hansen, Kundinger, Ledvina, Nelson, Raasch, Ruh

16. COVID-19 update from Health Department.

Health Director Debbie Armbruster reported that the area's public health departments and health care systems have been very busy over the last few weeks, and have had difficulty keeping up with contact tracing due to the high number of cases. She noted that this tracing has identified a lot of cases from mass gatherings such as weddings and funerals. She stated that all City residents will receive a letter in the next couple of days outlining mitigation strategies that can be taken, and urging the whole community to pitch in to help get a handle on the increase in positive cases.

17. Future agenda items.

None.

18. Adjournment.

Alderperson Kundinger moved, seconded by Alderperson Ledvina to adjourn the meeting at 9:35 PM. Upon vote, motion carried unanimously.

Respectfully submitted,
Carey Danen, City Clerk



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: Human Resources

FROM: Shannon Metzler

SUBJECT: Recommendation from Finance/Personnel Committee to approve
2021 Benefit Renewal and Plan Design Changes

ATTACHMENTS:

- Benefit renewal and plan design changes (PDF)

CITY OF DE PERE MEMO



To: Members of the Finance/Personnel Committee
 From: Shannon Metzler, Human Resources Director
 RE: Consideration of 2021 Benefit Renewal and Plan Design Changes
 Date: October 13, 2020

Note: At the October 13, 2020 Finance/Personnel Committee the below recommendation was approved unanimously.

We continue to monitor the benefit plans provided to the employees to maintain high value, financially stable design and costs. As we plan into 2021, we continually evaluate the fixed costs of the plan. 2020 has been a unique year, however, with that in mind, we are recommending minor changes to the medical plan language this year, but we are recommending a change to the dental claims administrator.

MEDICAL PLAN LANGUAGE RECOMMENDATIONS

These few minor changes are being recommended to follow the standard benefit language provided by UMR.

CURRENT PLAN LANGUAGE	2020 PROPOSED LANGUAGE CHANGES
Nutritional Counseling: Benefit is only available for diabetes and morbid obesity. It is not covered for any other medical diagnosis	Allow nutritional counseling for any other eligible medical diagnosis
Nutritional Supplement – Enteral Feedings: Excluded except for supplies	Covered

At last year's meeting it was requested by one alderperson to review fertility coverage and the associated costs. Here are our findings:

Fertility: Fertility is not typically covered under a self-funded or fully insured health plan. When it is covered, there is a \$10,000 Lifetime maximum for fertility treatment. Another cost is the infertility drugs. The average cost for members within WI Rx that have fertility coverage is \$11,692 annually with a range of \$1,182 to \$24,373. Currently the testing prior to an infertility diagnosis is covered under the medical plan. This coverage is not being recommended at this time.

RENEWAL RATES

Based on the plan performance and the above recommended plan language changes, we are recommending an 8% decrease for 2021 plan year. The rates would as follows:

	CURRENT	RENEWAL
Single:	\$734.39	\$675.64
EE+1:	\$1,366.85	\$1,257.50
Family:	\$2,241.84	\$2,062.49

Retiree Single under 65:	\$969.39	\$891.84
Retiree EE+1 under 65:	\$1,804.24	\$1,659.90
Retiree Family under 65:	\$2,959.23	\$2,722.49
Medicare Single over 65:	\$660.95	\$608.08
Medicare Two over 65:	\$1,321.90	\$1,216.15
Medicare one over one under 65:	\$1,630.34	\$1,499.92

DENTAL PLAN

We have conducted a full competitive analysis of the dental administrators that service this area and are recommending a change from Humana to Delta Dental for 2021. We have been with Humana for some time and have periodically evaluated the market based on pricing as well as service. We have found that Delta will provide a substantially larger network of in network dentists, which will allow for greater discounts to be realized by the City and the employees. Furthermore, we are very comfortable with the member service model that Delta provides, in which all service calls are handled out of a service center in Stevens Point, WI. Finally, we will have the ability to analyze our plan benefits in future years through enhanced reporting. There are some benefit differences being recommended to coincide with the standard language from Delta. These are considered minimal and are a combination of enhancements to the benefit language and reductions with limited impacts to the members on the plan.

RENEWAL RATES

The transition to Delta Dental (self-insured plan) will allow for an approximate decrease of 10% to the rates. The benefits will remain the same as Delta has allowed a mirroring of the current plan. The Care Plus (fully-insured plan) rates will not increase for 2021.

HUMANA		DELTA		DENTAL ASSOCIATES	
CURRENT		RENEWAL		CURRENT	
Single - \$48.44		Single - \$43.60		Single - \$36.34	
Family - \$147.25		Family - \$132.53		Family - \$103.70	

VOLUNTARY VISION PLAN

No Changes to the plan.

RENEWAL RATES

The United Healthcare voluntary vision rates are guaranteed until 1/1/2022.

UNITED HEALTHCARE	
CURRENT	RENEWAL
Single - \$6.31	Single - \$6.31
Employee/Spouse: \$11.97	Employee/Spouse: \$11.97
Employee/Child(ren): \$14.04	Employee/Child(ren): \$14.04
Family - \$19.75	Family - \$19.75

OTHER BENEFITS

The market analysis for our other benefit plan offerings shows that our plans are comprehensive and competitive and we are not recommending any plan design changes.

Please contact me at 339-4045 if you have questions prior to the meeting.



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Ann Ledvina

SUBJECT: Recommendation from the License Committee on the Application for Change of Agent submitted by Kwik Trip #127.

ATTACHMENTS:

- Kwik Trip Agent Change App 10.20.20 (PDF)

Original Alcohol Beverage Retail License Application

(Submit to municipal clerk.)

For the license period beginning: 07/01/2020 ending: 06/30/2020
(mm dd yyyy) (mm dd yyyy)

To the Governing Body of the: ☐ Town of } DEPERE
☐ Village of }
☒ City of }

County of BROWN Aldermanic Dist. No. _____
(if required by ordinance)

Check one: ☐ Individual ☐ Limited Liability Company
☐ Partnership ☒ Corporation/Nonprofit Organization

Applicant's Wisconsin Seller's Permit Number 456000028761403	
FEIN Number 39-1036365	
TYPE OF LICENSE REQUESTED	FEE
☒ Class A beer	\$
☐ Class B beer	\$
☐ Class C wine	\$
☒ Class A liquor	\$
☐ Class A liquor (cider only)	\$ N/A
☐ Class B liquor	\$
☐ Reserve Class B liquor	\$
☐ Class B (wine only) winery	\$
Publication fee	\$
TOTAL FEE	\$

Name (Individual / partners give last name, first, middle; corporations / limited liability companies give registered name)

KWIK TRIP, INC.

An "Auxiliary Questionnaire," Form AT-103, must be completed and attached to this application by each individual applicant, by each member of a partnership, and by each officer, director and agent of a corporation or nonprofit organization, and by each member/manager and agent of a limited liability company. List the full name and place of residence of each person.

President / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
<u>ZIETLOW</u>	<u>DONALD</u>	<u>PAUL</u>	
Vice President / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Secretary / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
Treasurer / Member Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
<u>WROBEL</u>	<u>JEFFREY</u>	<u>JAMES</u>	
Agent Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
<u>PERKINS</u>	<u>SANDRA</u>	<u>LEE</u>	
Directors / Managers Last Name	(First)	(Middle Name)	Home Address (Street, City or Post Office, & Zip Code)
<u>ZIETLOW</u>	<u>DONALD</u>	<u>PAUL</u>	

1. Trade Name KWIK TRIP 127 Business Phone Number 920-336-0312

2. Address of Premises 746 MAIN AVE. Post Office & Zip Code DEPERE 54115

3. Premises description: Describe building or buildings where alcohol beverages are to be sold and stored. The applicant must include all rooms including living quarters, if used, for the sales, service, consumption, and/or storage of alcohol beverages and records. (Alcohol beverages may be sold and stored only on the premises described.)

ONE-STORY FRAME CONSTRUCTION WITH STORAGE IN LOCKABLE WALK-IN COOLER &
CABINETRY ON THE SALES FLOOR AND BEHIND THE SALES COUNTER.

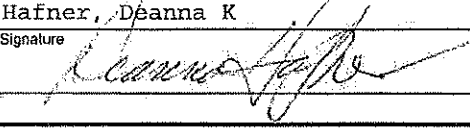
4. Legal description (omit if street address is given above): _____

5. (a) Was this premises licensed for the sale of liquor or beer during the past license year? ☒ Yes ☐ No

(b) If yes, under what name was license issued? KWIK TRIP 127

6. Is individual, partners or agent of corporation/limited liability company subject to completion of the responsible beverage server training course for this license period? **If yes, explain** ☐ Yes ☒ No
7. Is the applicant an employee or agent of, or acting on behalf of anyone except the named applicant? ☐ Yes ☒ No
If yes, explain.
8. Does any other alcohol beverage retail licensee or wholesale permittee have any interest in or control of this business? **If yes, explain** ☐ Yes ☒ No
9. (a) **Corporate/limited liability company applicants only:** Insert state _____ and date _____ of registration.
- (b) Is applicant corporation/limited liability company a subsidiary of any other corporation or limited liability company? **If yes, explain** ☐ Yes ☒ No
- (c) Does the corporation, or any officer, director, stockholder or agent or limited liability company, or any member/manager or agent hold any interest in any other alcohol beverage license or permit in Wisconsin? **If yes, explain.** ☐ Yes ☒ No
10. Does the applicant understand they must register as a Retail Beverage Alcohol Dealer with the federal government, Alcohol and Tobacco Tax and Trade Bureau (TTB) by filing (TTB form 5630.5d) before beginning business? [phone 1-877-882-3277] ☐ Yes ☒ No
11. Does the applicant understand they must hold a Wisconsin Seller's Permit? [phone (608) 266-2776] ☐ Yes ☒ No
12. Does the applicant understand that they must purchase alcohol beverages only from Wisconsin wholesalers, breweries and brewpubs? ☐ Yes ☒ No

READ CAREFULLY BEFORE SIGNING: Under penalty provided by law, the applicant states that each of the above questions has been truthfully answered to the best of the knowledge of the signer. Any person who knowingly provides materially false information on this application may be required to forfeit not more than \$1,000. Signer agrees to operate this business according to law and that the rights and responsibilities conferred by the license(s), if granted, will not be assigned to another. (Individual applicants, or one member of a partnership applicant must sign; one corporate officer, one member/manager of Limited Liability Companies must sign.) Any lack of access to any portion of a licensed premises during inspection will be deemed a refusal to permit inspection. Such refusal is a misdemeanor and grounds for revocation of this license.

Contact Person's Name (Last, First, M.I.) Hafner, Deanna K	Title/Member Licensing Mgr.	Date 10/15/20
Signature 	Phone Number 608-793-6262	Email Address dhafner@kwiktrip.com

TO BE COMPLETED BY CLERK

Date received and filed with municipal clerk 10/15/2020	Date reported to council / board	Date provisional license issued	Signature of Clerk / Deputy Clerk
Date license granted	Date license issued	License number issued	



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: Board of Public Works

FROM: Scott Thoresen

SUBJECT: Ordinance #20-18 Amending § 150-22(2) De Pere Municipal Code Regarding Overnight Parking.

The Board of Public Works at the October 12, 2020 meeting denied changes to De Pere Municipal Code Section 150-22 regarding overnight parking and moved to send it to the Common Council. Upon vote, the motion passed with a 4-1 vote.

ATTACHMENTS:

- Ord20-18 (PDF)
- 2020 1012 CI-BOPW-PTTeam-Recommendations (PDF)
- Memo to Parking & Traffic Team - Alternate Side Parking (PDF)

ORDINANCE #20-18

AMENDING § 150-22(2) DE PERE MUNICIPAL CODE REGARDING OVERNIGHT PARKING

THE COMMON COUNCIL OF THE CITY OF DE PERE, WISCONSIN, DO ORDAIN AS FOLLOWS:

SECTION 1. Section 150-22(2)a., is hereby repealed and recreated as follows:(2) *Overnight parking.*a. *Alternate side parking.* Except as provided herein, alternate side parking regulations shall be in effect on all streets in the City of De Pere as follows:

1. On odd-numbered days, vehicles shall only be parked, stopped or left standing on that side of the street having odd-numbered addresses.
2. On even-numbered days, vehicles shall only be parked, stopped or left standing on that side of the street having even-numbered addresses.
3. The provisions of this section shall only be in effect between the hours of 2:00 a.m. and 5:00 a.m.
4. The provisions of this section shall not supersede more restrictive parking regulations in effect in the City.

SECTION 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 3. This ordinance shall take effect on and after its passage and publication.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

 James G. Boyd, Mayor

ATTEST:

 Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Review: 10/12/2020

Publication Date: _____

CITY OF DE PERE

Public Works Department

925 S. Sixth Street, De Pere, WI 54115 | 920-339-4060 | www.de-pere.org



City Engineer Parking and Traffic Recommendations* Special Discussion

A recommendation for parking modifications is being sent to the Board for consideration. Discussion on this item was held outside of a regular meeting due to the need for time to update/educate the public on parking changes if approved by the Board and Council.

Parking and Parking Lot Items:

1. Update the municipal code to allow overnight parking as discussed on the attached memo.

Recommendation:

- Staff recommends updating the municipal code per the attached draft of Section 150-22.

CITY OF DE PERE MEMO



To: Parking & Traffic Team
From: Kristen Johnson, Assistant City Attorney
Date: October 2, 2020
RE: Alternate Side Parking

The purpose of this memo is to provide information and recommendations on possible alternate side overnight parking in the City of De Pere.

Currently, DPMC Sec. 150-22 prohibits overnight parking between the hours of 2:00 a.m. and 5:00 a.m., Monday through Friday, with certain exceptions. There has been some interest in amending the code to allow for overnight parking on alternate sides of the street. Many municipalities throughout the state adopt an alternate side overnight parking policy, including Madison, Milwaukee, and Eau Claire. Most municipalities implement an alternate side parking policy only during the winter months, typically from sometime in November to sometime in March. By requiring alternate side parking throughout the entire year, the City could ensure that vehicles are not parked in one spot for an extended period of time.

There are several exceptions to the overnight parking prohibition in the current ordinance, including special requests made to the police department and certain long-term parking. These same exceptions could apply to an alternate side parking ordinance. I have attached a draft redline version of a possible ordinance amendment for review. I would also be happy to provide sample ordinances from other municipalities upon request.

Please contact me if you have any questions or would like additional information.

KKJ

Sec. 150-22. - Parking.

When signs are erected giving notice of regulation, limitation or prohibition of parking, no person shall park a vehicle in violation of such regulation, limitation or prohibition.

- (1) *Parking within designated space.* Where parking is allowed and parking spaces are marked upon the surface, all vehicles shall park within the marked spaces except vehicles that are longer than the spaces.
- (2) *Overnight parking.*
 - a. *Alternate side parking. General rule.* Except as provided herein, ~~no person shall permit any trailer, camper or other property capable of being towed, or any motor vehicle licensed in their name or under their use or custody to be parked upon any street, alleyway, parking mall, public parking lot or other public off-street parking area, between the hours of 2:00 a.m. and 5:00 a.m., Monday through Friday.~~ *alternate side parking regulations shall be in effect on all streets in the City of De Pere as follows:*
 1. *On odd-numbered days, vehicles shall only be parked, stopped or left standing on that side of the street having odd-numbered addresses.*
 2. *On even-numbered days, vehicles shall only be parked, stopped or left standing on that side of the street having even-numbered addresses.*
 3. *The provisions of this section shall only be in effect between the hours of 2:00 a.m. and 5:00 a.m.*
 4. *The provisions of this section shall not supersede more restrictive parking regulations in effect in the City.*
 - b. *Exceptions.* This prohibition shall not apply to:
 1. Long-term parking permitted under subsection (3) of this Code.
 2. Parking in those areas designated as 24-hour parking.
 3. The day before, the day of, and the day after the following holidays:
 - i. January 1;
 - ii. Memorial Day;
 - iii. July 4;
 - iv. Labor Day;
 - v. Thanksgiving Day;
 - vi. Day after Thanksgiving;
 - vii. December 24; and
 - viii. December 25.
 4. Exceptions granted by the police department to residents under the following circumstances:
 - i. The request is made during regular police office business hours (Monday—Friday, 8:00 a.m.—4:30 p.m.) or in an emergency, to the sergeant on duty if after 4:30 p.m.;
 - ii. The requester provides information to the police department regarding good cause for the requested exception. "Good cause" means uncommon circumstances experienced by the resident such that motor vehicle parking on private property is improbable or impractical. Examples of "good cause" include:

driveway construction or maintenance, overnight houseguests, or owner/passenger medical condition.

- iii. During each calendar year, no exception shall be granted for longer than three consecutive days and no more than 15 total days of exceptions shall be granted by the police department to any one address within the city unless the police department determines that the "good cause" shown to exist continues through no fault of the resident.
- iv. No exception granted by the police department shall supersede any snow emergency declared.
- c. In addition to the penalties provided for violations of this section, the street superintendent or designee may cause any vehicle to be removed from such street, alleyway, or parking area if such vehicle interferes with snow removal or other public purpose. The costs of towing such vehicle and all other associated charges shall be charged to the owner of such vehicle.

(3) *Long-term parking.*

- a. *No permit required.* Notwithstanding other parking restrictions set forth in this section, long term parking not exceeding 72 hours is permitted without a permit in certain areas identified in Schedule G, found in section 150-23.
- b. *Permit required.* Notwithstanding other parking restrictions set forth in this section, long term parking not exceeding 72 hours is permitted only by annual permit, obtained in advance from the police department, in those areas identified in Schedule G, found in section 150-23.
- c. *Violators subject to parking limitation.* Persons parking in such designated areas without a proper permit are subject to a three-hour parking limitation for such parking area.
- d. *Permit eligibility.* No permit shall be issued by the police department pursuant to subsection b. above except as follows:
 - (i) To owners of businesses abutting Nicolet Square parking lot for use by the business owner or the business owner's employee(s); or
 - (ii) To an employee of a business abutting the Nicolet Square parking lot; or
 - (iii) To a tenant residing in a residential unit of a building abutting the Nicolet Square parking lot.

(4) *Handicap parking.*

- a. *Parking spaces.* No vehicle shall be parked upon any portion of a street, highway or parking facility reserved for handicapped persons by official traffic signs or distinct markings indicating the restriction, unless such parking is permitted under Wis. Stats. §§ 346.503 and 346.505.
- b. *Curb ramps.* No vehicle shall be parked as to obstruct access to or from a handicapped curb ramp.

(5) *Exception to parallel parking on streets.* Except as set forth in this subsection, all vehicles parking on public streets in the city shall be parked parallel to the curbline bearing in the direction of traffic on the right side of the street except that on one-way streets, vehicles may be parked on the left side of the street unless otherwise prohibited. Angle parking, or perpendicular parking, in relation to the curbline of the following designated streets or parts of such streets, is hereby permitted. Vehicles shall be parked at the angle designated by official signs, pavement markings or curbs:

- a. James Street, south side, easterly from North Broadway to the public alleyway.
- b. James Street, north side, from Wisconsin Street to Michigan Street.

- c. Wisconsin Street, east side, from Cass Street southerly a distance of 120 feet.
 - d. Allard Street, east side, from Morning Glory Lane to Park Street.
 - e. Charles Street, south side, from Adams Street to Webster Avenue.
 - f. Wisconsin Street, east side, from Charles Street to Lewis Street.
- (6) *Overtime parking.* No person shall permit a motor vehicle under that person's ownership, custody or control to be parked in any public street, alleyway, parking mall or public parking lot in excess of the time prescribed for such area or space as provided at subsection (10)f and g of this section, as such areas are specifically described in Schedule G, found in section 150-23.
- (7) *Posted/regulated areas.* No person shall permit a motor vehicle under that person's custody, ownership or control to be parked contrary to a posted sign bearing any of the following regulations, which signs shall be posted in the areas designated in Schedule G, found in section 150-23:
- a. No parking.
 - b. No parking here to corner.
 - c. No standing, stopping or parking between signs.
 - d. No parking during school hours.
 - e. No parking, 4:00 p.m. to 9:00 p.m., Monday through Friday, June through August.
 - f. Loading zone.
 - g. Loading zone during school hours.
 - h. Twenty-minute parking, 9:00 a.m. to 6:00 p.m., Monday through Saturday.
 - i. Three-hour parking, 9:00 a.m. to 6:00 p.m., Monday through Saturday.
 - j. No stopping or standing during school hours 7:30 a.m. to 3:30 p.m.
 - k. No stopping or standing during school hours 7:30 a.m. to 4:00 p.m.
 - l. Three-hour parking, 9:00 a.m. to 6:00 p.m. Monday through Saturday except Thursdays 10:00 a.m. to 8:00 p.m. from the third Thursday in June through and including the last Thursday in September.
 - m. Long-term parking, except Thursdays from 10:00 a.m. to 8:00 p.m. from the third Thursday in June through and including the last Thursday in September.
 - n. Buses only during school hours.
 - o. Three-hour parking during school hours.
 - p. Three-hour parking 7:00 a.m. to 4:00 pm. on school days.
 - q. No stopping or standing.
 - r. Long-term parking.
 - s. Three-hour parking with long term permit.
 - t. Reserved parking for River Thyme May 1 through October 31.
 - u. Park parking only.
 - v. Handicap parking.
 - w. Buses loading and unloading only.
 - x. Long-term parking November 1 through April 30.
 - y. Vehicle with trailer parking only.

(Code 1974, § 43.22; Ord. No. 00-06, § 1, 4-5-2000; Ord. No. 02-07, §§ 2—6, 3-19-2002; Ord. No. 03-03, §§ 1-3, 1-21-2003; Ord. No. 04-10, § 2, 3-16-2004; Ord. No. 05-24, § 1, 7-19-2005; Ord. No. 06-41, § 1, 11-21-2006; Ord. No. 12-02, § 1, 2-7-2012; Ord. No. 15-01, § 2, 1-6-2015; Ord. No. 15-24, § 3, 8-18-2015; Ord. No. 15-34, § 1, 12-15-2015; Ord. No. 18-08, §§ 1, 2, 3-6-2018; Ord. No. 19-22, § 3, 10-7-2019; Ord. No. 20-02, §§ 1, 3, 3-17-2020)



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: Human Resources

FROM: Shannon Metzler

SUBJECT: Ordinance #20-19 Establishing Salaries for Elected Officials for the City of De Pere (2022 and 2023).

ATTACHMENTS:

- Ord20-19 (PDF)
- Mayor & CC - Ord 20-19 Setting Elected Salaries (PDF)
- Mayor Council Salaries for 2022 and 2023 II (PDF)
- Mayor Alderperson Comparables (PDF)
- Summary of Position Salaries (PDF)

ORDINANCE #20-19
ESTABLISHING SALARIES FOR ELECTED OFFICIALS
FOR THE CITY OF DE PERE
(2022-2023)

Section 1. The annual salaries to be paid for the Officers enumerated below shall be as follows:

<u>Office</u>	<u>Effective Date</u>	<u>Annual Salary</u>
Mayor	May 1, 2022	\$26,126
Mayor	May 1, 2023	\$26,649
Aldersperson	May 1, 2022	\$7,489
Aldersperson	May 1, 2023	\$7,639

Section 2. Any other regulation, ordinance, or rule set forth in the De Pere Municipal Code that conflicts with this ordinance is hereby repealed.

Section 3. This ordinance shall take effect upon its passage and publication according to law.

Adopted by the Common Council of the City of De Pere, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Approval: 10/13/20

Publication Date: _____

Effective Date: _____

CITY OF DE PERE MEMO



To: Mayor James G. Boyd
Common Council Members

From: Judith Schmidt-Lehman, City Attorney

Date: October 20, 2020 (meeting date)

RE: Ordinance #20-19 Establishing Salaries for Elected Officials for the City of De Pere

The purpose of this memo is to explain state law requirements for setting alderperson and mayoral official salaries.

The process for setting local elected official salaries is found in Wis. Stats. §62.09(6), which provides:

(6) COMPENSATION.

(a) Salaries shall be paid the mayor or alderpersons only when ordered by a vote of three-fourths of all the members of the council.

(am)

1. In this paragraph, "compensation" means a salary, a per diem compensation for each day or part of a day necessarily devoted to the service of the city and the discharge of duties, or a combination of salary and per diem compensation.
2. Except as provided in subd. [3.](#), and subject to par. [\(a\)](#), the compensation for an elective city office shall be established before the earliest time for filing nomination papers for the office. After that time, no change may be made in the compensation for the office that applies to the term of office for which the deadline applies. The compensation established for an elective office remains in effect for ensuing terms unless changed.
3. In a newly incorporated city, the compensation for an elective office may be established during the first term of office.

This statute establishes a timeframe in which salaries can be adjusted in order to prohibit current elected officials from setting their own salary. The language, located in (6)(am)2 above, states that "... *compensation for an elective office shall be established before the earliest time for filing nomination papers for the office.*" Under a different statute [Wis. Stats. §8.10(2)(a)] nomination papers are filed " ...no sooner than December 1 preceding a spring election." For the City's purposes therefore, any compensation changes for the four (4) aldermanic seats

open in 2021 must be set before December 1, 2020; for the four (4) aldermanic seats open in 2022, that deadline is December 1, 2021. In order to maintain consistent compensation for all alderpersons serving together, compensation changes have historically been projected out the additional year. Current salaries remain in effect until changed.

Finally, the statute requires that ordinances changing salaries for elected officials be approved by a three-quarters vote of all of the members of the council as opposed to the general rule of passage by a majority of the council. In the case of an eight (8) member council, the $\frac{3}{4}$ requirement equates to at least six (6) votes in favor of the ordinance for passage.

As with some other statutes, this one requires some navigation to see the whole picture. If you have any questions regarding this ordinance or the statutory requirements, please let me know.

JSL

MEMO

CITY OF DE PERE

To: Members of the Finance/Personnel Committee
 From: Shannon Metzler, Human Resources Director
 Re: Determine Salaries for Mayor and City Council for 2022 and 2023
 Date: October 13, 2020

Note: At the October 13, 2020 Finance/Personnel Committee a recommendation was made to approve a 2% increase for Mayor and Council salaries for years 2022 and 2023.

Salaries for the positions of Mayor and Council are reviewed every other year and set forward for the next two term years. As 2021 is approaching, it is time to decide on salaries for 2022 and 2023.

Attached is a survey of Mayor/Alderspersons salaries from other communities. Also attached is a history of the salary increases in previous years.

For your information, listed below are the salaries approved for 2020 through 2021 showing what was approved by the City Council in previous years. Also for your information, the 2021 general market rate is around 2.1%-2.4%. A 2.0% increase was budgeted for our non-represented employees.

Mayor	May 1, 2020	\$25,112
	May 1, 2021	\$25,614
Council	May 1, 2020	\$7,198
	May 1, 2021	\$7,342

If you have any questions before the meeting, please feel free to contact me at 339-4045.

Thank you.

Mayor/Aldersperson Comparables

Municipality	Population	Position	2019-2020 Salary	Full Time City Administrator	Notes
De Pere*	24,595	Village President/Mayor Trustee/Council Member	\$24,620 \$7,057		
Allouez	13,757	Village President/Mayor Trustee/Council Member	Village president \$10,000 annual salary, part time 6 Village trustees \$6,732 annual salary	Full Time Village Administrator	
Ashwaubenon	Just under 18,000	Village President/Mayor Trustee/Council Member	\$30,000 annually; considered a full-time job (6) - \$8,000 annually	Village Manager - position currently open; 2020 salary is \$128,408.54	
Menasha	17,468	Village President/Mayor Trustee/Council Member	Mayor \$64,00 (2019) \$65,500 (2020) first increase in many years Council Members we have 8 Council Members (\$5190.00/each annual) and 1 acts as the President (\$5490.00 annual)	No we do not	
WI Rapids	17,696	Village President/Mayor Trustee/Council Member	\$74,616 annual - full-time position \$490/mth	No	
Marshfield	19,478	Village President/Mayor Trustee/Council Member	He is part-time and makes \$22,500 per year plus an in-town expense account of \$150.00 \$382.50/month (\$4,590/year) reduced by \$100 per month for any month in which a member misses 2 or more required Council/Committee meetings (Board of Public Works or Finance, Budget, and Personnel). In addition, alderperson receive \$45.00 per special Common Council meeting attended	Yes, we have a full-time City Administrator	

Mayor/Aldersperson Comparables

Municipality	Population	Position	2019-2020 Salary	Full Time City Administrator	Notes
Mequon	24,086	Village President/Mayor	Part time Mayor; Annual stipend of \$9,600 (paid monthly \$800)	Yes, we have a full-time City Administrator	
		Trustee/Council Member	Annual stipend of \$4,800 (paid monthly \$400)		
Neenah	26,062	Village President/Mayor	\$79,250	(Full Time Mayor- No City Admin)	
		Trustee/Council Member	\$5,280	Part Time	
Sun Prairie	35,895	Village President/Mayor	PT Mayor \$21,245 and PT Council President \$10,712/year	Yes, Full Time Administrator	
		Trustee/Council Member	\$6963/year		
West Bend		Village President/Mayor	\$79,250 (Full-time)	No	
		Trustee/Council Member	\$4,800 - \$5,280		President receives add'l \$60/month
Manitowoc	32,627	Village President/Mayor	\$73,773 full-time	No city administrator	iPad
		Trustee/Council Member	\$260 per month plus new iPad each year serving		
Germantown	20,590	Village President/Mayor	Part Time Village President \$8000 per year with \$200 monthly stipend	Full Time Administrator 2020 Salary \$123,013 \$150.00 per month vehicle allowance	
		Trustee/Council Member	Part time Trustees \$5,500 per year with \$100 monthly stipend		
City of Devlin	8,310	Village President/Mayor	\$3,600	Part Time	
		Trustee/Council Member	\$2,400		\$100 monthly car allowance
City of Merrill	9,085	Village President/Mayor	\$12,600	Part Time	
		Trustee/Council Member	\$3,719		Plus various per-meeting payments
City of Pewaukee	14,917	Village President/Mayor	\$10,500	Part Time	\$1,350 auto allowance
		Trustee/Council Member	\$6,500		\$800 auto allowance
Kaukauna	16,246	Village President/Mayor	\$82,957	Full Time	
		Trustee/Council Member	\$4,200	Part Time	
City of Oconomowoc	17,212	Village President/Mayor	\$26,212	Part Time	\$275/month car, \$40/month cell, WRS benefitis
		Trustee/Council Member	\$6,436	Part Time	

Mayor/Alderpersion Comparables

Municipality	Population	Position	2019-2020 Salary	Full Time City Administrator	Notes
City of Superior	26,101	Village President/Mayor	\$86,955	Full Time (Full Time Mayor- No City Admin)	
		Trustee/Council Member	\$4,993	Part Time	\$1,938 annually for expenses
City of Fitchburg	30,170	Village President/Mayor	\$10,000	Part Time	
		Trustee/Council Member	\$5,000	Part Time	
City of West Bend	31,590	Village President/Mayor	\$7,618	Part Time	\$150/month expense allowance
		Trustee/Council Member	\$4,236	Part Time	\$30/month expense allowance
City of Franklin	35,628	Village President/Mayor	\$16,800	Part Time	\$400/month for mileage
		Trustee/Council Member	\$7,200	Part Time	\$150 for mileage
City of Brookfield	38,972	Village President/Mayor	\$110,835	Yes (Full Time Mayor- No City Admin)	
		Trustee/Council Member	\$9,911		\$9911
City of La Crosse	51,567	Village President/Mayor	\$89,000	Yes	
		Trustee/Council Member	\$6,000		
City of Kenosha	100,164	Village President/Mayor	\$88,392	Yes	
		Trustee/Council Member	\$6,000		\$50/day travel + \$100/day for 6 hours or more meeting attendance or \$50 for half day or less + \$130/month tech stipend + \$50 for each day for attendance at any meeting of the Common Council or a committee thereof
Milwaukee	592,025	Village President/Mayor	\$147,335	Yes	
		Trustee/Council Member	\$82,749		
*Rates listed for City of De Pere are the approved 2020-2021 rates.					

Summary of Position Salaries

	<u>Mayor</u>	<u>Alderspersons</u>
2000	\$18,658	\$5,511
% Increase	0.00%	0.00%
2001	\$18,658	\$5,511
% Increase	3.00%	3.00%
2002	\$19,218	\$5,676
% Increase	3.00%	3.00%
2003	\$19,795	\$5,846
% Increase	1.50%	1.50%
2004	\$20,092	\$5,934
% Increase	1.50%	1.50%
2005	\$20,393	\$6,023
% Increase	1.50%	1.50%
2006	\$20,699	\$6,113
% Increase	1.50%	1.50%
2007	\$21,009	\$6,205
% Increase	1.50%	1.50%
2008	\$21,324	\$6,298
% Increase	1.50%	1.50%
2009	\$21,644	\$6,392
% Increase	1.50%	0.00%
2010	\$21,969	\$6,392
% Increase	1.50%	0.00%
2011	\$22,299	\$6,392
% Increase	0.00%	0.00%
2012	\$22,299	\$6,392
% Increase	0.00%	0.00%
2013	\$22,299	\$6,392
% Increase	0.00%	0.00%
2014	22,299	6,392
% Increase	2.00%	2.00%
2015	22,745	6,520
% Increase	2.00%	2.00%
2016	23,200	6,650
% Increase	2.00%	2.00%
2017	23,664	6,783
% Increase	2.00%	2.00%
2018	\$24,137	\$6,919
% Increase	2.00%	2.00%
2019	\$24,620	\$7,057
% Increase	2.00%	2.00%
2020	\$25,112	\$7,198
% Increase	2.00%	2.00%
2021	\$25,614	\$7,342
% Increase	2.00%	2.00%



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: Board of Public Works

FROM: Scott Thoresen

SUBJECT: Resolution #20-107 Authorizing Extension of Agreement for Contractor Services Between the City of De Pere and One Curb 'n Decor LLC (Nicolet Alley Snow Removal).

The Board of Public Works at the October 12, 2020 meeting approved One Curb N Décor for snow removal services for Nicolet Alley for the 2020-2021 snow season and moved to send it to the Common Council for approval. The motion passed with a 5-0 vote.

ATTACHMENTS:

- Reso20-107 (PDF)
- Extension of Contractor Agreement - One Curb 'n Decor10-13-20 (PDF)
- Exhibit 1- One Curb 'n Decor (Nicolet Alley Snow Removal) Contractor Agreement Extension (PDF)
- Exhibit A-One Curb 'n Decor (Nicolet Alley Snow Removal)Contractor Agreement Extension (PDF)
- 2020 1012 Nicolet Alley Snow Removal Memo (PDF)
- 2020 1012 Nicolet Alley Snow Removal Quotes (PDF)

RESOLUTION #20-107

AUTHORIZING EXTENSION OF AGREEMENT FOR CONTRACTOR SERVICES
BETWEEN THE CITY OF DE PERE AND ONE CURB 'N DÉCOR LLC
(Nicolet Alley Snow Removal)

WHEREAS, the City and One Curb 'n Décor LLC are parties to an Agreement for Contractor Services dated January 22, 2020 ("Contractor Agreement"); and

WHEREAS, One Curb 'n Décor LLC has submitted the lowest responsive quote to provide snow and ice removal services in Nicolet Alley for the 2020-2021 winter season; and

WHEREAS, the City and One Curb 'n Décor LLC wish to enter into the Extension of Agreement for Contractor Services attached and incorporated hereto as Exhibit 1; and

WHEREAS, this matter has been reviewed by the Board of Public Works which recommends approval thereof.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

The Mayor and City Clerk are authorized and directed to enter into such Extension of Agreement for Contractor Services, as is attached hereto.

BE IT FURTHER RESOLVED THAT:

All City officials, officers and employees are further authorized and directed to take such steps as are lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Approval: 10/12/2020

**EXTENSION OF CONTRACTOR SERVICES AGREEMENT
BETWEEN THE CITY OF DE PERE AND ONE CURB 'N DÉCOR, LLC**
(Nicolet Alley Snow Removal)

THIS EXTENSION is entered into this ____ day of _____, 2020, by and between the City of De Pere, a Wisconsin municipal corporation ("City") and One Curb 'n Décor, LLC, a Wisconsin limited liability company ("Contractor"), collectively referred to as the "Parties."

WHEREAS, the City and Contractor are parties to a Contractor Services Agreement dated January 22, 2020, for the purposes of snow and ice removal from Nicolet Alley during the winter months in order to maintain public pedestrian access ("the Agreement"), a copy of which is attached hereto and incorporated by reference as Exhibit 1; and

WHEREAS, Contractor has submitted the lowest quote for snow and ice removal services for the 2020-2021 winter season, and the parties wish to extend the Agreement for a subsequent term by mutual consent as provided herein.

NOW THEREFORE, the Parties hereby agree to renew and extend the Agreement between them as follows:

1. The term of the Agreement is hereby extended to include the 2020-2021 winter season.
2. Exhibit A of the Agreement shall be deleted in its entirety and replaced with Exhibit A attached hereto.
3. Unless specifically modified in this Extension, all other provisions of the Agreement shall remain in full force and effect.

Dated this ____ day of _____, 2020.

[signatures to follow on Page 2 of 2]

ONE CURB 'N DÉCOR LLC

By:

Bowie Retzlaff, Managing Member

CITY OF DE PERE

By:

James G. Boyd, Mayor

Carey E. Danen, City Clerk

J:\Law\Agreements\2020\Extension of Contractor Agreement-One Curb 'n Decor10-13-20-161-002-19.docx

**AGREEMENT FOR CONTRACTOR SERVICES BETWEEN THE CITY OF DEPERE
AND ONE CURB 'N DÉCOR, LLC
(Nicolet Alley Snow Removal)**

THIS AGREEMENT, made and entered into on this 22 day of January 2020, by and between the City of De Pere ("City") and One Curb 'n Décor, LLC ("Contractor").

WITNESSETH

WHEREAS, City wishes to maintain the public pedestrian access to Nicolet Alley during the winter months and is need of snow removal services; and

WHEREAS, Contractor is available and offers to provide qualified personnel and equipment necessary to accomplish such services within the required timeframe.

NOW THEREFORE, City and Contractor agree as follows:

I. SCOPE OF CONTRACT SERVICES

The Work contracted for hereunder is as described in Contractor's Estimate, attached hereto and incorporated herein as Exhibit A. If there is a conflict between the terms of Exhibit A and this Agreement, the terms of this Agreement shall prevail.

If, during the course of performing the Work, City and Contractor agree that it is necessary to make changes in the Work as described in the exhibit, such changes will be incorporated into this Agreement by written amendment, signed by the parties.

II. COMPENSATION

Contractor shall bill monthly based upon the number snow events/visits as identified in Contractor's Estimate (Exhibit A).

III. INSURANCE

A. The Contractor shall maintain during the term of this Agreement, the following minimum public liability and property damage insurance to cover claims for injuries, including accidental death, as well as from claims for property damages which may arise from the performance of work under the Agreement as stated below:

1. Comprehensive general liability insurance, including personal injury liability, blanket contractual liability and broad form property damage liability. The combined single limit for bodily injury and property damage shall not be less than \$1,000,000 per occurrence, with additional umbrella liability insurance coverage to a total of not less than \$4,000,000.

2. Automobile bodily injury and property damage liability insurance covering owned, non-owned, rented and hired cars, mobile equipment and specialized equipment. The combined single limit for bodily injury and property damage shall be not less than \$1,000,000.
3. Statutory workers compensation and employers' liability insurance as required by the state having jurisdiction.

B. Proof of Insurance. Contractor shall furnish the City with a Certificate of Insurance and additional insured endorsement countersigned by a Wisconsin Resident Agent or Authorized Representative of the insurer indicating that the Contractor meets the insurance requirements identified above. The Certificate of Insurance shall include a provision prohibiting cancellation of said policies except upon 30 days' prior written notice to the City and shall name the City as an additional insured under Contractor's general and professional liability policies for the specific contract or project covered. A copy of the Certificate of Insurance and endorsement shall be delivered to the City prior to execution of the agreement for final approval.

IV. INDEMNIFICATION

The Contractor shall indemnify and hold harmless the City, its officers, directors and employees from and against all claims, damage, losses, and expenses including reasonable attorney's fees arising out of or resulting from the performance of the work specified in this Contract, provided that any such claim damage, loss or expense is caused in whole or in part by any negligent or intentional act or omission of the Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a part indemnified hereunder.

V. LEGAL RELATIONS AND PUBLIC RESPONSIBILITY

1. LAWS TO BE OBSERVED. The Contractor shall at all times observe and comply with all federal, state, and local laws, regulations and ordinances which are in effect or which may be placed in effect during the contract period and which in any manner affect the conduct of the work. The Contractor shall indemnify and save harmless the City and its officers, agents and employees against any claim or liability arising from or based on the violation of any such law, ordinance, or regulation, whether by Contractor or its employees, subcontractors, or agents.
2. CONTRACTOR RECORDS. Contractor acknowledges that, as a contractor of a Wisconsin Municipality, Wis. Stats. §19.36(3) applies to it and records produced by it pursuant to this contract are subject to the public records law to the extent that they would otherwise be if maintained by the City of De Pere. Contractor agrees

that, within 10 business days of a written request of the City of De Pere, it shall forward such records as are requested by the City of De Pere. Such records shall be in the format requested by City of De Pere provided that such records are kept and maintained in that format.

3. PERMITS AND LICENSING. The Contractor shall procure all permits and licenses necessary and incidental to the work required hereunder.
4. WORK SAFETY AND HEALTH. The Contractor shall comply with all federal, state and local laws governing work safety and health and shall provide all safeguards, safety devices and protective equipment, and take any other needed actions as the Contractor may determine reasonably necessary, to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.
5. RESPONSIBILITY FOR DAMAGE CLAIMS. The Contractor and its surety shall indemnify and save harmless the City and all of its officers, officials, agents and employees from all suits, actions or claims of any character brought because of any injuries or damages received or sustained by any person, persons, or property on account of the operations of the said Contractor; or because of any act or omission, neglect or misconduct of said Contractor; or from any claims or amounts arising or recovered under the worker's compensation law; or any other law, ordinance, order or decree; and so much of the money due the said Contractor under and by virtue of this contract as shall be considered necessary by the Board of Public Works for such purposes, may be retained for the use of the City; or, in case no money or insufficient money is retained, the Contractor's surety shall be held.

It shall be the Contractor's responsibility to see that all of the contract operations incidental to the completion of this contract are covered by public liability and property damage liability insurance in order that the general public or any representative of the contracting authority may have recourse against a responsible party for injuries or damages sustained as a result of said contract operations. This requirement shall apply with equal force, whether the work is performed by the Contractor, or by a Subcontractor or by anyone directly or indirectly employed by either of them.

6. PERSONAL LIABILITY OF PUBLIC OFFICIALS. In carrying out any of the provisions of this contract or in exercising any power or authority granted to them thereby, there shall be no personal liability upon the City, its officers, officials, agents and employees, it being understood that in such matters they act as agents and representatives of the City. Any right of action by the Contractor against the City, or its agents or employees, is hereby expressly waived.

VI. INTEGRATION

This Agreement represents the entire understanding of the City and Contractor as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties.

VIII. JURISDICTION

This Agreement shall be administered and interpreted under the laws of the State of Wisconsin. Jurisdiction of litigation arising from this Agreement shall be in Wisconsin. If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of this Agreement shall be in full force and effect.

IX. TERMINATION

The City may terminate this Agreement for its convenience. Either the City or the Contractor may terminate this Agreement in the event the other party fails to perform in accordance with the provisions of this Agreement. Termination of this Agreement is accomplished by 15 days prior written notice from the party initiating termination to the other. Notice of termination shall be delivered by certified mail with receipt for delivery returned to the sender.

X. MEDIATION

All claims, disputes and other matters in question between the parties of this Agreement arising out of or relating to this Agreement or breach thereof, which are not disposed by mutual agreement of the parties, shall be subject to mediation as a condition precedent to the institution of legal proceedings by either party. If such claim, dispute or other matter involves a lien arising out of the Contractor's services, the Contractor may proceed in accordance with applicable law to comply with lien notice and filing deadlines prior to resolution of the matter by mediation.

The City and Contractor shall attempt to resolve claims, disputes and other matters in question between them by mediation in accordance with the Rules of the American Arbitration Association currently in effect unless the parties agree otherwise. A request for mediation shall be filed in writing with the other party to this Agreement and, if applicable, the American Arbitration Association. The request may be made concurrently with the filing of a civil action, but mediation shall proceed in advance of legal proceedings, which may be stayed pending mediation for a period of 60 days from the date of filing unless a longer period is agreed to by the parties or required by a court order.

The parties shall share the mediator's and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

XI. NOTICES

Any notification required or needed under the contract shall be sent to the following:

If to City:

City of De Pere
Attention: Public Works Director
925 South Sixth Street
De Pere, WI 54115

If to Contractor:

One Curb 'n Décor, LLC
Attention: Mr. Bowie Retzlaff
4651 Sportsman Drive
De Pere, WI 54115

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement as of the day and year first above written.

ONE CURB 'N DÉCOR LLC

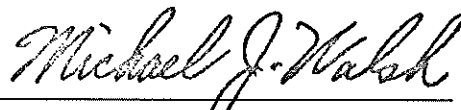
By:



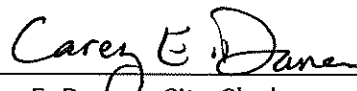
Bowie Retzlaff, Managing Member

CITY OF DE PERE

By:



Michael J. Walsh, Mayor



Carey E. Danen, City Clerk

Approved as to Form:



City Attorney

J:\Law\Agreements\2019\Contractor Agreement One Curb 'n Décor LLC (Nicolet Alley Snow Removal)11-14-19.docx

Exhibit 1
Page 6 of 9

One Curb 'n Décor, LLC
dba. Curb 'n Décor, LLC
4651 Sportsman Dr.
De Pere, WI 54115
920 562 4105
www.curbndecor.com

page 1

Work Order

Date:	11/12/2019
Project Number:	
Estimate Number:	146

Customer Billing Information		Jobsite- if different from billing address
Name	City of De Pere Attn: Tony Fietzer	
Address	925 S. 6th St.	Nicolet Alley
Address	De Pere, WI 54115	De Pere
Phone	(920) 339-4060	
Email		

Project Information

Snow removal services to be performed throughout the months of November 2019 thru May 2020. Below are the prices per snow event.

\$55 per snow event of 1" - 3"
\$70 per snow event of 3.1" - 6"
\$85 per snow event of 6.1" - 10"
\$100 per event of 10.1" and over
\$75 per event Salting of alley

Estimated pricing provided above. If you would like to be placed on our schedule we ask that you sign and send the estimate back.

Agreement

By signing this estimate you are agreeing to our terms and conditions of this contract. We ask for monthly payments according to how many visits are made each month. Snow billing will be sent out within the first week of each month with net 30 terms. Outstanding balances will incur a 1.5% monthly interest charge with an 18% APR. If signed, this snow contract is valid from November, 2019 thru May, 2020.

Agreement

Payment Terms - Snow billing will be sent out within the first week of each month with net 30 terms.

Each month the invoice will be sent via quickbooks.

I have read all and understand all of the above listed information and agree to comply with all of the guide lines, warranty inforr listed above.

Signatures

By signing below I acknowledge beginning of the above listed work order.

Name _____ Date _____
Customer

Name _____ Date _____
one Curb 'n Décor, LLC



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

01/21/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Green Bay Insurance Center 417 S. Monroe Avenue Green Bay WI 54301		CONTACT NAME: Nicole Bowman PHONE (A/C, No, Ext): 920-437-9281 FAX (A/C, No): E-MAIL ADDRESS: nicole@gbic.com	
INSURED One Curb 'N Decor, LLC 4651 Sportsman Dr De Pere WI 54115		INSURER(S) AFFORDING COVERAGE INSURER A: West Bend Mutual Ins Co	NAIC # 15350
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	
		INSURER F:	

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: ☐ POLICY ☐ PRO-JECT ☐ LOC OTHER:	Y		A396187	2/2/2019	2/2/2020	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY			A396187	2/2/2019	2/2/2020	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A	☒ UMBRELLA LIAB ☒ OCCUR ☐ EXCESS LIAB ☐ CLAIMS-MADE DED RETENTION \$			A396187	2/2/2019	2/2/2020	EACH OCCURRENCE \$ AGGREGATE \$ 2,000,000 \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	A396194	2/2/2019	2/2/2020	☒ PER STATUTE ☒ OTH-ER E.L. EACH ACCIDENT \$ 500,000 E.L. DISEASE - EA EMPLOYEE \$ 500,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Certificate holder is included as Additional Insured with respects to the General Liability policy per the enclosed form #WB1482(0717).

CERTIFICATE HOLDER

CANCELLATION

City of De Pere 335 S. Broadway De Pere WI 54115-2593	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---

© 1988-2015 ACORD CORPORATION. All rights reserved.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – CONTRACTOR'S BLANKET

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. WHO IS AN INSURED (Section II)** is amended to include as an additional insured any person or organization whom you are required to add as an additional insured on this policy under a written contract or written agreement.

The written contract or written agreement must be:

1. Currently in effect or becoming effective during the term of this policy; and
2. Signed by all parties to the written contract or written agreement prior to the "bodily injury," "property damage," "personal injury and advertising injury."

- B. The insurance provided to the additional insured is limited as follows:**

1. That person or organization is only an additional insured with respect to liability for "bodily injury," "property damage" or "personal and advertising injury" caused in whole or in part, by:
 - a. Your premises; or
 - b. Your negligent acts or omissions in connection with "Your work" for that additional insured.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
 - b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the written contract or written agreement to provide such additional insured.
2. The Limits of Insurance applicable to the additional insured are those specified in the written contract or written agreement or in the Declarations for this policy, whichever is less. These Limits of Insurance are inclusive and not in addition to the Limits of Insurance shown in the Declarations.
 3. Except when required by written contract or written agreement, the coverage provided to the additional insured by this endorsement does not apply to:

- a. "Bodily injury" or "property damage" occurring after:

- (1) All work on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured at the site of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as part of the same project.

- b. "Bodily injury" or "property damage" arising out of acts or omissions of the additional insured other than in connection with the general supervision of "your work."

4. The insurance provided to the additional insured does not apply to "bodily injury," "property damage," "personal injury and advertising injury" arising out of an architect's, engineer's, or surveyor's rendering of or failure to render any professional services including:

- a. The preparing, approving, or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; and
- b. Supervisory, or inspection activities performed as part of any related architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- C. As respects the coverage provided under this endorsement, Paragraph 4.b. **SECTION IV – COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended with the addition of the following:

4. Other insurance

b. Excess insurance

This insurance is excess over:

Any other valid and collectible insurance procured by or on behalf of the additional insured whether primary, excess, contingent or on any other basis unless a written contract specifically requires that this insurance be either primary or primary and noncontributing. Where required by written contract, we will consider any other insurance procured by the additional insured for injury or damage covered by this endorsement to be excess and noncontributing with this insurance.

If no written contract specifically requires primary or noncontributory coverage, then this insurance is excess and as a condition of coverage, the additional insured shall be obligated to tender the defense and indemnity of every claim or suit to all other insurers that may provide coverage to the additional insured, whether on a contingent, excess or primary basis.

When this insurance is excess, we will have no duty under Coverage A. and Coverage B. to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

Work Order

Date:	10/7/2020
Project Number:	
Estimate Number:	359

Customer Billing Information		Jobsite- if different from billing address
Name	City of De Pere Attn: Tony Fietzer	
Address	925 S. 6th St.	Nicolet Alley
Address	De Pere, WI 54115	De Pere
Phone	(920) 339-4060	
Email		

Project Information

Snow removal services to be performed throughout the months of November 2019 thru May 2020. Below are the prices per snow event.

\$65 per snow event of 1" - 3"

\$80 per snow event of 3.1" - 6"

\$100 per snow event of 6.1" - 10"

\$120 per event of 10.1" and over

\$75 per event Salting of alley

Estimated pricing provided above. If you would like to be placed on our schedule we ask that you sign and send the estimate back.

Agreement

By signing this estimate you are agreeing to our terms and conditions of this contract. We ask for monthly payments according to how many visits are made each month. Snow billing will be sent out within the first week of each month with net 30 terms. Outstanding balances will incur a 1.5% monthly interest charge with an 18% APR. If signed, this snow contract is valid from November, 2019 thru May, 2020.

Agreement

Payment Terms - Snow billing will be sent out within the first week of each month with net 30 terms.
Each month the invoice will be sent via quickbooks.

I have read all and understand all of the above listed information and agree to comply with all of the guide lines, warranty infor listed above.

Signatures

By signing below I acknowledge beginning of the above listed work order.

Name _____
Customer

Date _____

Name _____
one Curb 'n Décor, LLC

Date _____

CITY OF DE PERE MEMO



To: Honorable Mayor Boyd
Members of the Board of Public Works
From: Tony Fietzer, Street Superintendent
Date: October 12, 2020

RE: **Consideration and possible action on snow removal services for Nicolet Alley***

Staff reached out to seven (7) snow plowing companies to request a quote for snow plowing and salting operations in Nicolet Alley for the 2020-2021 winter season. Of those companies, several did not respond to the request for quote, two (2) responded that we would not be interested in clearing that alley and two (2) companies provided service quotes. The two companies that provided a quote were Big Boys Landscape and Snow Services, LLC and One Curb n Décor, LLC. The quotes were drastically different in price. Big Boys quoted the alley clearing at "\$400 per time clearing the alley" and .35¢ per lb for salting. One Curb n Décor quoted "\$65 per snow event 1"-3", \$80 per snow event 3.1" to 6", \$100 per snow event of 6.1"-10", \$120 per snow event of 10.1" and over". They also charge \$75 per event for salting.

One Curb n Décor	varies based on snowfall accumulation (see quote)
Big Boys Landscape and Snow Services	\$400 per time
D&D Landscape	Not plowing this year
Apple Valley	No response
Earthsense	No response
Donnie Mac's	Not able to provide service this year
Naturescape	Only provides services to residential properties

During the winter of 2019-2020, One Curb n Décor, LLC was the contracted vendor to clear Nicolet Alley. The company was responsive and maintained the alley to standard the city set. Staff recommends the city move forward with securing One Curb n Décor, LLC for the clearing of Nicolet Alley for the winter of 2020-2021 as they maintained the alley during 2019-2020, are a De Pere area business and they are the lowest responsive bid.

Big Boys Landscape & Snow Services LLC
W1426 County Rd VV
Seymour WI 54165
(920)246-4055

pg 1

1.7.f

Customer

Name Nicolet Alley Snow Removal
Address 300 Block of Main ave, Next to Nick's Lionhead Bar
City Depere State WI ZIP 54115
Work Phone (920)339-8325
Email tfietzer@mail.de-pere.org

Proposal

By: Ryan Jahner

Date: 9/28/2020

Contact: Tony Fietzer
Contract # 1120

Snow Plowing/Removal Agreement

Term: The term of this contract is seasonal, said season commencing on the date of the execution of this contract, and running through April 30, 2021.

Conditions:

1. Work to be performed by the CONTRACTOR under SNOW REMOVAL POLICIES.
2. Snow to be moved to areas designated by the CLIENT (or authorized representative) and agreed upon by the CONTRACTOR. If designated areas are unavailable or full, CONTRACTOR is to use best judgment in placing snow. No parking areas will be plowed unless 2 parking spots are open. We will supply the stakes being used to mark property. Staking will be done prior to freeze up, all stakes are to remain in place during the snow season.
3. CONTRACTOR will exercise care in the management of snow.
4. CONTRACTOR will be responsible for all items listed if damaged: parking bumpers, downspouts, fences, and fire hydrants, shrubs, trees, garages, and windows.
5. We will exercise best judgment of starting to plow snow per each snow fall or at CLIENT'S request. If more than 2" of snow are going to fall we will start plowing at 2" and continue until it is done snowing.
6. Salt will be provided, salting of premises is NOT STANDARD. Salting will be charged and performed as described in rates if need arises
7. If non-snow precipitation occurs, (SLEET, RAIN, MELTING SNOW, ETC.), salting will occur at Contractor discretion and /or consent at the rates indicated below.
8. CONTRACTOR is not responsible for slips, falls, broken bones or injuries due to ice or snow at any time.
9. Contractor is not responsible for grass damage due to plowing damage
10. Default in payment over 30 days due, it is CONTRACTORS discretion to stop plowing lot.
11. The hourly charge below includes plowing, snowblowing, and shoveling of driveway, parking lots, sidewalks, dumpster areas, hydrants and staking.

Rates: \$400.00 Per time clearing alley way
Snow will be pushed to the south at the end of the day or end snowstorm
.35 cents / lb Salting sidewalks

Sub Clause: We will be hired and paid per the terms and conditions of the contract. It is our position that while we are fulfilling our part of the contract, we well be held accountable for safe work performance and reasonable safe premises conditions within our control. It is the CLIENT'S sole responsibility to inspect the premises; any and all claims for bodily injuries and/or property damage or any other claims for any damages of any kind whatsoever resulting from snow and/or ice on the premises shall be the sole responsibility of the CLIENT.

Initials of rep _____

Terms: Accounts are due upon receipt.
A finance charge of 1.5% per month will be added, 18% APR, will be added if NOT paid within 30 days.

Acceptance of Proposal**Signature / Authorized Representative of Tony Fietzer**

Contract #1120

Date

**This proposal may be withdrawn by Big Boys Landscape & Snow Services, LLC if not accepted within 10 days.*

Work Order

Date:	10/7/2020
Project Number:	
Estimate Number:	359

Customer Billing Information		Jobsite- if different from billing address
Name	City of De Pere Attn: Tony Fietzer	
Address	925 S. 6th St.	Nicolet Alley
Address	De Pere, WI 54115	De Pere
Phone	(920) 339-4060	
Email		

Project Information

Snow removal services to be performed throughout the months of November 2019 thru May 2020. Below are the prices per snow event.

\$65 per snow event of 1" - 3"
 \$80 per snow event of 3.1" - 6"
 \$100 per snow event of 6.1" - 10"
 \$120 per event of 10.1" and over
 \$75 per event Salting of alley

Estimated pricing provided above. If you would like to be placed on our schedule we ask that you sign and send the estimate back.

Agreement

By signing this estimate you are agreeing to our terms and conditions of this contract. We ask for monthly payments according to how many visits are made each month. Snow billing will be sent out within the first week of each month with net 30 terms. Outstanding balances will incur a 1.5% monthly interest charge with an 18% APR. If signed, this snow contract is valid from November, 2019 thru May, 2020.

Agreement

Payment Terms - Snow billing will be sent out within the first week of each month with net 30 terms.
 Each month the invoice will be sent via quickbooks.

I have read all and understand all of the above listed information and agree to comply with all of the guide lines, warranty infor listed above.

Signatures

By signing below I acknowledge beginning of the above listed work order.

Name _____
 Customer

Date _____

Name _____
 one Curb 'n Décor, LLC

Date _____

**City of De Pere, Wisconsin****Request For Common Council Action**

MEETING DATE: October 20, 2020

DEPARTMENT: Police

FROM: Derek Beiderwieden

SUBJECT: Resolution #20-108 Authorizing Green Bay Electronics Record Program Software Sub-License and Service Agreement.

The police department has used a Brown County records management system called ProPhoenix for many years. In mid-2020, the police department was notified Brown County will be switching to a new records management system developed by Green Bay police department. Brown County is contracting with Green Bay for their system called GERP. Brown County then is licensing the use of GERP with the remaining municipalities. The switch over to GERP will be in mid-November 2020 and ProPhoenix will no longer be supported. Alternatives to sub contracting records management with the county were considered but deemed too expensive to implement along with such a short time frame in which to implement it.

The attached agreement has been reviewed by the City Attorneys office and other city staff.

The Finance and Personnel Committee at the October 13, 2020 meeting recommended approval of this agreement and for it to move forward to the full council.

Please contact me or Kristen Johnson if you have any questions about this agreement. Thank you.

ATTACHMENTS:

- Reso20-108 (PDF)
- BC - Municipality GERP License Agreement - SWS 10-1-20 (DOCX)

RESOLUTION #20-108

AUTHORIZING GREEN BAY ELECTRONICS RECORD PROGRAM SOFTWARE
SUB-LICENSE AND SERVICE AGREEMENT

WHEREAS, the Police Department is in need of acquiring a new records management system as its ProPhoenix software, currently provided by Brown County, will no longer be supported; and

WHEREAS, Brown County has obtained authority to sub-license the Green Bay Electronics Record Program to the City under the terms and conditions of the attached Sub-License and Service Agreement; and

WHEREAS, the Finance/Personnel Committee has reviewed this matter and recommends approval thereof.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

The Mayor and City Clerk are authorized and directed to execute such Green Bay Electronics Record Program Software Sub-License and Service Agreement as is attached hereto as Exhibit 1.

BE IT FURTHER RESOLVED THAT:

All City officials, officers and employees are authorized and directed to take such steps as are lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Approval: 10/13/2020

GREEN BAY ELECTRONICS RECORD PROGRAM SOFTWARE SUB-LICENSE AND SERVICE AGREEMENT

This Software License and Service Agreement (“Agreement”) is entered into this ____ day of _____, 2020 (“Effective Date”) by and between Brown County, WI, a body corporate pursuant to Wis. Stat. § 59.01 (hereinafter, “Licensee”) and the City of De Pere, WI, a Wisconsin municipal corporation (hereinafter, “Sub-Licensee”), collectively referred to as the Parties.

RECITALS

WHEREAS, The City of Green Bay (hereinafter, “Licensor”) is the developer and sole owner of the proprietary electronic records program known as the Green Bay Electronic Records Program (“GERP”); and

WHEREAS, the Licensor has granted a license to use GERP to Licensee; and

WHEREAS, Licensee has the authority to sub-license the proprietary electronic records program known as the Green Bay Electronic Records Program (“GERP”); and

WHEREAS, Sub-Licensee desires to obtain a personal, nontransferable, non-exclusive limited right and license to use GERP and related documentation and services for Sub-Licensee’s own internal business purposes only; and

WHEREAS, Licensee is willing to grant such a sub-license on the terms and subject to the conditions of this Agreement;

NOW, THEREFORE, in consideration for the fees to be paid by Sub-Licensee hereunder, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree:

AGREEMENT

1. **Definitions.** As used in this Agreement, the following terms shall have the following definitions:

A. *Authorized Users.* Sub-Licensee and its employees, and no other persons or entities unless agreed to in writing by the Licensee.

B. *Documentation.* All user/operation manuals and other materials or information describing GERP, as hereinafter defined, its performance characteristics, technical features, and other relevant information reasonably required for use of GERP, including all physical media upon which the materials or information are provided.

C. *Licensed Products.* The Software and the Documentation.

D. *Software.* That certain proprietary computer software known as GERP, in machine readable, object code form, and any modules, bug fixes, modifications, enhancements and other GERP software provided to and licensed hereunder by the Licensor to the Licensee during the Term.

2. **Software License.**

A. *License Grant.* Subject to the terms of this Agreement, Licensee hereby grants to Sub-Licensee, and Sub-Licensee accepts, a limited, non-transferable and non-exclusive perpetual license to use the Software solely for Licensee's own internal business purposes and solely by the Authorized Users defined herein or such Authorized Users agreed to in writing by the Parties during the Term.

B. *Warranty of Ownership.* Licensee warrants to Sub-Licensee, and no other person or entity, that it has the right to enter into this Agreement.

C. *Licensor Retains Title.* Licensee acknowledges that Licensor retains title to the Software, and all copyrights, trade secrets and other intellectual property rights licensed to Licensee, even if Licensee's suggestions are incorporated into subsequent versions of the Software. The Licensed Products constitute a trade secret and are confidential to Licensor.

D. *No Ownership Rights.* Other than the limited right of use of the Licensed Products described in this Agreement, Licensee shall neither have nor acquire any right, title or interest in or to any of the Licensed Products or in any intellectual or proprietary rights represented thereby.

E. *License Restrictions.* Licensee agrees that it will not modify, decompile, disassemble, translate, or reverse engineer the Software, in whole or in part. Except as expressly stated, this Agreement does not include any rights to use, disclose, sublicense, or otherwise transfer the Licensed Products or other proprietary information of Licensor. The Licensed Products shall not be used to process data except for Licensee's internal purposes.

F. *Limitation of Licensing.* Licensor agrees that it will not enter into any licensing agreement for use of the Licensed Products with any municipality located within Brown County other than the Village of Ashwaubenon.

G. *Sublicensing.* Licensee is prohibited from granting a sublicense to use the Software to any third party, except to an Authorized user identified under this Agreement. Licensee may require any Authorized User identified under this Agreement to pay to Licensee its proportionate share of the cost of the license to use the Software. An Authorized User's proportionate share of the cost of the license shall be determined based on its proportionate share of Licensee's total call volume during the preceding four years. Licensor shall be exclusively entitled to any amounts Licensee receives from any Authorized User in excess of said User's proportionate share of the cost of the license.

H. *Breach.* Licensee shall immediately notify Licensor in writing of any actual or suspected breach of this Agreement, including, without limitation, its terms limiting use.

3. **Delivery and Installation of the Software.** Licensor shall coordinate with Licensee to deliver and install the Software on Licensee's computer network. Licensee shall make available to Licensor all facilities and networks that are required for the delivery and installation of the Software.

4. **Annual Maintenance and Support.** Licensor shall provide Annual Maintenance and Support for the Software to enable the Licensee to utilize the Software as a functioning electronic record program. Annual Maintenance and Support shall include technical support, upgrades, enhancements, modifications, training, bug fixes and error resolutions.

5. **Term and Termination.**

A. *Term.* This Agreement shall run for a term of fifteen (15) years ("Term"), beginning on November 1, 2020, and expiring on October 31, 2035. During the Term, this Agreement may be

terminated upon written agreement by both Parties or as indicated in section (B). At the end of the Term, this Agreement shall automatically renew unless written notice is given by either Party.

B. Termination.

(i) *Material Breach.* Either Party may terminate this Agreement if the other Party commits a material breach hereof by giving fifteen (15) days' notice to the breaching Party. A material breach shall be defined as a breach of any of the obligations, terms, conditions and covenants of this Agreement which materially and substantially affects the Parties' performance under the Agreement and has a material adverse effect. If the breaching Party fails to correct the breach within ten (10) days, the Agreement is terminated. Either Party may immediately terminate this Agreement if the other Party fails to comply with any statutory requirement within this Agreement. Either Party may enforce the terms of this Agreement by any legal means.

(ii) *Termination upon Notice.* Either Party may terminate this Agreement for any reason upon thirty (30) days' written notice to the other Party.

C. Effect of Termination. Sub-Licensee shall cease use of the Licensed Products upon termination of this Agreement and shall provide a written certification to Licensee of removal of all copies of the Software from its system and destruction of all copies of Licensed Products except those required for archival purposes. Termination of this Agreement shall not relieve Sub-Licensee of its obligation to pay any fees nor result in the refund of any fees paid.

- 6. Fees and Payment.** Sub-Licensee shall pay Licensee annually an amount equal to the proportional call volume share of the Ninety-Five Thousand Dollars (\$95,000.00) ("Proportional Annual Payment"). The Proportional Annual Payment is equal to the proportional share of the Sub-Licensee's call volume relative to the total call volume of all participating Sub-Licensees. The Proportional Annual Payment is re-calculated annually based on calls for service data from the four (4) years preceding the recalculating year and relayed to the Sub-Licensee by March 1st of each year. The Proportional Share Annual Payment shall be paid in full no later than June 1st of each year of this Agreement.

A. Payments. All payments (i) shall be made by bank check or Licensee's check or wire transfer of immediately available funds and (ii) shall be due and payable to Licensor in U.S. Dollars, at Licensor's address as stated below, or such other place(s) as Licensor may from time to time designate in writing. All payments shall be made without offset or deduction of any nature whatsoever and are nonrefundable except as expressly stated in this Agreement.

7. Warranty.

A. Licensee warrants that: (i) it has the right to license the Software, and that there are no pending liens, claims, or encumbrances against the Software; (ii) there has been no violation of copyright or patent rights in connection with the Licensed Products; and (iii) services provided under this Agreement will be performed in a professional and workmanlike manner, and bug fixes, modifications and enhancements provided will perform in accordance with the City's standard specifications. **EXCEPT FOR THE WARRANTIES STATED ABOVE, LICENSEE MAKES NO OTHER WARRANTIES, WRITTEN OR ORAL, WHETHER EXPRESS OR IMPLIED. LICENSEE EXPRESSLY DISCLAIMS ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND NON-INFRINGEMENT.**

B. The Licensed Products are of a complex nature resulting in operations that may be interrupted or errors that may be encountered. Licensee's sole obligation and Sub-Licensee's sole remedy under this warranty is for Licensee, at its option, to provide such services, bug fixes, or other modifications it deems appropriate, provide a functional equivalent, or reperform services, if: (i) Licensee receives proper notice of any claimed Software defect during the warranty period, or a claim of defective services or Software within thirty (30) business days of the related occurrence. Proper notice includes copies of the data, reports and written procedures documenting the claim; (ii) the Sub-Licensee is otherwise in compliance with this Agreement and using the current version of the Software in accordance with Licensee standard specifications; and (iii) Licensee is able to reproduce any claimed defect. Should Licensor determine in its sole judgment after reasonable effort that a covered defect cannot be remedied, Licensor may elect to terminate this Agreement as to the affected Software and refund the paid, unused License Fees as to the affected Software only upon return of the Software and certification that the Software is no longer in use by Licensee.

C. *Further Limitations.* The limited warranties provided in this Section 7, as limited by other provisions of this Agreement, are non-transferable by Licensee except as set forth below and shall immediately become void in the event of any unauthorized use, modification, or repair of the Licensed Products or any part thereof, or upon breach by Licensee of any provision of this Agreement.

8. Indemnification.

A. Licensor hereby agrees to indemnify Licensee against any damages finally awarded against Licensee in connection with a claim that the Licensed Products directly infringe a United States copyright or patent or other intellectual property rights, provided that: (i) Licensee notifies Licensor in writing within 30 days of the claim; (ii) Licensor has sole control of the defense and all related settlement negotiations; and (iii) Licensee provides Licensor with the required assistance, information and authority. Licensor shall have no liability for any claim of infringement arising from: (a) any unauthorized use, alteration or modification of the Software including use of the Software in conjunction with products not provided by Licensor; or (b) use of a superseded or altered release of the Software if the infringement would have been avoided by the use of a current unaltered release of the Licensed Products.

B. If the Licensed Products are held or are believed by Licensor to infringe, Licensor shall have the option, at its expense, to: (i) modify the Licensed Products to be non-infringing; or (ii) obtain for Licensee a license to continue using the Licensed Products. If it is not commercially reasonable to perform either of the above options, then Licensor may terminate the license for the infringing Licensed Products and refund any unused License Fees or Annual Maintenance and Support fees paid for the affected Licensed Products. Licensee shall discontinue use of the Software.

9. Limitation of Liability.

To the extent a claim arises under warranty, the remedy stated in Section 7 applies. To the extent a claim arises under indemnification, the remedy stated in Section 8 applies. AS TO ALL OTHER CLAIMS, LICENSEE ACKNOWLEDGES THAT POTENTIAL DAMAGES IN ANY PROCEEDING WOULD BE DIFFICULT TO MEASURE WITH CERTAINTY AND THE PARTIES EXPRESSLY AGREE THAT AS A FAIR ASSESSMENT OF POTENTIAL DAMAGES, LICENSOR'S LIABILITY UNDER THIS AGREEMENT, REGARDLESS OF FORM OF ACTION, PROCEEDING OR THEORY OF RECOVERY, SHALL NOT EXCEED THE PURCHASE PRICE OR FEES ACTUALLY PAID TO LICENSOR WHICH ARE DIRECTLY RELATED TO THE CLAIM. REGARDLESS OF THE FORM OF ACTION, PROCEEDING, OR

THEORY OF RECOVERY, LICENSOR SHALL NOT BE LIABLE IN ANY MANNER FOR ANY LOST PROFITS, LOST SAVINGS OR OTHER SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY SUCH DAMAGES ASSESSED AGAINST OR PAID BY LICENSEE TO ANY THIRD PARTY, ARISING OUT OF THE USE, INABILITY TO USE, QUALITY OR PERFORMANCE OF THE LICENSED PRODUCTS PROVIDED, EVEN IF LICENSOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

10. General.

A. *Injunctive Relief.* Sub-Licensee's breach of any obligation under this Agreement regarding the use, duplication, modification, transfer or confidentiality of the Licensed Products shall entitle Licensee to injunctive, specific performance and/or other equitable relief, all without need of bond or undertaking of any nature, Sub-Licensee specifically acknowledging that Licensee's remedies at law under such circumstances would be inadequate.

B. *Assignment.* This Agreement shall not be assignable by either Party, and neither Party may delegate its duties hereunder without the prior written consent of the other Party. Any attempt by a Party to assign any of its rights or delegate any of its duties hereunder without the prior written consent of the other Party shall be null and void and shall result in immediate termination of this Agreement under its terms and conditions.

C. *No Third-Party Beneficiaries.* Unless explicitly provided for elsewhere in this Agreement, no person other than the Parties themselves has any rights or remedies under this Agreement.

D. *Governing Law and Venue.* This Agreement is governed by the laws of the State of Wisconsin. Venue lies in the state and federal courts located in Brown County, WI.

E. *Severability.* If any provision of this Agreement or the application thereof to any persons or circumstances shall, to any extent, be invalid or unenforceable, the remainder of the Agreement or the application of such provision, or portion thereof, and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

F. *Waiver.* Failure to require performance of any provision or waiver of a breach of a provision does not waive a Party's right to subsequently require full and proper performance of that provision.

G. *Entire Agreement.* This Agreement represents the Parties' entire agreement on this subject matter and may only be modified, amended, or added to after the date of this Agreement by a written instrument executed by both Parties, except as otherwise provided herein.

H. *Notices.* Any and all notices which either Party may give hereunder shall be in writing and delivered by registered or certified mail, return receipt requested, or by personal delivery, or by first class mail postage prepaid. In the case of first class mail, postage prepaid, delivery shall be deemed to have been accomplished two (2) days after deposit of the notice in the mail. Until written notice is delivered to the other Party of a change in address, the addresses set forth below shall be presumed to be current:

If to: LICENSEE
Brown County Clerk
305 E. Walnut St.
Green Bay, WI 54305

If to: SUB-LICENSEE
City of De Pere
Attn: City Clerk
335 South Broadway Street
De Pere, WI 54115

I. *No Agency*. Nothing in this Agreement is intended nor may be construed to create between Licensee and Sub-Licensee either an employer/employee, joint venture, or any other similar relationship. No agent, employee or representative of either Party shall be deemed to be an agent, employee or representative of the other Party. Neither Party shall have the authority to act for or on behalf of the other Party to bind the other Party without the express written approval of the other Party.

J. *Compliance with all Applicable Laws*. At all times, Sub-Licensee will adhere to all applicable state, federal and local laws and regulations in the conduct of its business, installation and use of the Software and maintain the proper insurances as are customary in the business. Furthermore, both Parties will comply with Wisconsin's Open Records Law (Chapter 19, Wis. Stats.) as required.

K. *Force Majeure*. Except for the payment of any amounts due, performance under this Agreement will be suspended for force majeure upon written notice and may be terminated if such event continues for more than 30 days.

L. *Survival*. Sections 2(C) and (D), 5(C), and 7 through 10, inclusive, shall survive any termination or expiration of this Agreement.

M. *Counterparts*. This Agreement may be executed in several counterparts, and the signatures hereon may be transmitted electronically. Electronic signatures will be deemed to constitute original signatures, and counterparts to this Agreement containing the signatures, whether original or electronic, of all the Parties will be deemed to constitute a single, enforceable Agreement.

N. *No Discrimination*. During the term of this Agreement, the Parties, and the employees, representatives, agents and/or volunteers thereof, shall not discriminate against any person based on race, color, creed, religion, sex, national origin, age, ancestry, disability, sexual orientation, gender identity, gender non-conformity, gender expression, transgender status, pregnancy, or marital or parental status.

Signature Page to Follow

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the last date listed below.

BROWN COUNTY, Licensee

Dated: _____, 2020

By _____
Troy Streckenbach, County Executive

By _____
Sandy Juno, County Clerk

CITY/TOWN/Village of De Pere, Sub-Licensee

Dated: _____, 2020

By _____
Mayor, James G. Boyd

By _____
City Clerk, Carey E. Danen



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Attorney

FROM: Judith Schmidt-Lehman

SUBJECT: Resolution #20-109 Authorizing Agreement Regarding the Sale and Purchase of Property Between the City of De Pere, Song Industries, Inc. and Bowman Commercial Holdings, LLC [Parcel ED-344-102-5]

ATTACHMENTS:

- Reso20-109 (PDF)
- Sale-Purchase Song Industries-Bowman Commercial-Final (PDF)
- Song Sale Development Agreement Memo (PDF)
- FP Memo - Belmark-Song- April 14 2020.2 (PDF)

RESOLUTION #20-109

AUTHORIZING AGREEMENT REGARDING THE SALE AND PURCHASE OF PROPERTY
BETWEEN THE CITY OF DE PERE, SONG INDUSTRIES, INC. AND
BOWMAN COMMERCIAL HOLDINGS, LLC
(Parcel ED-344-102-5)

WHEREAS, Bowman Commercial Holdings, LLC (“Property Purchaser/Owner”) wishes to enter into an agreement to purchase a 3.400 acre parcel (ED-344-102-5) located in TID#10 to allow for construction of a facility for Song Industries, Inc. (“Song”) to relocate its manufacturing business operations (“Development Project”); and

WHEREAS, pursuant to Wis. Stats. §66.1105, the City has created Tax Increment Financing District No. 10 (the “District”), which authorizes expenditure of allowable project costs, such as site assembly reimbursement grant incentives and other cash grants, when made pursuant to a signed development grant, for the benefit of industrial and other development within the District; and

WHEREAS, the intended Development Project is consistent with the Project Plan for the District and will be beneficial to the City; and

WHEREAS, Property Purchaser/Owner’s ability to commence the Development Project is contingent upon the City’s commitment to reimburse significant site development expenses and moving expense grants, pursuant to the terms set forth in the attached Agreement Regarding the Sale and Purchase of Property Between the City of De Pere, Song Industries, Inc. and Bowman Commercial Holdings, LLC; and

WHEREAS, City desires to provide such financial assistance and to promote this Development Project; and

Resolution #20-109

Page 2 of 2

WHEREAS, this matter has been reviewed by the Finance/Personnel Committee which recommends approval thereof.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

The Mayor and City Clerk are authorized and directed to enter into such Agreement Regarding the Sale and Purchase of Property Between the City of De Pere, Song Industries, Inc. and Bowman Commercial Holdings, LLC, as is attached hereto and incorporated by reference as Exhibit 1, subject to such changes as deemed necessary by the City Attorney.

BE IT FURTHER RESOLVED THAT:

All City officials, officers, and employees are further authorized and directed to take such steps as are lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Approval: 4/14/2020

**AGREEMENT REGARDING THE SALE AND PURCHASE OF
PROPERTY BETWEEN THE CITY OF DE PERE, SONG INDUSTRIES, INC.
AND BOWMAN COMMERCIAL HOLDINGS, LLC**
[Parcel ED-344-102-5]

THIS AGREEMENT made and entered into this ____ day of _____, 2020, by and between the City of De Pere, Wisconsin, a municipal corporation (“City”), Song Industries, Inc. (“Song”), a Wisconsin corporation, and Bowman Commercial Holdings, LLC, a Wisconsin Limited Liability Corporation (“Property Purchaser/Owner”).

RECITALS

WHEREAS, City owns certain Industrial Park property within its corporate limits and wishes to develop a portion of this Industrial Park; and

WHEREAS, pursuant to Wis. Stats. §66.1105, the City has created Tax Incremental Financing District #10 (TID #10 or District) as and for the benefit of industrial and other development within the District; and

WHEREAS, Property Purchaser/Owner wishes to enter into an agreement to purchase a 3.400 acre parcel (Parcel ED- 344-102-5) located in TID #10 to allow Property Purchaser/Owner to construct a manufacturing facility for use by Song and to relocate Song’s existing manufacturing business operations; and

WHEREAS, the intended manufacturing facility construction is consistent with the Project Plan for TID #10 and will be beneficial to the City; and

WHEREAS, allowable project costs under Wis. Stats. §66.1105(2) (f) include, among other things, site assembly reimbursement grant incentives and other cash grants when made pursuant to a signed development agreement; and

WHEREAS, Property Purchaser/Owner's ability to develop this site for Song's manufacturing business relocation would not be viable and this development would not occur but for the City's commitment to reimburse significant site development expenses associated with site assembly and moving expense grants; and

WHEREAS, Property Purchaser/Owner wishes to support Song and this development in order for the Project to occur on the Subject Property; and

WHEREAS, the Development described above and more fully in this Agreement will promote the revitalization and economic stability of TID #10 and the City as a whole; and

WHEREAS, City desires to provide such financial assistance and to promote this development.

NOW, THEREFORE, in consideration of the foregoing and mutual covenants and promises contained herein and other good and valuable consideration, the receipt of which is acknowledged, the undersigned hereby agree as follows:

I. DEFINITIONS

A. Assessed Value means the value placed upon the Building Development as determined pursuant to Wis. Stats. §70.32.

B. Building Development means the Subject Property together with the Project. A preliminary site plan for said facility, attached as Draft Exhibit B, is anticipated to be reviewed at the September 28, 2020 City Plan Commission meeting. Such final site plan (Final Exhibit B) as is approved, modified or conditioned by the Plan Commission shall replace Draft Exhibit B.

- C. Certificate of Occupancy** means the certificate issued by the Development Services Department upon completion of the Building Development so as to permit occupancy of the same.
- D. Commence Construction** means physical work at the Subject Property has occurred such that the site is excavated and footing and foundation installation is underway.
- E. Song** means Song Industries, Inc., a Wisconsin Corporation.
- F. Deficit Payment** means payment of the difference between taxes paid on the Assessed Value of the Building Development and those taxes that would have been paid on the Guaranteed Value of the Building Development, as defined in and calculated under Paragraph III.E.3.
- G. District and/or TID #10** means City of De Pere Tax Increment Financing District No. 10. TID #10 is statutorily scheduled to close as of December 31, 2031.
- H. Guaranteed Value** means eight hundred thousand and no/100 dollars (\$800,000.00).
- I. Project** means the building improvements of a not less than 15,000 square foot manufacturing facility with office space and with code appropriate façade materials for Song to relocate its existing manufacturing facility. The building improvement, together with the Subject Property, comprises the Building Development.

- J. Project Costs** means those expenditures and costs defined in Wis. Stats. §66.1105(2) (f).
- K. Project Grants or Project Incentives** means the Site Assembly Grant and the City Infrastructure Improvements provided to Property Purchaser/Owner, and the Project Reimbursement Grant provided to Song, as set forth in Paragraph IV.A.
- L. Property Purchaser/Owner** means Bowman Commercial Holdings, LLC, a Wisconsin Limited Liability Corporation.
- M. Subject Parcel** means the real property described in Paragraph II.A. and Exhibit A.
- N. Substantially Complete or Substantial Completion** means, with respect to the Project, that Song and/or Property Purchaser/Owner has sufficiently completed the Project so that a Certificate of Occupancy has been issued by the City Development Services Department for the Project. Substantial completion shall occur on or before January 1, 2022.
- O. Term of Agreement** means the duration of TID #10.

II. PURCHASE OF REAL ESTATE

- A. The Subject Parcel.** Property Purchaser/Owner agrees to purchase, and City agrees to sell, the 3.400 acre parcel of real estate legally described as:

Lot 1 of Certified Survey Maps Document #2912206, Brown County Map # 9191, being all of Lot 2, Volume 59, Certified Survey Maps, Page 32, Map Number 8384, Document Number 2650874, being part of Lot 2, East Side Industrial Park, Volume 18, Plats, Page 41, Document Number 1113369, located in part of the Northwest ¼ of the

*Southwest ¼, Section 34, Township 23 North, Range 20
East, City of De Pere, Brown County, Wisconsin*

such property being shown on the attached Exhibit A and identified in this Agreement as the Subject Parcel.

B. Purchase Price. The purchase price for the Subject Parcel shall be twenty-nine thousand five hundred twelve and no/100 dollars (\$29,512.00) per acre, plus each fraction thereof for a total purchase price of one hundred thousand and no/100 dollars (\$29,512 x 3.400 = \$100,000.00). City shall provide Property Purchaser/Owner with a Site Assembly Cost Reimbursement Grant at closing as set forth in Section IV.A.1.

C. Municipal Improvements and Utilities. The purchase price for the Subject Parcel covers and includes extension of the following improvements to the Subject Parcel. City will use its best efforts to meet the time frames indicated below for the extension of the utilities; however since the City is required to obtain necessary permits from the Wisconsin Department of Natural Resources prior to commencing work, completion of the work by the dates indicated is expressly subject to the issuance of said permits and may vary:

1. Sanitary sewer, water, and storm sewer improvements – November 30, 2020;
2. Gravel road – December 15, 2020;
3. Electric and natural gas (by Wisconsin Public Service Corporation) – December 31, 2020;
4. Concrete road – August 31, 2021;
5. Concrete curb and gutter – August 31, 2021

The purchase price is not intended to and does not cover extension of municipal improvements from their location in City right-of-way onto the Subject Parcel.

Property Purchaser/Owner shall coordinate the location of necessary laterals with the City Engineering Division for connection to any such municipal improvements.

D. Closing Procedure. Closing shall take place at the City Attorney's Office, De Pere City Hall, 2d Floor, on or before December 31, 2020 unless the Parties agree otherwise in writing. The following shall constitute contingencies and conditions precedent to Property Purchaser/Owner's obligation to close on its purchase of the Subject Parcel, each of which must be satisfied or waived in writing by Property Purchaser/Owner prior to closing:

1. **Evidence of Title/Title Defects.** City shall, at its own expense, provide title insurance for the property to be conveyed and shall forward a copy of the commitment of such title insurance to Property Purchaser/Owner at least ten (10) calendar days prior to closing. The commitment shall be for an owner's policy of title insurance in the amount of the purchase price, naming Property Purchaser/Owner as the intended insured, written by a responsible title insurance company licensed in the State of Wisconsin with an extended coverage and gap endorsement showing title to the property to be marketable. City shall, at its cost and expense, cause the deletion of all standard title insurance exceptions to such title insurance policy, with the exception of those exceptions which

would be removed by an ALTA/ACSM Minimum Survey. If Property Purchaser/Owner gives City notice of any title defects prior to the closing which are not acceptable or if the commitment does not contain the extended coverage endorsement, City shall use its best effort to cure such defects. If any such defects are not cured by the date of closing, Property Purchaser/Owner may terminate this Agreement or reschedule the closing at its option.

2. Closing Costs. City shall pay all closing costs usually and customarily paid by sellers, including the cost of the title insurance as provided herein.

3. Conveyance of Title. City shall convey good title to Property Purchaser/Owner by good and sufficient warranty deed as of the date of closing, free and clear of liens and encumbrances except the following:

- a. Municipal and zoning ordinances, provided the same do not restrict or interfere with the intended use of the property.
- b. Easements of record, provided the same do not restrict or interfere with the intended use of the property.
- c. Obligations contained in this Agreement.

E. Access Prior to Closing. City shall permit Property Purchaser/Owner and Song to access the Subject Parcel prior to closing at no cost to Property Purchaser/Owner or Song for the purpose of site examination and testing as deemed reasonable by Property Purchaser/Owner or Song. Property Purchaser/Owner and Song are aware

that completion of the gravel road to the Subject Property is expected to be completed by November 30, 2020, subject to permitting approval by the Wisconsin Department of Natural Resources and, therefore, access to the Subject Property prior to such completion will require entry through and upon existing dirt conditions. Property Purchaser/Owner and Song assume all risks and liabilities associated with such access to the site prior to gravel road access being provided. Property Purchaser/Owner and Song, collectively and individually agree to hold City harmless for any and all injury that to Property Purchaser/Owner and/or Song, their respective agents or employees, City's agents, employees or third parties, or any properties or interest of any of the above-referenced persons occasioned as a result of Property Purchaser/Owner and /or Song's site examination and testing activities as contemplated by this section. The hold harmless provision of this paragraph is intended to include all costs of defense, including reasonable attorney fees.

F. Environmental Representations. City made a good faith inquiry into the environmental condition of the Subject Parcel upon its purchase and has procured a Phase I Environmental Assessment which assessment has been forwarded to Property Purchaser/Owner for review. City makes the following representations based on City's present knowledge after such reasonable inquiry as to the condition of the Subject Parcel:

1. Pending Environmental Law Litigation. City has not violated, is not violating, and has not been threatened with or received notice or charge asserting any

violation of the Federal Solid Waste Disposal Act, the Federal Clean Air Act, the Federal Clean Water Act, the Federal Resource Conservation Recovery Act of 1976 ("RCRA"), the Federal Comprehensive Environmental Responsibility Cleanup and Liability Act of 1980 ("CERCLA"), the Toxic Substance Control Act of 1976, or any other federal, state, local, or foreign laws, including the rules and regulations thereon regulating or otherwise affecting the environment ("Environmental Laws") as the same may have been amended prior to the date thereof. The City has no reason to believe that any asbestos, urea-formaldehyde, or polychlorinated biphenyl is present at or under the Subject Parcel.

2. Disposal of Substances. City has not disposed of any substances in any manner on the Subject Parcel which may form the basis for any present or future claim based upon current environmental laws of any demand or action seeking cleanup of any site, location or body of water, surface or subsurface, under any environmental laws which may subject City, Property Purchaser/Owner or Song and/or the Subject Parcel to claim for damages.

3. Septic Systems/Landfill. City does not believe that any septic systems exist on, in, or under the Subject Parcel. City has not used the Subject Parcel as a landfill or dump site which involved the disposal of solid waste in a manner which may materially impact the value of the Subject Parcel nor does City have any reason to believe that any third party has so used the Subject Parcel.

4. Above or Underground Storage Tanks. No above or underground storage tanks containing either a “regulated substance” (as defined in 40 CFR, Section 280.12), or “hazardous waste” (as defined under RCRA) have been installed in the Fee Parcel by City or its agents or employees. City does not believe that any such tanks existed on or under the Subject Parcel at any time in the past. At no time during City’s ownership or use of the Subject Parcel have “hazardous substances” (as defined under CERCLA) or “hazardous waste” (as defined under RCRA), or “petroleum based substances” (as defined in 40 CFR, Section 280.12) been spilled, leaked, discarded, or otherwise deposited on the Subject Parcel. City has no reason to believe that such spill, leak, discharge, or deposit occurred prior to City’s ownership or use of the Subject Parcel. City has no reason to believe that any of the property is contaminated by “regulated substances” (as defined in 40 CFR, Section 280.12) or has “hazardous waste” (as defined in RCRA) originated from off-site sources of such substances.

G. Flood plain. The Subject Parcel is not currently identified as flood plain under Chapter 15 De Pere Municipal Code.

H. Wetlands. The City has provided Property Purchaser/Owner and Song with a copy of a wetland delineation report prepared by NES Ecological Services, a Division of Robert E Lee & Associates Inc. dated August 17, 2020.

- I. Extent of Representations.** Other than the matters disclosed in the Phase I Environmental Assessment and the representations of this Section, City makes no representations in regard to the condition of the Subject Parcel.
- J. Provisions to Survive Closing.** The representation provisions of this section shall survive the closing of this transaction.

III. PROPERTY PURCHASER/OWNER OBLIGATIONS

A. Plan Commission Site Plan Approval.

1. Property Purchaser/Owner shall take all steps necessary to obtain site plan approval for the Project to enable a construction to commence as provided herein. All terms and conditions of the City Plan Commission approval of the Project site plan as set forth in the Commission approval letter issued by the Development Services Department are/will be incorporated by reference into this Agreement as Final Exhibit B.
2. The Building Development shall be constructed in compliance with all City codes, including the City's Building Code and the City's Planning and Development Standards for the Business Park together with the conditions/requirements of the City Plan Commission. If the provisions of this paragraph are not complied with, the City may proceed as provided in Section III.C. below.

B. Commencement of Construction and Substantial Completion. Property Purchaser/Owner shall Commence Construction of the Building Development on or before December 31, 2020. Further the Project shall be Substantially Completed consistent with the Project Completion requirements of Paragraph III.D.

C. Failure to Commence Construction or Substantially Complete.

1. Notice and Cure. If, in the reasonable discretion of City, Property Purchaser/Owner has not complied with the provisions of Paragraphs III.A. or B., above, City may notify Property Purchaser/Owner and Song of such failure.
2. Repurchase of Subject Parcel or Return of Site Assembly Grant. If after thirty (30) days of mailing of such notice, neither Property Purchaser/Owner or Song have cured the default, City may, in its sole discretion, either repurchase the property or require that the Site Assembly Grant to Property Purchaser/Owner be returned to City as follows:

- a. If the City determines to repurchase the Subject Property, it is entitled to do so for the price paid for the property, less the Site Assembly Grant paid to Property Purchaser/Owner, real property taxes due and liens or judgments of record. The Property Purchaser/Owner shall, in addition, pay all usual and customary closing costs of a seller of property in Wisconsin. The parties acknowledge that this calculation may result in a payment from Property Purchaser/Owner to City upon the City's repurchase of the Subject Parcel.

b. If the City repurchases the Subject Parcel, all improvements to the real property shall become that of the City and Property Purchaser/ Owner shall remain liable and hold the City harmless for any lien, claim, or judgment which may arise against the subject parcel as a result or consequence of Property Purchaser/Owner's ownership or construction efforts thereon.

c. If the City determines to not repurchase the Subject Property, Property Purchaser/Owner, on behalf of its successors and assigns agrees to and shall repay City the Site Assembly Grant paid to Property Purchaser/Owner, plus interest thereon at the statutory rate from the date the Site Assembly Grant was made to the date repaid. Should Property Purchaser/Owner fail to do so within 60 days of City's demand therefore, Property Purchaser/Owner agrees that City may obtain a Judgment against it for the amount of Site Assembly Grant advanced plus said interest.

d. Upon either the repurchase of the Subject Property by City or the repayment of the Site Assembly Grant, plus said interest, this Agreement shall terminate and the Parties shall have no further obligations to each other except such obligations that expressly survive termination of this Agreement.

3. Force majeure. If Property Purchaser/Owner is delayed from achieving Substantial Completion as required in this Agreement, and as referred to in this paragraph, due to circumstances beyond the reasonable control of Property Purchaser/Owner, including, but not limited to, strikes, Acts of God, or another force majeure event, the rescission and repurchase or return of Site Assembly Grant provisions of this sub-paragraph shall be postponed by the period of such delay. Force majeure delays will not extend the applicable effective dates of the

Property Valuation Warranties of Paragraph III.E. This provision is intended to be in addition to all other remedies available to the City at law or equity.

D. Substantial Completion. The project shall be sufficiently complete such that a certificate of occupancy has been issued and subject to full Assessed Value as of January 1, 2022.

E. Property Valuation Warranties.

1. Guaranteed Value. Song and Property Purchaser/Owner warrant the Guaranteed Value of the Building Development as of January 1, 2022 shall be not less than eight hundred thousand and no/100 Dollars (\$800,000.00). To that end, Song and Property Purchaser/Owner, for themselves, individually and collectively, and for their respective successors and assigns, hereby waive all right to appeal the Assessed Value of the Building Development, whether to the City Board of Review or any other venue, to assert a claim of unlawful tax, assert a palpable error, or otherwise challenge under any existing or newly created right in the future under Wisconsin or Federal laws, the value of the Building Development below the Guaranteed Value for the duration of TID District #10. If the Assessed Value of the Building Development is less than the Guaranteed Value, Song and Property Purchaser/Owner, individually and collectively, and on behalf of themselves and their respective successors

and assigns, agree that the Deficit Payment provisions of Paragraph III.E.3 (“Deficit Payment Calculation”) shall apply.

2. Property to Remain Taxable. For the duration of the life of TID District #10, Song and Property Purchaser/Owner, hereby agree, individually and collectively and on behalf of their respective successors and assigns, that they shall not, individually or collectively, without the prior written consent of the City, which consent shall be within the sole discretion of the City, sell or lease any portion of the Project or Building Development to an entity whereby such sale or lease would cause such portion of the Project or Building Development to become exempt from real estate taxation. This obligation, as well as the other obligations of this Agreement, shall be binding upon all of Song and Property Purchaser/Owner’s successors and assigns. Song and Property Purchaser/Owner further agree, individually and collectively, to place a restriction in any deed conveying the Project or the Building Development during the term of this Agreement prohibiting any use of such property during the term of this Agreement which would cause the Project or the Building Development or any portion thereof to become tax exempt. Should the Project or Building Development nevertheless become tax exempt, Song and Property Purchaser/Owner, for themselves individually and collectively and their respective

successors and assigns, hereby agree that a Deficit Payment shall then be made by the Owner of the Building Development in accordance with the process set out in Paragraph III.E. 3 (“Deficit Payment Calculation”).

3. Deficit Payment Calculation. Calculations of any Deficit Payment required under this Agreement shall be as follows:

If Assessed Value falls below the Guaranteed Value:

The Assessed Value of the Development shall be subtracted from the Guaranteed Value. The difference shall be multiplied by the mil-rate for all taxing jurisdictions established for each tax year for the east side of De Pere, the product of which shall be the total Deficit Payment, due and payable on or before July 31 of the year due.

If the Deficit Payment is not fully paid by July 31 of the year in which it is due, the amount so determined under the above process shall be placed against the property as a special charge for services rendered under Wis. Stats. §66.0627(2).

IV. CITY OBLIGATIONS

A. Project Incentives.

1. City shall provide Property Purchaser/Owner with the following Project Incentives, the receipt of which are necessary for the Project to proceed:
 - a. Site Assembly Grant of \$100,000.00 as provided in Paragraph II.B.;
 - b. City Infrastructure Improvements in the years 2020 and 2021 (estimated cost of \$167,000.00), consisting of an approximately 320 foot extension of Commerce Drive and the installation of sanitary sewer, storm sewer, water, electric service and natural gas.
2. City shall provide Song with a Project Reimbursement Grant of two hundred thousand and no/100 dollars (\$200,000.00) to reimburse Song

the extra-ordinary costs associated with moving and installing heavy equipment from the current facility location to the Subject Property. Such grant will be paid to Song when (a) title to the Subject Property has been returned to Property Purchaser/Owner as provided in Paragraph VI.B.2.a and (b) the Development Services Director has reviewed and verified final equipment moving and installation costs, which such review shall not be unreasonably withheld or delayed.

- B.** The City agrees to cooperate in the timely prosecution and granting of applications made by Song and/or Property Purchaser/Owner for any certifications, permits or approvals appropriate or necessary for the Project.

V. DEFAULT PROVISIONS

A. Breach and Cure. Any provision of this Agreement which does not contain a specific remedy shall be resolved as provided hereunder. If a party believes that a provision of this Agreement has been breached, it shall supply the party alleged to have breached this Agreement and the other party with written notice informing the alleged breaching party that it has thirty (30) days to cure such breach. If there is no cure of that breach, any party may bring any action available for any remedy provided in law or equity.

B. Specific Performance Where Remedy Provided. Where a remedy is specifically provided in this Agreement, in the event any party fails to perform in compliance with such remedy provision or unreasonably delays in performing thereunder and such delay or failure causes damage to another party, nothing in this Agreement shall prevent one party from maintaining an action in specific performance to compel the remedy, demanding damages for any injury caused by the failure of the

other party to act in compliance with such remedy provision within a reasonable time or any other remedy or collection of any other costs available in law or equity.

VI. MISCELLANEOUS

A. Obligations to run with the land. The obligations contained herein shall run with the land and are binding for the Term of this Agreement on all subsequent owners of the Project and of the Subject Parcel, as applicable. This Agreement and any Amendment thereto shall be recorded by City with the Brown County Register of Deeds.

B. Assignment.

1. Except as provided in this paragraph, no party may assign this agreement except upon prior written consent of all Parties thereto, including acknowledgement by the assignee of the obligations contained in this agreement and consent to the same by the other party and by the De Pere Common Council.
2. Property Purchaser/Owner may assign title or the right to take title to the Subject Property and the Site Assembly Grant to SBX Properties, LLC to facilitate construction of the Project according to the requirements of this Agreement, subject to the following conditions:
 - a. Property Purchaser/Owner shall promptly accept return transfer of title to the Subject Property as soon as practicable after Substantial Completion of the Building Development.

b. Any assignment of this Agreement by Property Purchaser/Owner shall not remove or relieve Property Purchaser/Owner from the terms and obligations of this Agreement.

c. Property Purchaser/Owner shall provide in any assignment Agreement with SBX Properties, LLC that SBX Properties, LLC shall cooperate in the return to City of title to the Subject Property if City determines to repurchase the same under Section III.C.2.

3. Property Purchaser/Owner shall not assign any other of its rights or obligations found in this Agreement without the written consent of the De Pere Common Council and the other party as set forth above.

C. Contractual Interpretation. The paragraphs headed by Roman Numerals in this contract are referred to as Sections and are intended to include, as categories thereunder, lettered paragraphs. The lettered paragraphs of this Agreement are to be referred to as paragraphs and the numbered paragraphs, subparagraphs. The Section, paragraph, and subparagraph headings of this Agreement are for convenience of reference only and shall not limit or otherwise affect or be used in the construction of any terms of the provisions of this Agreement.

D. Notices. Unless otherwise specifically addressed in this Agreement, all notices required by this Agreement must be in writing. All notices of breach or termination as required in this Agreement shall be mailed by certified mail to the addresses below and shall be deemed received on the date of mailing. All other notices

required under this Agreement may be sent by regular mail. All notices and communications shall be addressed to the parties hereto at their respective addresses set forth and shall be deemed received on the date of postmark:

1. If to Property Purchaser/Owner:
Bowman Commercial Holdings, LLC
Ann Song-Bowman
862 Winding Waters Way
De Pere, WI 54115

With a copy to:
Gerald C. Condon, Jr.
200 S Washington St; Ste 301
Green Bay, WI 54301

2. If to Song:
Song Industries, Inc.
c/o Ann Song-Bowman
862 Winding Waters Way
De Pere, WI 54115

With a copy to:
Gerald C. Condon, Jr.
200 S Washington St; Ste 301
Green Bay, WI 54301

3. If to City:
City of De Pere
Attn: City Clerk
335 South Broadway Street
De Pere, WI 54115

With a copy to:
City of De Pere
Attn: City Administrator
335 South Broadway Street
De Pere, WI 54115

- E. Law Governing.** This agreement shall be construed in accordance with the laws of the State of Wisconsin.
- F. Entire Agreement.** This Agreement contains all agreements, terms, covenants, conditions, warranties, and a representation made or entered into by and between the parties and supersedes all prior discussions and agreements, whether written or oral, between the parties and constitutes the sole and entire agreement between the parties with respect thereto. This agreement may not be modified or amended unless such modification or amendment is set forth in writing and executed by all parties hereto.
- G.** All Parties have contributed to the drafting of this Agreement. In the event of a controversy, dispute or contest over the meaning, interpretation, validity or enforcement of this document or any of its terms or conditions, there shall be no inferences, presumptions or conclusion drawn whatsoever against any Party by virtue of that Party having drafted the document or any portion thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date and year first written above.

SIGNATURES FOLLOW ON NEXT PAGE

By:

Print Name:

STATE OF WISCONSIN))SS.
BROWN COUNTY)

Personally came before me this ____ day of _____, 2020, the above named _____, and _____ known as the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public:

My Commission expires: _____

By:

Print Name:

Print Name:

STATE OF WISCONSIN)
)SS.
BROWN COUNTY)

Personally came before me this _____ day of _____, 2020, the above named _____ and _____ known as the persons who executed the foregoing instrument and acknowledged the same.

Notary Public:

My Commission expires:_____

City of De Pere

By:

James G. Boyd, Mayor

Carey E. Danen, City Clerk

STATE OF WISCONSIN))SS.
BROWN COUNTY)

Personally came before me this ____ day of _____, 2020, the above named James G. Boyd and Carey E. Danen known as the person(s) who executed the foregoing instrument and acknowledged the same.

Notary Public:

My Commission expires: _____

F:\DATA\real estate\Song 1031 Exchange\Draft Sale-Purchase Song Industries-Bowman Commercial (002)(GCC redline).docx



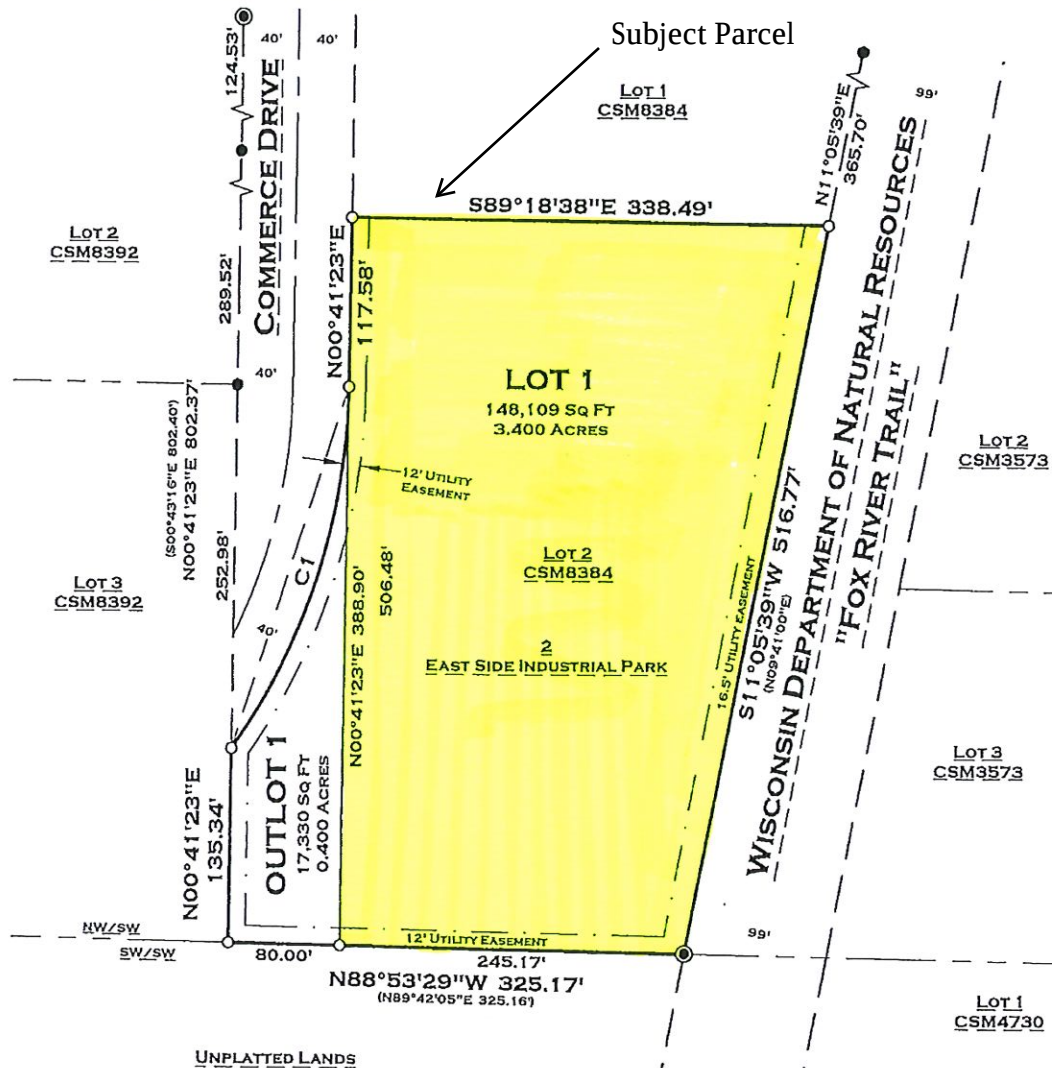
8 0 5 5 8 0 1 0
Tx:40364247

2912206

MAP# 9191
CHERYL BERKEN
BROWN COUNTY
REGISTER OF DEEDS
GREEN BAY, WI
RECORDED ON
07/21/2020 08:58 AM
REC FEE:
REC FEE: 30.00
PAGES: 3

CERTIFIED SURVEY MAP

ALL OF LOT 2, VOLUME 59, CERTIFIED SURVEY MAPS, PAGE 32, MAP
NUMBER 8384, DOCUMENT NUMBER 2650874, BEING PART OF LOT 2,
EAST SIDE INDUSTRIAL PARK, VOLUME 18, PLATS, PAGE 41, DOCUMENT
NUMBER 1113369, LOCATED IN PART OF THE NORTHWEST 1/4 OF THE
SOUTHWEST 1/4, SECTION 34, TOWNSHIP 23 NORTH, RANGE 20 EAST,
CITY OF DE PERE, BROWN COUNTY, WISCONSIN

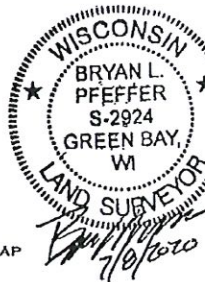


CURVE TABLE

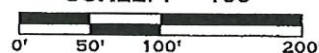
CURVE #	DELTA	RADIUS	LENGTH	CHORD DIRECTION	CHORD LENGTH	TANGENT BEARING	SECOND TANGENT BEARING
C1	35°05'48"	440.00'	269.52'	N18°14'17"E	265.33'	N35°47'11"E	N00° 41' 23"E

LEGEND

- 1" IRON PIPE FOUND
- 2" IRON PIPE FOUND
- SET 1" x 18" IRON PIPE WITH CAP WEIGHING 1.38 LBS./LIN. FT.
- () PREVIOUSLY RECORDED BEARING



SCALE: 1"= 100'



BEARINGS ARE REFERENCED TO THE
EAST RIGHT OF WAY OF COMMERCE DRIVE
RECORDED TO BEAR N00°41'23"E.

ROBERT E. LEE & ASSOCIATES, INC.
ENGINEERING, SURVEYING, ENVIRONMENTAL SERVICES
1250 CENTENNIAL CENTRE BOULEVARD
HOBART, NY 54155 PHONE: (920) 662-9641
INTERNET: WWW.RELEEINC.COM FAX: (920) 662-9141

SITE PLAN - OVERALL



Keller

PLANNERS | ARCHITECTS | BUILDERS

FOX CITIES
N216 State Road 55
P.O. Box 620
Kaukauna, WI 54130
PHONE (920) 766-5795 /
1-800-236-2534
FAX (920) 766-5004

MADISON
7111 Loka Dr.
San Prairie, WI 53590
PHONE (608) 318-2336
FAX (608) 318-2337

MILWAUKEE
W204 N11509
Caldensdale Rd
Germantown, WI 53022
PHONE (262) 250-9710
FAX (262) 250-9740

WAUSAU
5605 Lilac Ave
Wausau, WI 54401
PHONE (715) 848-3141
FAX (715) 849-3181

www.kellerbuilds.com

PROPOSED BUILDING FOR:
SONG INDUSTRIES, INC.
DE PERE,
WISCONSIN

"COPYRIGHT NOTICE"
This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

REVISIONS		

PROJECT MANAGER:
M. NYSTED

DESIGNER:
R. MACH

DRAWN BY:
RPH

EXPEDITOR:

SUPERVISOR:

PRELIMINARY NO:
P20096

CONTRACT NO:

DATE:
09.04.2020

SHEET:
C2.0

SITE STATISTICS

PARCEL ADDRESS: 1899 COMMERCE DRIVE
PARCEL NUMBER: ED-344-102-5
PARCEL SIZE: 165,480 SF (3.799 AC)
ZONING: I-3, GENERAL INDUSTRIAL

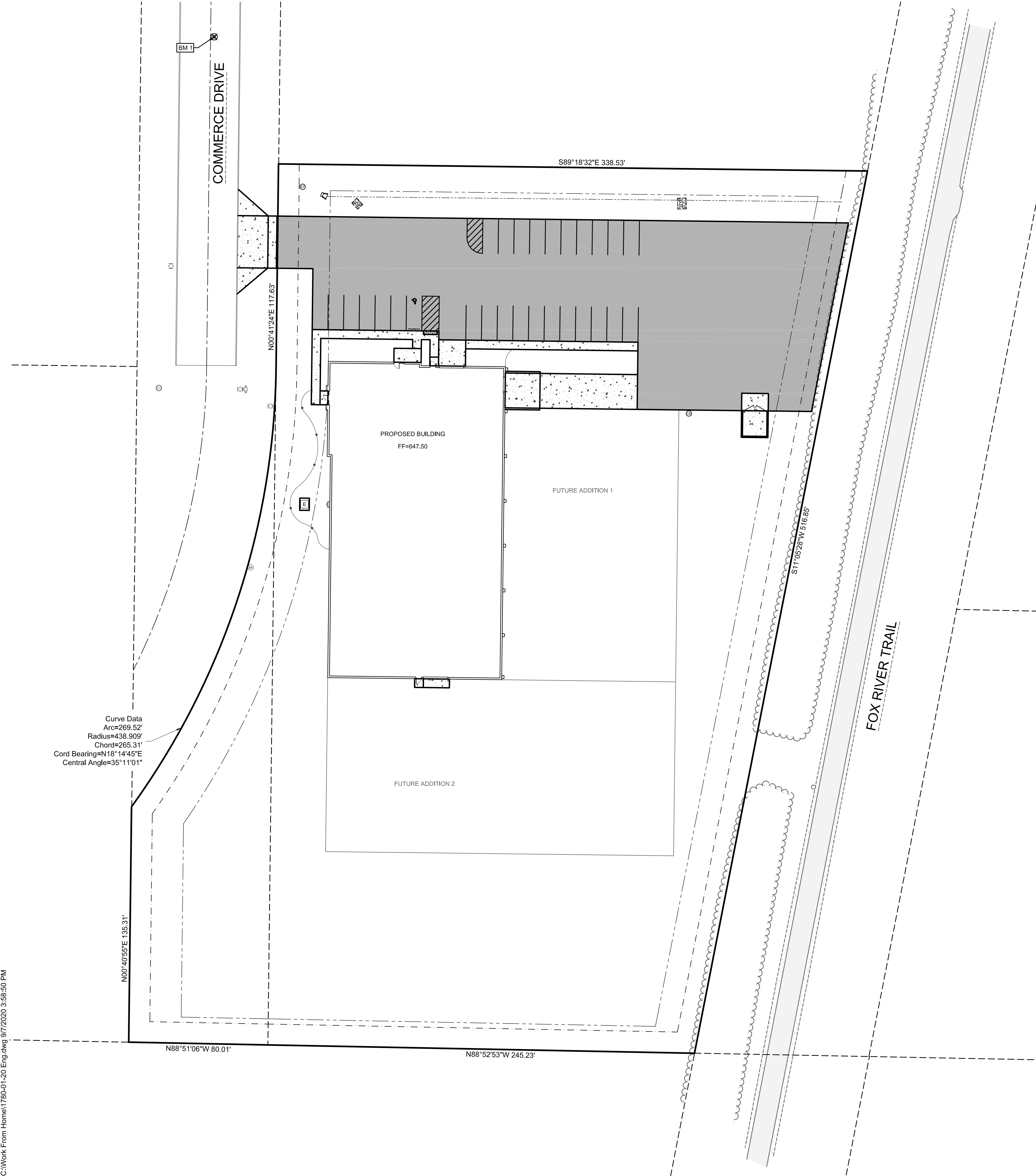
EXISTING SITE
GREEN SPACE: 165,480 SF (100.0%)
IMPERVIOUS AREA
BUILDING: 0.0 SF (0.0%)
PAVEMENT: 0.0 SF (0.0%)
TOTAL IMPERVIOUS: 0.0 SF (0.0%)

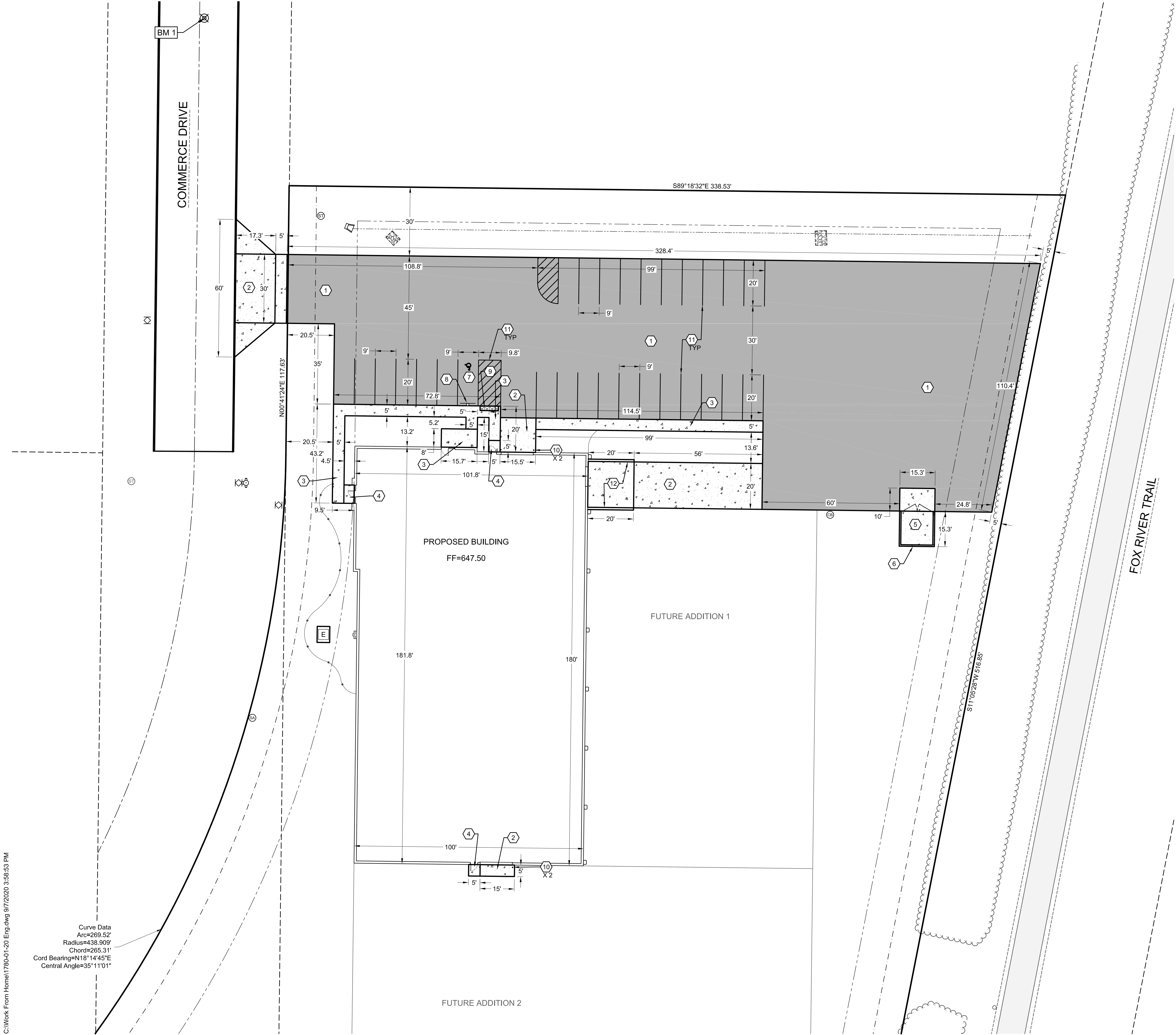
PROPOSED SITE
TOTAL DISTURBED AREA: 96,900 SF (2.225 AC)
GREEN SPACE PROVIDED: 118,473 SF (71.6%)
IMPERVIOUS AREA
BUILDING: 18,200 SF (11.0%)
PAVEMENT: 28,807 SF (17.4%)
TOTAL IMPERVIOUS: 47,007 SF (28.4%)

PARKING PROVIDED
PARKING SPACES REQ'D/CALCS: 1 SPACE PER 2 EMPLOYEES
PARKING SPACES PROVIDED: 27 STALLS PROVIDED, INCLUDES 1 HANDICAP STALL



2260 Salscheider Court Green Bay, WI 54313
PH:920-569-5765; Fax: 920-569-5767
www.mach-iv.com
Project Number: 1780-01-20





SITE PLAN - NORTH

SHEET KEY NOTES:

- 1 HEAVY DUTY ASPHALT; SEE DETAIL A SHEET C6.0
- 2 CONCRETE PAVEMENT; SEE DETAIL B SHEET C6.0
- 3 CONCRETE SIDEWALK; SEE DETAIL C SHEET C6.0
- 4 STOOP LOCATION; REFER TO ARCHITECTURAL DRAWINGS
- 5 DUMPSTER PAD; SEE DETAIL D SHEET C6.0
- 6 DUMPSTER ENCLOSURE; REFER TO DETAIL I SHEET C6.0
- 7 ADA HANDICAP STALL; SYMBOL, SEE DETAIL E SHEET C6.0
- 8 ADA HANDICAP SIGN; SEE DETAIL F SHEET C6.0
- 9 ADA HANDICAP WARNING PLATE; SEE DETAIL G SHEET C6.0
- 10 BOLLARD; SEE DETAIL H SHEET C6.0
- 11 4" WIDE PAINT STRIPE; COLOR BY OWNER
- 12 RETAINING WALL; REFER TO ARCHITECTURAL DRAWINGS

Keller
PLANNERS | ARCHITECTS | BUILDERS

FOX CITIES
N216 State Road 55
P.O. Box 620
Kaukauna, WI 54130
PHONE (920) 766-5795 / 1-800-236-2534
FAX (920) 766-5004

MADISON
7111 Lake Dr.
San Prairie, WI 53590
PHONE (608) 318-2336
FAX (608) 318-2337

MILWAUKEE
W204 N11509
Goldendale Rd
Germantown, WI 53022
PHONE (262) 250-9710
FAX (262) 250-9740

WAUSAU
5605 Lilac Ave
Wausau, WI 54401
PHONE (715) 849-3141
FAX (715) 849-3181

www.kellerbuilds.com

PROPOSED BUILDING FOR:
SONG INDUSTRIES, INC.
DE PERE,
WISCONSIN

"COPYRIGHT NOTICE"
This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

REVISIONS

PROJECT MANAGER:
M. NYSTED

DESIGNER:

DRAWN BY:

EXPEDITOR:

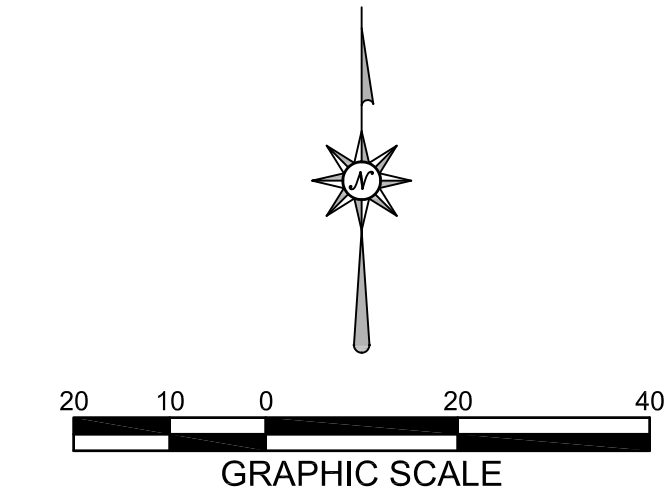
SUPERVISOR:

PRELIMINARY NO:
P20096

CONTRACT NO:

DATE:

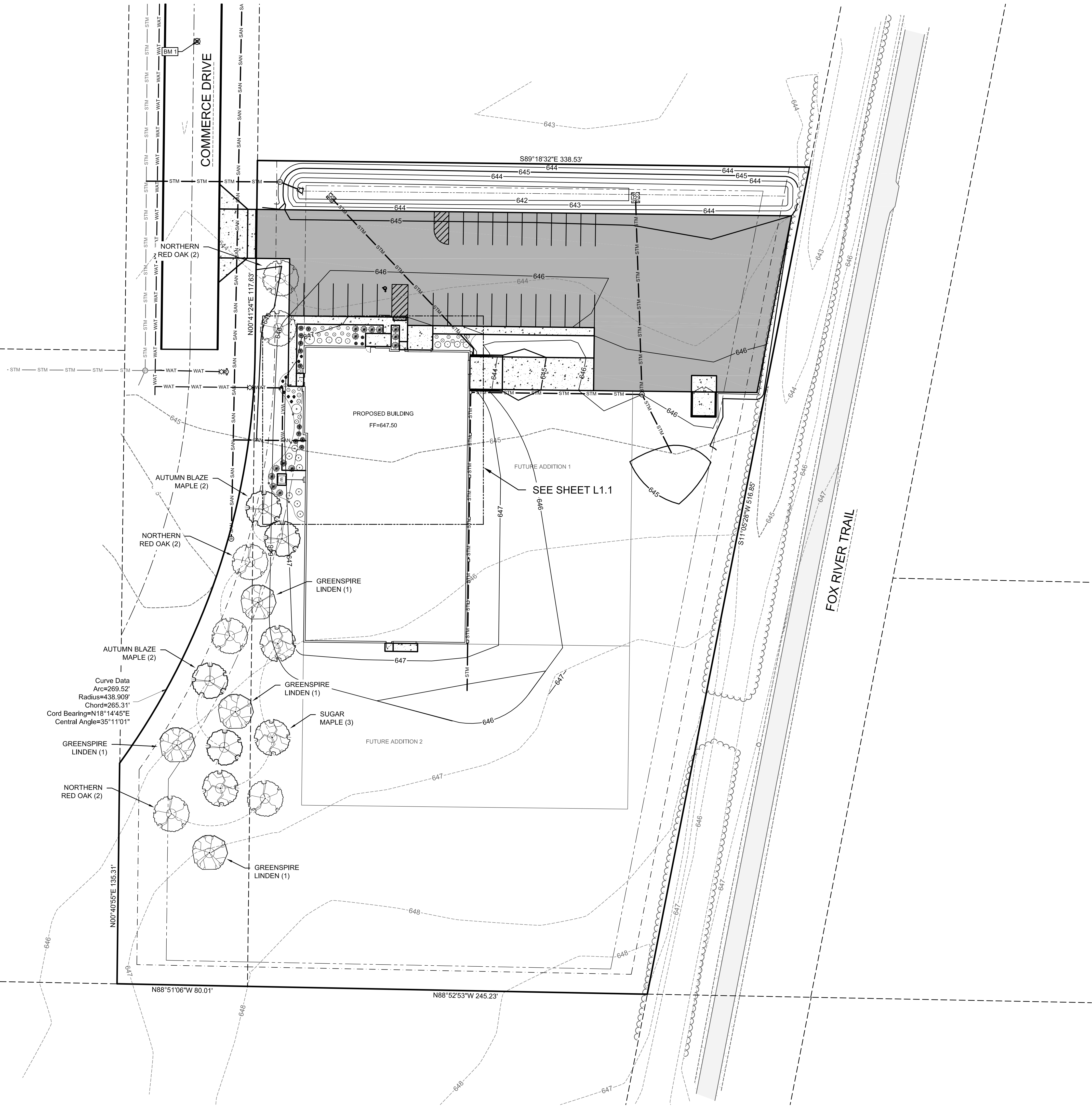
SHEET:
C2.1



MACH IV
ENGINEERING • SURVEYING • ENVIRONMENTAL

2260 Salscheider Court Green Bay, WI 54313
PH: 920-569-5765; Fax: 920-569-5767
www.mach-iv.com
Project Number: 1780-01-20

C:\Work From Home\1780-01-20 Eng.dwg 9/7/2020 3:59:17 PM



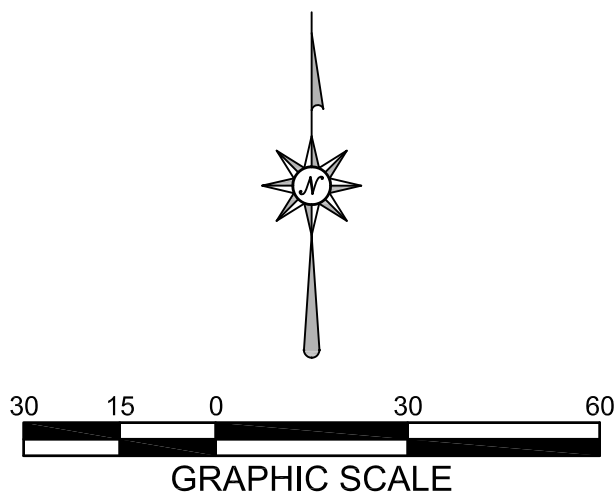
LANDSCAPE PLAN - NORTH

SHEET KEY NOTES:

- 6" DIAMETER SPADE EDGE & 3" HARDWOOD MULCH; REFER TO DETAIL A SHEET L1.1

GENERAL NOTE

- SEE SHEET L1.1 FOR LANDSCAPE NOTES.
- SEE SHEET L1.1 FOR PLANT TABLE.



MACH IV
ENGINEERING • SURVEYING • ENVIRONMENTAL

2260 Salscheider Court Green Bay, WI 54313
PH: 920-569-5765; Fax: 920-569-5767
www.mach-iv.com
Project Number: 1780-01-20



Keller

PLANNERS | ARCHITECTS | BUILDERS

FOX CITIES
N216 State Road 55
P.O. Box 620
Kaukauna, WI 54130
PHONE (920) 766-5795 /
1-800-236-2534
FAX (920) 766-5004

MILWAUKEE
W204 N11509
Goldendale Rd
Germantown, WI 53022
PHONE (262) 250-9710
1-800-236-2534
FAX (262) 250-9740

WADISON
711 Loka Dr.
San Prairie, WI 53590
PHONE (608) 318-2336
FAX (608) 318-2337

WAUSAU
5605 Lilac Ave
Wausau, WI 54401
PHONE (715) 848-3141
FAX (715) 849-3181

www.kellerbuilds.com

PROPOSED BUILDING FOR:

SONG INDUSTRIES, INC.

DE PERE,

WISCONSIN

"COPYRIGHT NOTICE"

This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

REVISIONS

PROJECT MANAGER:
M. NYSTED

DESIGNER:

DRAWN BY:

EXPEDITOR:

SUPERVISOR:

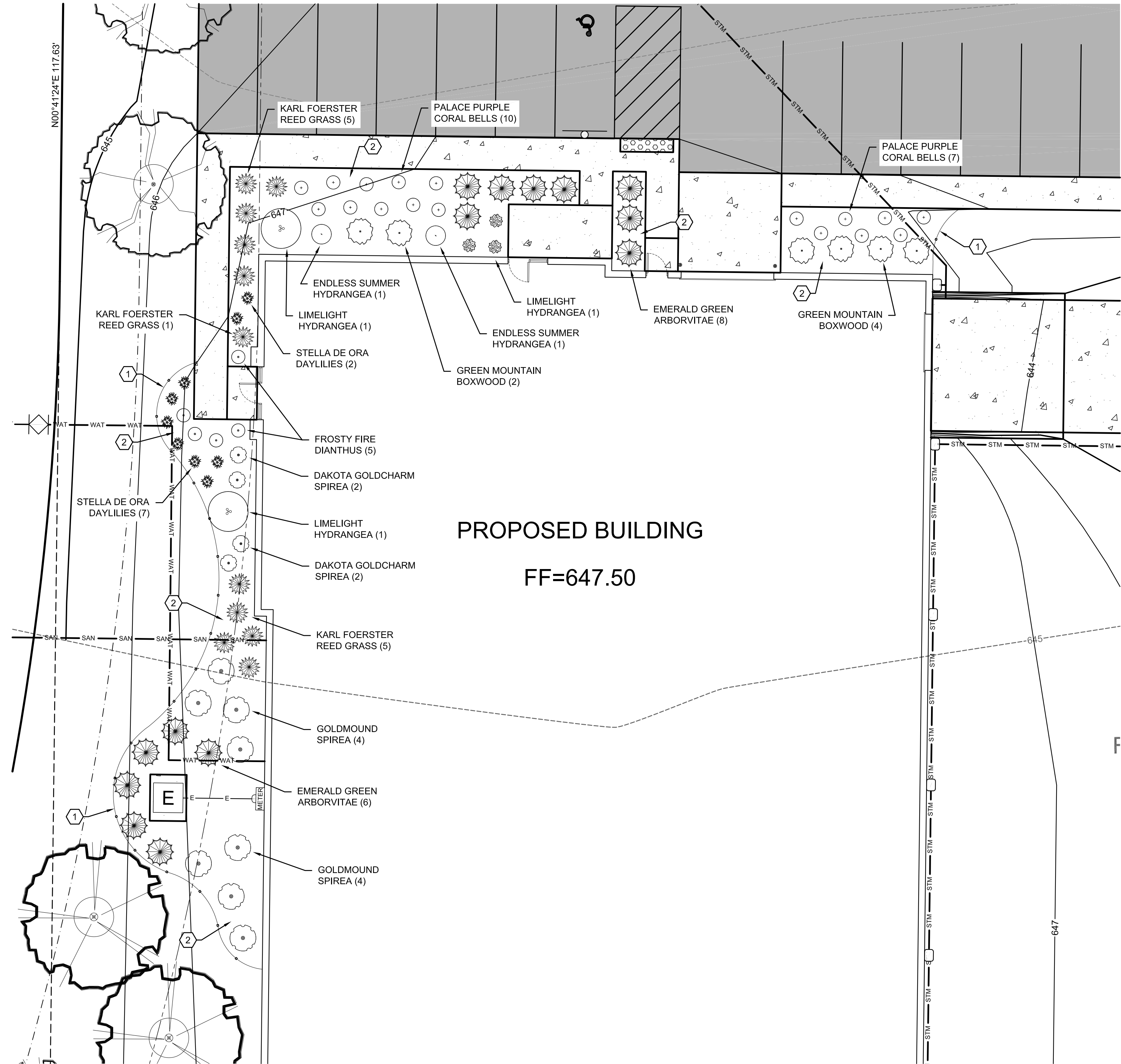
PRELIMINARY NO:
P20096

CONTRACT NO:

DATE:

SHEET:

L1.0



LANDSCAPE NOTES

1.

DIAMETERS OF PLANT MATERIALS AS DRAWN ARE REPRESENTATIVE OF PLANTS AT OR NEAR MATURITY RATHER THAN AT INITIAL PLANTING SIZES.
2.

THE PLANT LIST IS INTENDED AS A GUIDE FOR THE CONTRACTOR. IN THE EVENT OF DISCREPANCY BETWEEN THE NUMBER OF PLANTS ON THE PLANT LIST AND ON THE DRAWING, THE GREATER NUMBER SHALL APPLY.
3.

ADJUSTMENTS IN LOCATIONS OF PLANT MATERIALS MAY BE NECESSARY DUE TO NEW OR EXISTING UTILITIES OR SITE OBSTRUCTIONS. REVIEW WITH ARCHITECT BEFORE ADJUSTMENTS ARE MADE.
4.

ALL SHRUBS OCCURRING IN CONTINUOUS ROW OR FORMAL ARRANGEMENT SHALL HAVE UNIFORM HEIGHT, SPREAD AND HABIT OF GROWTH. FOR GROUNDCOVER LOCATIONS, FILL AREA WITH QUANTITY OF PLANTS DESIGNATED; EVENLY SPACED.
5.

A MINIMUM OF 12" DEPTH OF 50% TOPSOIL AND 50% COMPOST SHALL BE PLACED IN ALL BED AREAS BY THE CONTRACTOR PRIOR TO PLANT INSTALLATION.
6.

MULCH TREES WITH MIN. 3" DEPTH OF GRAVEL OR HARDWOOD MULCH AS NOTED ON PLAN AND PER DETAILS. MULCH SHALL EXTEND IN A CONTINUOUS LAYER WITHIN PLANTING BEDS FROM FACE TO FACE OF SITE STRUCTURES - WALKS, BUILDING, OR OTHER PLANT BED LIMITS.
7.

PROTECT EXISTING LAWN AREAS; REPAIR ANY CONTRACT RELATED DAMAGE TO LAWN AREAS.
8.

THE CONTRACTOR SHALL MAINTAIN ALL PLANTS AND BEDS FOR A 60 DAY PERIOD AFTER ACCEPTANCE OF THE WORK BY THE ARCHITECT. THIS INCLUDES REGULAR WATERING, WEEDING AND MOWING.
9.

THE CONTRACTOR SHALL GUARANTEE ALL PLANT MATERIALS FOR ONE-YEAR FROM DATE OF ACCEPTANCE. BEFORE END OF WARRANTY PERIOD CONTRACTOR SHALL REPLACE ALL TREES, SHRUBS OR PLANTINGS NOT ALIVE OR IN A HEALTHY GROWING CONDITION.
10.

SEED ALL DISTURBED AREAS WITH WDoT No. 40 GRASS MIX.

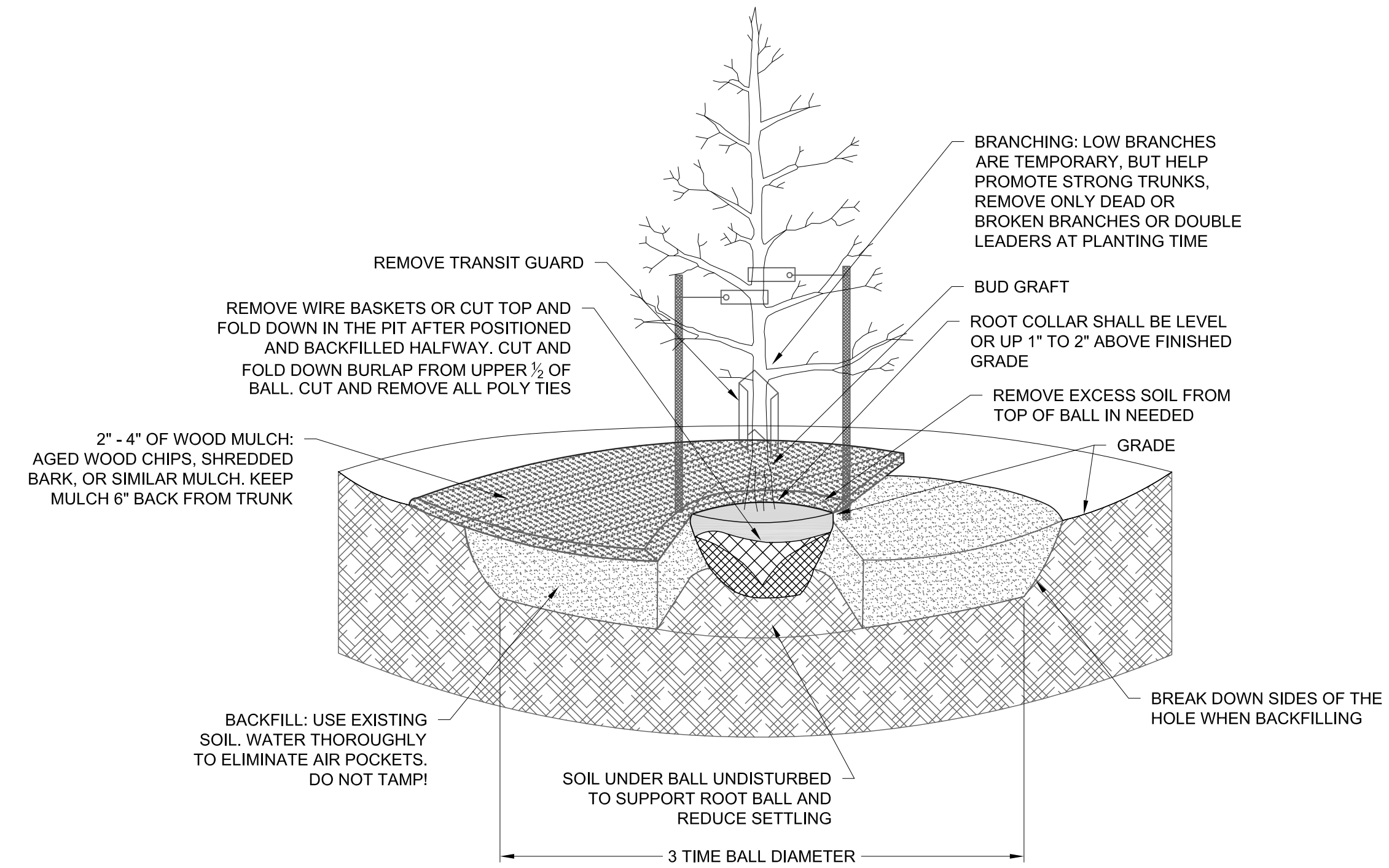
SHEET KEY NOTES:

- 1 PROFESSIONAL GRADE BLACK EDGING
- 2 LANDSCAPE STONE WITH TYPAR WEED BARRIER FABRIC

LANDSCAPE PLAN - DETAIL

GENERAL NOTE

1. REFER TO SHEET L1.0 FOR TREE PLANTINGS.



PLANTING NOTES:

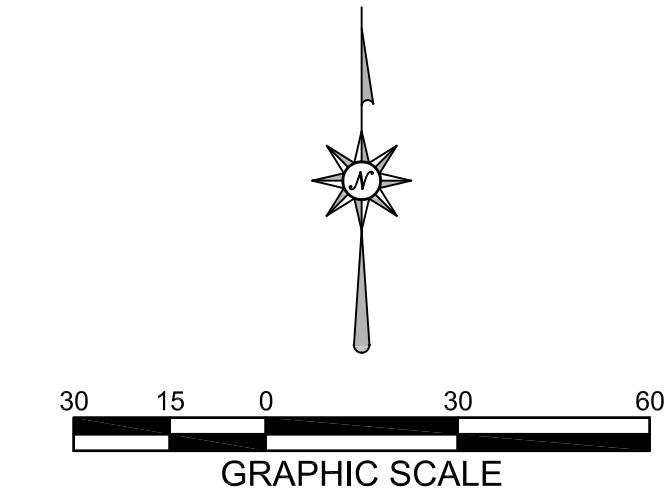
1. STAKE ONLY IF HAVE TO. USE 2" - 3" WEBBING STRAPS AND SECURE TO STAKES WITH HEAVY GAUGE WIRE. THE WIRE SHOULD BE ABLE TO STICK STRAIGHT OUT FROM THE STAKE AND HOLD THE WEBBING STRAP UP, PREVENTING IT FROM SLIDING DOWN THE TREE. DO NOT STAKE TIGHTLY, TREES GAIN STRENGTH FROM MOVEMENT. REMOVE ALL STAKES AFTER ONE YEAR.
2. USE OF TREE WRAP IS NOT RECOMMENDED, AS IT CAUSES A NUMBER OF PROBLEMS FOR THE TREE

PLANT TABLE

SYMBOL	COMMON NAME	SCIENTIFIC NAME	QUANTITY	SIZE
	AUTUMN BLAZE MAPLE	ACER X FREEMANI 'JEFFERSRED'	4	2 1/2"
	SUGAR MAPLE	ACER SACCHARUM	3	2 1/2"
	NORTHERN RED OAK	QUERCUS RUBRA	6	2 1/2"
	GREENSPIRE LINDEN	TILIA CORDATA 'GREENSPIRE'	4	2 1/2"
	GREEN MOUNTAIN BOXWOOD	BUXUS 'GREEN MOUNTAIN'	6	3 GAL.
	LIMELIGHT HYDRANGEA	HYDRANGEA ARBORESCENS 'ANNABELLE'	2	3 GAL.
	ENDLESS SUMMER HYDRANGEA	HYDRANGEA ARBORESCENS 'ANNABELLE'	2.	3 GAL.
	GOLDMOUND SPIRAEA	SPIRAEA X BUMALDA 'GOLDMOUND'	8	3 GAL.
	DAKOTA GOLDCHARM SPIRAEA	SPIRAEA X BUMALDA 'DAKOTA GOLDCHARM'	4	3 GAL.
	FRANCES WILLIAM HOSTA	HOSTA 'FRANCES WILLIAM'	.3	1 GAL.
	STELLA DE ORO LILLIES	HEMEROCALLIS 'STELLA DE ORO'	9	1 GAL.
	KARL FOERSTER REED GRASS	CALAMAGROSTIS X ACUTIFLORA 'KARL FOERSTER'	11	1 GAL.
	EMERALD GREEN ARBORVITAE	THUJA OCCIDENTALIS 'EMERALD GREEN'	14	1 GAL.
	FROSTY FIRE DIANTHUS	DIANTHUS 'FROSTY FIRE'	5	1 GAL.
	PALACE PURPLE CORAL BELLS	HEUCHERA MICRRRANTHA 'PALACE PURPLE'	17	1 GAL.

All ideas, designs, arrangements and plans contained by this drawing are owned by, and are the property of Donnie Mac's Landscaping Inc.
No portion of these ideas, arrangements or plans shall be disclosed to any person, firm, or contractor for any purpose without the expressed written consent of Donnie Mac's Landscaping Inc.

Phone 920.965.2222 Fax 920.468.9353
www.donniemacscs.com



2260 Salscheider Court Green Bay, WI 54313
PH:920-569-5765; Fax: 920-569-5767
www.mach-iv.com
Project Number: 1780-01-20

PLANNERS | ARCHITECTS | BUILDERS

FOX CITIES
N216 State Road 55
P.O. Box 620
Kaukauna, WI 54130
PHONE (920) 766-5795 /
1-800-236-2534
FAX (920) 766-5004

MILWAUKEE
W204 N11509
Goldendale Rd
Germantown, WI 53022
PHONE (262) 250-9710
FAX (262) 250-9740

MADISON
711 Lusk Dr.
San Prairie, WI 53590
PHONE (608) 318-2336
FAX (608) 318-2337

WAUSAU
5605 Lilac Ave
Wausau, WI 54401
PHONE (715) 849-3141
FAX (715) 849-3181

www.kellerbuilds.com

PROPOSED BUILDING FOR:

SONG INDUSTRIES, INC.

DE PERE, WISCONSIN

"COPYRIGHT NOTICE"
This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

REVISIONS

PROJECT MANAGER:
M. NYSTED

DESIGNER:

DRAWN BY:

EXPEDITOR:

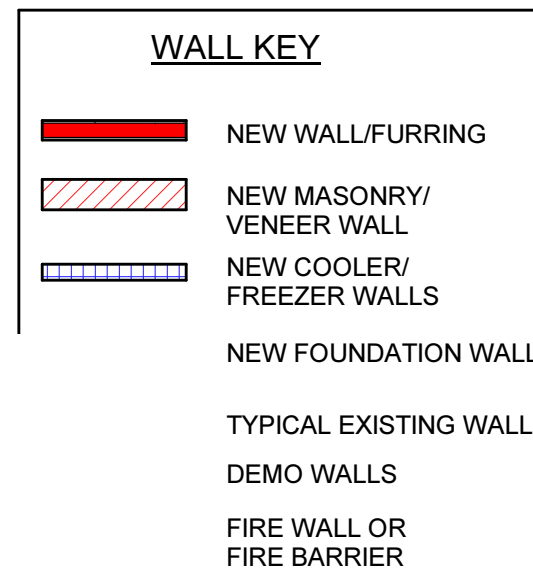
SUPERVISOR:

PRELIMINARY NO:
P20096

CONTRACT NO:

DATE:

SHEET:
L1.1



FOX CITIES N216 State Road 55 P.O. Box 620 Kaukauna, WI 54130 PHONE (920) 766-5795 / 1-800-236-2534 FAX (920) 766-5004	MADISON 711 Lole Dr. Sun Prairie, WI 53590 PHONE (608) 318-2336 FAX (608) 318-2337
MILWAUKEE W204 N11509 Goldendale Rd Germantown, WI 53022 PHONE (262) 590-9710 1-800-236-2534 FAX (262) 250-9740	WAUSAU 5605 Liliac Ave Wausau, WI 54401 PHONE (715) 849-3141 FAX (715) 849-3181

www.kellerbuilds.com

PROPOSED BUILDING FOR:

SONG INDUSTRIES, INC.

DE PERE, WISCONSIN

"COPYRIGHT NOTICE"
This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

PRELIMINARY - NOT FOR CONSTRUCTION

REVISIONS		
1	04.24.2020	C. TEAFOE
2	05.27.2020	ACM
3	06.11.2020	ACM
4	06.25.2020	ACM
5	07.27.2020	ACM
6		

PROJECT MANAGER:
M. NYSTED

DESIGNER: S. KLESSIG

DRAWN BY: C. TEAFOE

EXPEDITOR: _____

SUPERVISOR: _____

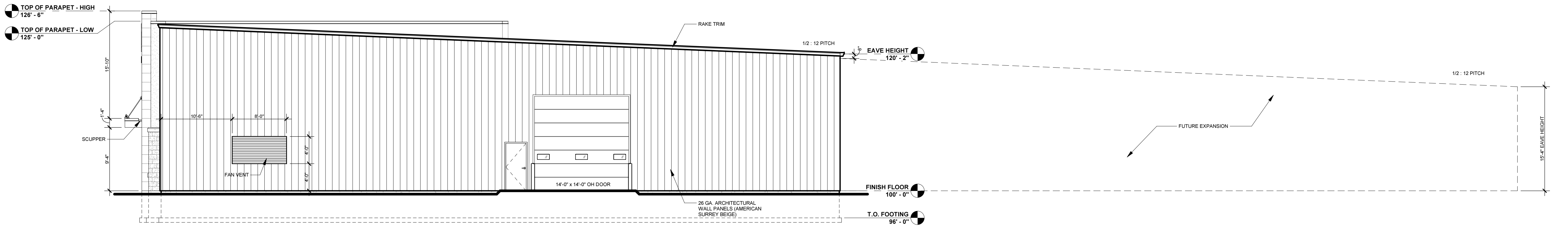
PRELIMINARY NO: P20096

CONTRACT NO: _____

DATE: 04.09.2020

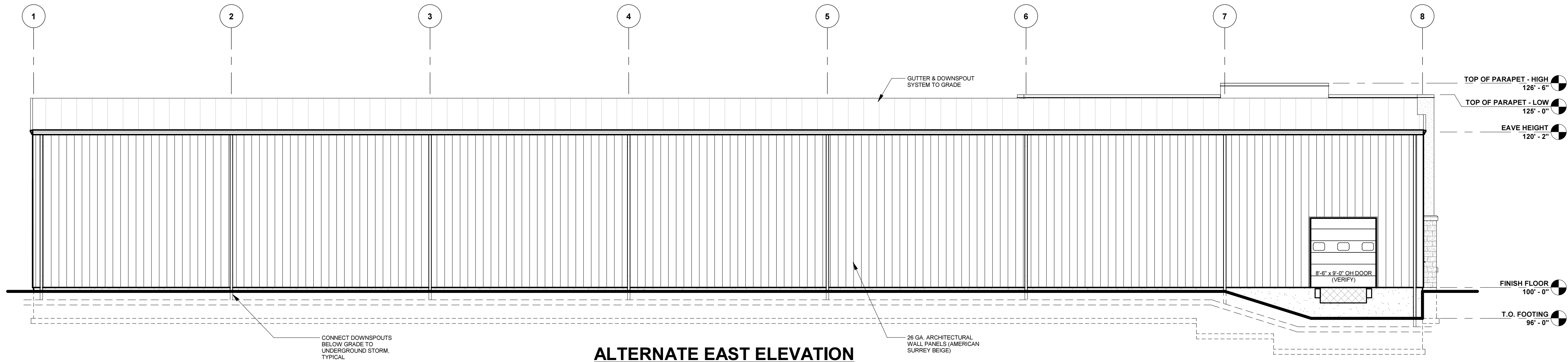
SHEET: A1 0





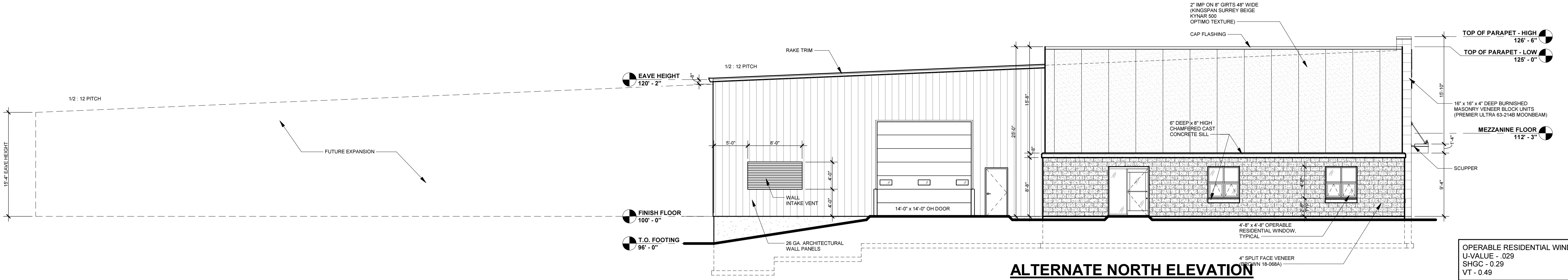
ALTERNATE SOUTH ELEVATION

1/8" = 1'-0"



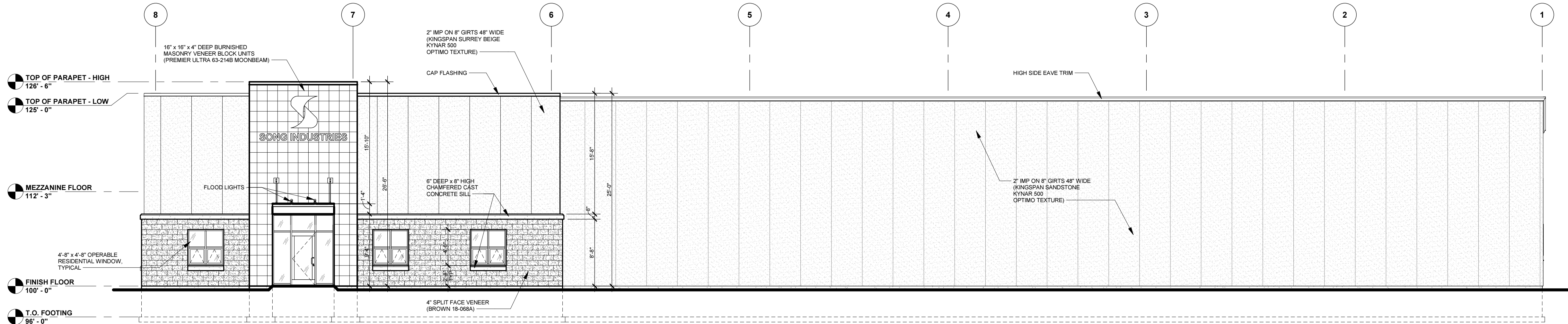
ALTERNATE EAST ELEVATION

1/8" = 1'-0"



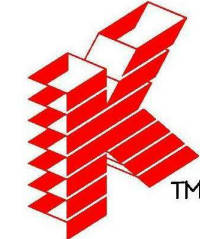
ALTERNATE NORTH ELEVATION

1/8" = 1'-0"



ALTERNATE WEST ELEVATION

1/8" = 1'-0"



Keller

PLANNERS | ARCHITECTS | BUILDERS

FOX CITIES
N216 State Road 55
P.O. Box 620
Kaukauna, WI 54130
PHONE (920) 766-5795 /
1-800-236-2534
FAX (920) 766-5004

MADISON
711 Lake Dr.
Sun Prairie, WI 53590
PHONE (608) 318-2336
FAX (608) 318-2337

www.kellerbuilds.com

PROPOSED BUILDING FOR:
SONG INDUSTRIES, INC.
WISCONSIN
DE PERE,

"COPYRIGHT NOTICE"
This design, drawing and detail is the copyrighted property of KELLER, INC. No part hereof shall be copied, duplicated, distributed, disclosed or made available to anyone without the expressed written consent of KELLER, INC.

REVISIONS		
1	04.24.2020	C. TEAFOE
2	05.27.2020	ACM
3	06.11.2020	ACM
4	06.25.2020	ACM
5	07.27.2020	ACM
6		

PROJECT MANAGER:
M. NYSTED
DESIGNER:
S. KLESSIG
DRAWN BY:
C. TEAFOE
EXPEDITOR:
SUPERVISOR:
PRELIMINARY NO:
P20096
CONTRACT NO:
DATE:
04.09.2020
SHEET:

A2.1



OPTION 'C'



SONG INDUSTRIES, INC.

DE PERE,

WISCONSIN



CONCEPT ONLY



OPTION 'C'



SONG INDUSTRIES, INC.

DE PERE,

WISCONSIN



CONCEPT ONLY

CITY OF DE PERE MEMO



To: Common Council
Larry Delo, City Administrator
From: Daniel Lindstrom, Development Services Director
Date: October 20, 2020

RE: **1899 Commerce Drive Sale and Development Agreement – Revisions since April Finance and Personnel Meeting**

This memo serves as a summary for the proposed changes to the terms for the project that were presented to the Finance and Personnel Committee in April. Committee unanimously recommended approval of the terms between the City, Song Industries, and Belmark. Since April it came to light there was a misunderstanding between City staff and Song/Belmark in the analysis phase of the projects. Staff originally analyzed the Song Industries relocation and the Belmark expansion together so some of Belmark's increment could be allocated to Song Industries to incentivize the move. The original proposal included a \$300,000 incentive for Song Industries that incorporated a cost for a small extension of Commerce Drive and a \$500,000 incentive for Belmark to help overcome the redevelopment costs. Following the Finance and Personnel Committee meeting, staff discussed the projects with the parties and they understood the terms as the short road extension and \$300,000 to assist in the construction and relocation of large manufacturing equipment. Staff recalculated the proforma analysis to review the proposal and concluded the two projects generate enough revenues to include the cost of the road extension and development incentive.

Additionally, the incentives and projects were originally planned to be under a single agreement; however, due to tax implications, the businesses requested to split the developments into two separate agreements. The total incentive package equates to 18% of the development and redevelopment for both projects. Staff believes it is still within the best interest of the City to help facilitate the relocation of Song Industries to make way for the expansion of Belmark.

Finally, at the September 28, 2020, Plan Commission meeting, the Commission unanimously recommended approval of the site plan subject to the review conditions. See the images below for a representative sample of the site plan and building elevations.

Note: the Belmark site plan approval and development agreement are scheduled for later this year and/or January 2021. Staff is also currently working to land additional business in the business park and help facilitate the extension of Commerce Drive.



CITY OF DE PERE MEMO



To: Finance and Personnel Committee
From: Daniel Lindstrom, Development Services Director
Date: April 14, 2020 (Meeting Date)

RE: **Proposed Purchase/Sale Agreement Terms from Keller Inc, on behalf of Belmark Inc., MASK LLC, Song Industries, Inc. and Bowman Commercial Holdings, LLC for Parcel ED – 344-102-5 and Redevelopment of Parcel 344-101-5.**

The City of De Pere received a request from Keller Inc, on behalf of Belmark inc, MASK LLC, (“Belmark”) Song Industries, Inc. and Bowman Commercial Holdings, LLC (“Song Industries”) to assist the development and redevelopment of parcels within the East Industrial. Belmark’s plant at 1800 Commerce Drive is at maximum capacity and they wish to expand the facility; however, the site cannot afford the expansion. Therefore, the only expansion area is to the south on parcel ED-344-101-5 that is currently occupied by Song Industries, a small industrial manufacturer. The parties agreed to transfer the site provided Song Industries can easily relocate to a new location. Belmark would like to break ground in 2021 to ensure they can meet future demands. Song Industries expressed the desire to stay on Commerce Drive to maintain partnerships with neighbors in the industrial park.

Song Industries identified parcel ED-344-102-5 as a potential future location. During the TIF analysis, staff identified there is not enough value in the proposed building and not enough years remaining in TID No. 10 to generate enough future tax increment revenue to create an incentive package that would facilitate new construction and relocation of equipment as a stand-alone development. However, the potential \$4,000,000 -\$5,000,000 Belmark expansion and \$7,000,000 in potential private property would have enough increment to help aid in the relocation of Song Industries. Therefore, Belmark (through Keller) proposed to construct the Song Industries facility and will then do a Like-Kind Exchange with Song Industries for their existing light manufacturing facility. It is the intent of Belmark to construct the addition to the current plant on the property acquired from Song Industries. The proposed site summaries are detailed on the following pages:

Song Industries Site Information Summary:

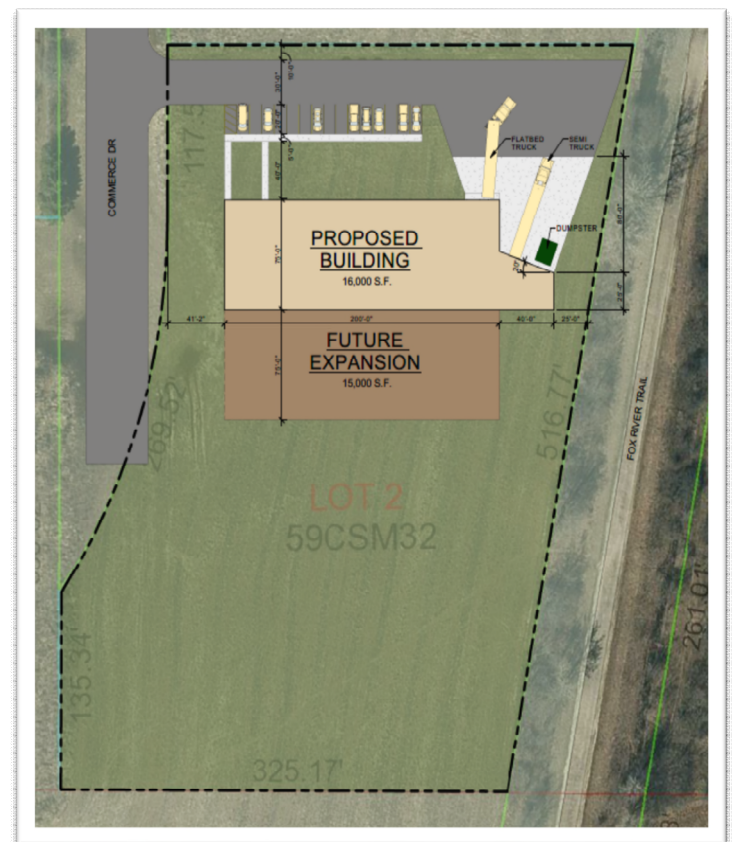
Address: Unassigned
 Acres: 3.798
 Proposed Use: Manufacturing
 Future Land Use: Business Park
 Zoning: Industrial Business-3
 Proposed Zoning: Unchanged
 Assessed Value: \$0
 Potential Value: \$800,000
 Required Actions Prior to Development:

- Sale agreement
- Road extension/land division
- Site plan approval

**Proposed Development**

The new facility is approximately 15,000 - 16,000 square feet, including 2,500 square feet of office. The building will be of steel construction with masonry and landscaping per City requirements. To facilitate Belmark's expansion, Song Industries must relocate existing equipment and inventory which will take considerable coordination and costs.

As part of the development, the City of De Pere will need to design and construct the Commerce Drive extension. The Tax Increment District No. 10 project plan identified extending Commerce Drive through to Rockland Road; however, it did not dictate the precise location of the future connection. Staff recommends extending the existing ROW to the southern property thus reducing the parcel to approximately 3.4 acres. As part of a future development agreement, the City shall be responsible to prepare an appropriate CSM or equivalent land division to either dedicate the land to ROW or create an outlet for future transportation purposes.



Belmark Expansion Site Information Summary:

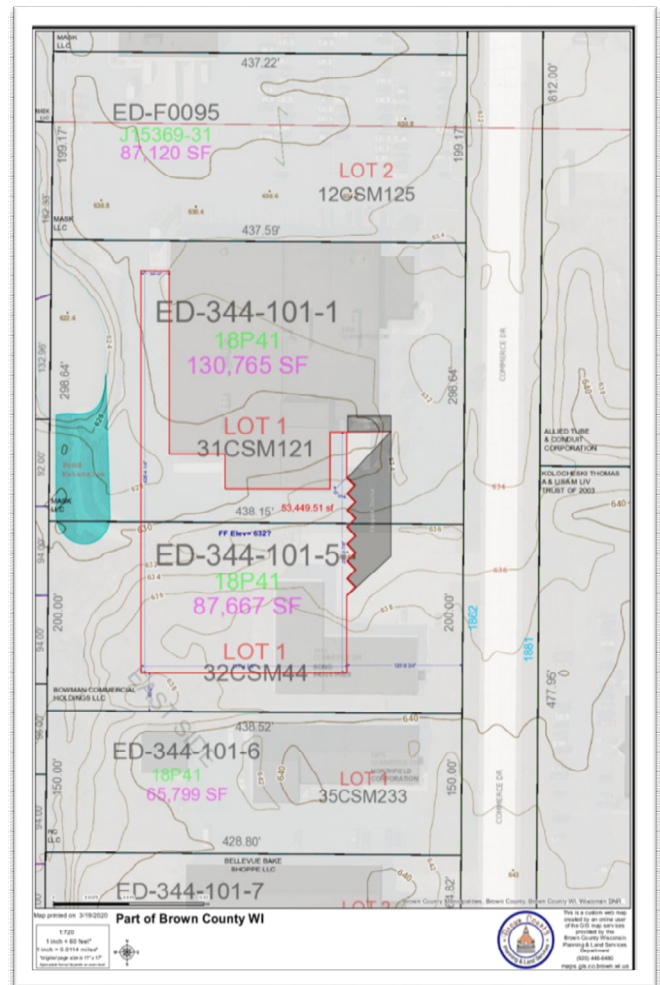
Address: 1862 COMMERCE DR
 Acres: 2.013
 Proposed Use: Manufacturing
 Future Land Use: Business Park
 Zoning: Industrial Business-3
 Proposed Zoning: Unchanged
 Assessed Value: \$450,000
 Potential Value: \$3,000,000 to \$4,000,000
 Required Actions Prior to Development:

- Sale agreement
- Song Industries relocation
- Site plan approval

**Proposed Development**

Following the construction of the relocation of Song Industries, Belmark intends to build a 40,000-54,000 square foot addition to the existing Plant No.2 nearly doubling the size of the facility. The structure will be comprised of the same materials and look as their current campus. The construction cost of the building would range from \$4,800,000 – \$6,500,000 based on the final size.

Also according to Belmark, an additional 60- 80 people consisting of 60 % skilled, 30% semi-skilled and 10% low skilled with another 15-20 added professional positions to Belmark's Corporate offices could be added in the next five to seven years.



Project Information Assumption Summary:

The Developer requests an \$800,000 incentive that includes the following assumptions and terms:

- A proposed 16,000 s.f. manufacturing/machine shop building (with appropriate façade materials as required by Code) on parcel ED-344-102-5, with a guaranteed assessed value of \$800,000 and a Payment in Lieu of Taxes (PILOT) shall be required if building assesses under Guaranteed Assessed Amount during the life of TID. The guaranteed assessed value and PILOT agreement shall be transferable to all parties for the remaining life of TID No. 10. The property shall be fully assessed on January 1, 2022.
- A proposed minimum 40,000 s.f. manufacturing building expansion (with appropriate façade materials as required by Code) on current parcels ED-344-101-1 and ED-344-101-5, with a guaranteed assessed value of \$3,500,000. The development shall also include Payment in Lieu of Taxes (PILOT) if the building and private property assesses under Guaranteed Assessed Amount during the life of TID. The guaranteed assessed value and PILOT agreement shall be transferable to all parties for the remaining life of TID No. 10. The property shall be fully assessed on January 1, 2023.
- Compliance with all City codes, particularly as related to design standards and landscaping. Plan Commission approval of a Site Plan.
- Acquisition of City property (ED-344-102-5) at listed price of \$30,000/acre (estimated 3.4 acres = \$100,000).
- The City of De Pere to prepare and approve of a land division to establish additional road right-of-way.
- The City of De Pere to construct the Commerce Drive extension with an accessible base course by October 2020 and remaining construction in early 2021.
- The City of De Pere to assist in the expansion of the stormwater facilities adjacent to the Belmark expansion
- Final purchase/sale agreement to be reviewed and decided upon by City Council.

Project Incentive Option – Land Grant and Developer Grant

Previous East Industrial Park incentives generally range from 8% to 12% of guaranteed assessed value; however, due to the redevelopment and relocation nature of these projects staff recommends approval of the increased incentive percentage up to 22% of the anticipated value of both projects. Staff recommends approval of the total requested incentive package in the form the following:

- \$100,000 in Land Rebate for the Song Industries development.
- \$200,000 in the road extension and remainder to Song Industries in the form of a cash grant for relocation subject to the assumption and terms stated above. Staff is currently working with Public Works to determine the actual road costs that could be attributed to the project.

- \$500,000 for a cash grant to Belmark subject to the assumption and terms stated above.

The following reviews anticipated for this project:

- Purchase/Sale Agreement Terms (April 2020)
- Song Industries Site Plan (Plan Commission – May/June 2020)
- Purchase Sale Agreement (Common Council – June/July 2020)
- Belmark Site Plan (Plan Commission – TBD)

If the Finance and Personnel Committee approves the proposed terms, the City will draft a Developer's Agreement that will be reviewed by the Common Council at a future meeting. The Developer's Agreement will not be finalized until the required zoning text change, land use approvals, and site plan approvals are secured. The development shall meet all required zoning code design standards.



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Carey Danen

SUBJECT: Resolution #20-110 Approving the Eighth Amendment to Central Brown County Water Authority Water Purchase and Sale Contract.

ATTACHMENTS:

- Reso20-110 (PDF)
- Water Purchase Agreement 8th Amendment (PDF)
- CBCWA Amend 8 Report (PDF)
- CBCWA Report (PDF)

RESOLUTION #20-110

APPROVING THE EIGHTH AMENDMENT TO
CENTRAL BROWN COUNTY WATER AUTHORITY
WATER PURCHASE AND SALE CONTRACT

WHEREAS, the Central Brown County Water Authority (the “Authority”), and the City of De Pere, the Village of Allouez, the Village of Bellevue, the Village of Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2 (hereinafter jointly known as “Authority Customers”) have entered into the Central Brown County Water Purchase and Sale Contract (the “Contract”) with an effective date of November 24, 2003; and

WHEREAS, the Contract was subsequently amended effective December 20, 2004, November 14, 2007, September 22, 2008, January 5, 2010, September 24, 2012, May 28, 2014, and May 22, 2017; and

WHEREAS, it is proposed that the Contract be amended again to update terminology and procedures, to delete unused provisions, and to provide flexibility in the use of Authority operating revenues; and

WHEREAS, pursuant to Article 16 of the Contract, this amendment must be approved by the Authority and three-fourths of the Authority Customers in order to be effective; and

WHEREAS, the City of De Pere is an Authority Customer, and is willing to approve this amendment.

NOW THEREFORE, BE IT HEREBY RESOLVED THAT:

1. The Common Council of the City of De Pere approves the Eighth Amendment to Central Brown County Water Authority Water Purchase and Sale Contract, a copy of which is attached and incorporated as Addendum 1.
2. The City Clerk is authorized and directed to provide a certified copy of this Resolution approving the Amendment to the Secretary-Treasurer of the Central Brown County Water Authority.
3. The Eighth Amendment to Central Brown County Water Authority Water Purchase and Sale Contract shall become effective on the first day that the Amendment is approved by the Authority and five of the following six Authority Customers: the City of De Pere, the Village of Allouez, the Village of Bellevue, the Village of Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2. Approval by Ledgeview Sanitary District No. 2 is not effective until the Town of Ledgeview has approved the amendment as a Town Signatory for Ledgeview Sanitary District No. 2.

Resolution #20-110

Page 2 of 2

BE IT FURTHER RESOLVED THAT:

All City officials, officers and employees are authorized and directed to take such action that is lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

**EIGHTH AMENDMENT TO
CENTRAL BROWN COUNTY WATER AUTHORITY
WATER PURCHASE AND SALE CONTRACT**

This EIGHTH AMENDMENT to CENTRAL BROWN COUNTY WATER AUTHORITY WATER PURCHASE AND SALE CONTRACT is effective this ____ day of _____, 20__.

1. The Water Purchase and Sale Contract, with an initial effective date of November 24, 2003, as subsequently amended effective December 20, 2004, November 14, 2007, September 22, 2008, January 5, 2010, September 24, 2012, May 28, 2014 and May 22, 2017 33, is hereby further amended as shown by the blacklining in Attachment A to this Amendment.

APPROVAL OF THIS AMENDMENT IS SIGNIFIED BY THE CERTIFIED RESOLUTIONS OF THE CENTRAL BROWN COUNTY WATER AUTHORITY AND THREE-FOURTHS OF THE AUTHORITY MEMBERS WHICH RESOLUTIONS SHALL BE ATTACHED TO THIS AMENDMENT.

ATTACHMENT A

CENTRAL BROWN COUNTY WATER AUTHORITY WATER PURCHASE AND SALE CONTRACT

This Water Purchase and Sale Contract is dated as of November 24, 2003, by and between the Central Brown County Water Authority (the "Authority"), a joint water authority and separate political subdivision and body public and corporate of the State of Wisconsin, and the City of De Pere, the Villages of Allouez, Bellevue, and Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2, and the Town of Ledgeview which enters into this Contract to fulfill the obligations of the Ledgeview Sanitary District No. 2. *[Revised by Second Amendment to Contract effective 11/14/07]*

WHEREAS, the Authority has been organized pursuant to Wisconsin Statute §66.0735 [now §66.0823, Stats.], adopted in 1997 Wisconsin Act 184, for the purpose of jointly developing, financing, constructing, operating, maintaining, and administering a joint water system which will provide Potable Water consisting entirely or primarily of Lake Water to the aforementioned units of local government (the "Charter Customers" as hereafter defined); and

WHEREAS, the Charter Customers will each execute counterparts of this Contract which will enable the Authority to obtain a Lake Michigan water supply and construct and complete its waterworks system (the "Authority's Waterworks System" as hereafter defined) and will enable the Charter Customers to receive Potable Water consisting entirely or primarily of Lake Water from the Authority; and

WHEREAS, there are a variety of methods or combination of methods that the Authority may use to provide for its Charter Customers' water supply needs; and *[Revised by Second Amendment to Contract effective 11/14/07]*

WHEREAS, the Charter Customers each have or will have a waterworks system (a "Unit System" as hereafter defined); and

WHEREAS, the Authority proposes to issue and sell its "Bonds" from time to time during the term of this Contract in sufficient amounts for the payment of "Authority Project Costs" (as hereafter defined) and other capital facilities costs required to be paid for by the Authority; and

WHEREAS, the Bonds will be issued from time to time by the Authority pursuant to a "Bond Resolution" as hereafter defined; and

WHEREAS, pursuant to Wisconsin Statute §66.0735 [now §66.0823, Stats.], the Charter Customers are authorized to enter into this Contract; and

WHEREAS, by the execution of this Contract, the Charter Customers are surrendering none of their respective rights to the ownership and operation of their respective Unit Systems, except as expressly provided in this Contract, nor is the Authority surrendering any of its rights to the ownership and operation of the Authority's Waterworks System; and

WHEREAS, in order to finance the cost of the Authority's Waterworks System and other capital facilities required to be financed by the Authority through the issuance of bonds and other forms of indebtedness, the Authority must have in place long-term contracts with its Charter Customers which can serve as security for the Authority's indebtedness; and

WHEREAS, in order to improve the financing ability of the Authority, the Authority must also have in place certain assurances by which towns will fulfill the obligations of Charter Customers which are town sanitary districts; and

WHEREAS, the Charter Customers recognize that the Authority may in the future enter into contracts with other "Subsequent Customers" as hereafter defined and those Subsequent Customers may be served from time to time; and

WHEREAS, this Contract contains certain requirements for the nature and composition of the vote of the Authority required to effectuate certain actions relating to the contractual rights of the Charter Customers herein; and such Charter Customers execute this Contract in reliance upon the continuation of such requirements for the term of this Contract;

NOW, THEREFORE, in consideration of the foregoing recitals and of the mutual covenants and agreements herein contained, the Parties hereby agree as follows:

The preambles set forth above are incorporated herein by reference, as if set out in full. Article and Section numbers and captions are for reference and convenience only and do not expand or limit the meaning as contained in the text of this Contract. A definition in the singular may be used in the plural, and vice-versa.

- 1 **Definitions.** The following words and phrases shall have the following meanings when used in this Contract, unless the context clearly indicates a different meaning is intended.
 - 1.1 **"Act"** means Wisconsin Statute §66.0735 [now §66.0823, Stats.], adopted in 1997 Wisconsin Act 184, as such statute has been and may be, from time to time, amended or renumbered.
 - 1.2 **"Aggregate Costs"** means Operation Costs, Fixed Costs, Security Fund Payments and Default Shares, collectively, as herein defined.
 - 1.3 *[Section 1.3 was originally deleted by Second Amendment to Contract effective 11/14/07. A new Section 1.3 was created by the Third Amendment to Contract effective 9/22/08, and then deleted by the Fourth Amendment to Contract effective 1/5/10.]*

1.4 **"Annual Water Usage"** means for an Authority Customer the amount of Potable Water taken from the Authority by that Authority Customer in a particular year measured in accordance with Section 5.2. Notwithstanding the foregoing, if the sum of all the Authority Customer's Annual Water Usage at the end of the Fiscal Year is less than the number set forth on Exhibit B-1 for the Authority as a whole, all ~~Charter Authority~~ Customers with an Annual Water Usage lower than the number set forth on Exhibit B-1 for that Customer shall have their Annual Water Usage increased proportionately so that the Annual Water Usage for the Authority as a whole is equal to the amount shown in Exhibit B-1. Exhibit B-1 may be amended ~~by the Authority's Board of Directors~~ in accordance with Section 2.13. *[Section 1.4 was originally deleted by Second Amendment to Contract effective 11/14/07. A new Section 1.4 was created by the Third Amendment to Contract effective 9/22/08, and then revised by the Fourth Amendment to Contract effective 1/5/10, and the Sixth Amendment to Contract effective 5/28/14, and the Seventh Amendment to Contract effective May 22, 2017.]*

1.5 *[Deleted by Second Amendment to Contract effective 11/14/07]*

1.6 **"Authority"** means the Central Brown County Water Authority located in Brown County, Wisconsin, as formed by the Agreement Establishing the Central Brown County Water Authority pursuant to § 66.0735, Wis. Stats. effective as of January 19, 1999.

1.7 **"Authority Customers"** means Charter Customers and Subsequent Customers collectively.

1.7m **"Authority Formation Agreement"** means the Agreement Establishing the Central Brown County Water Authority, originally effective September 9, 1998, as subsequently amended and restated.

1.8 **"Authority Project"** means any acquisition or construction related to the Authority's Waterworks System including initial acquisition and construction thereof and all future improvements or extensions, acquisition, construction, repair or replacement thereof.

1.9 **"Authority Project Costs"** means, with respect to an Authority Project, all costs of the Authority Project, including, but not limited to, costs of the acquisition of necessary lands, easements, and rights-of-way over lands and waters; the erection, construction, installation, rehabilitation, repair and replacement of intake, pumping, storage or treatment facilities, mains and pipelines, or any other facilities; costs of financing and administration during any period of acquisition, erection, construction, rehabilitation, repair, replacement or installation; costs of repayment of such interim indebtedness as may be incurred for such costs, including administrative expenses prior to issuance of Bonds for an Authority Project; and costs for such other purposes, including without limitation reasonable reserves and working capital, as may be determined by the Authority.

1.9m **"Authority's Board of Directors"** means the Board of Directors of the Authority established as provided in the Authority Formation Agreement.

- 1.10 **"Authority's Waterworks System"** means all land, easements, rights-of-way over lands and waters; intake, pumping, storage and treatment facilities; mains and pipelines; and all other facilities, now or in the future acquired by purchase, lease, contract, or otherwise, or constructed by the Authority, and used for the purposes of providing and transmitting Potable Water to Authority Customers. "Authority's Waterworks System" also includes all contract rights and other tangible and intangible assets of the Authority used or useful in connection with such real property and facilities, including without limitation any contract right or other contractual arrangement for the long-term or short-term delivery of water to or purchase of water by the Authority. "Authority's Waterworks System" shall not include: (a) any properties or interest in properties of any Authority Customer unless the Authority obtains an interest in such properties from such Authority Customer pursuant to a contract; (b) any properties or interest in properties of the Authority which the Board of Directors of the Authority determine shall not constitute a part of the Authority's Waterworks System for purposes of this Contract; and (c) any properties or interest in properties of a Third Party Water Supplier unless the Authority obtains an interest in such property from the Third Party Water Supplier pursuant to a contract.
- 1.11 **"Average Day Demand"** means for an Authority Customer that Authority Customer's Estimated Annual Water Requirement divided by 365.
- 1.12 **"Bonds"** means any bonds, notes, or other evidences of indebtedness issued by the Authority from time to time to finance or refinance any cost, expense or liability paid or incurred or to be paid or incurred by the Authority in connection with investigating, studying, planning, engineering, designing, financing, installing, constructing, acquiring, operating, maintaining, retiring, decommissioning or disposing of any part of the Authority's Waterworks System or otherwise paid or incurred or to be paid or incurred by the Authority in connection with the performance of its obligations under this Contract or any Third Party Water Supply Contract or for any other lawful purpose permitted under the Act.
- 1.13 **"Bond Resolution"** means one or more resolutions, indentures or similar instruments of the Authority providing for the issuance of Bonds.
- 1.14 **"Charter Customers"** means the City of De Pere, the Villages of Allouez, Bellevue, and Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2. *[Revised by Second Amendment to Contract effective 11/14/07]*
- 1.15 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 1.16 **"Contract"** means this contract.
- 1.17 **"Default Shares"** means the additional costs each [AuthorityCharter](#) Customer must pay in accordance with Section 6.10 if another [AuthorityCharter](#) Customer defaults in its payment of Aggregate Costs and there are insufficient funds in the defaulting [AuthorityCharter](#) Customer's Security Fund Account to pay such costs.

- 1.18 **"DNR"** means the Department of Natural Resources of the State of Wisconsin.
- 1.19 **"Effective Date"** shall have the meaning set forth in Section 24.2.
- 1.20 **"EPA"** means the United States Environmental Protection Agency.
- 1.21 **"Estimated Annual Water Requirement"** means for an Authority Customer the estimated amount of Potable Water the Authority Customer is expected to take from the Authority in the upcoming Fiscal Year. The Estimated Annual Water Requirement for each Authority Customer shall be calculated prior to the beginning of each Fiscal Year. The Authority shall work jointly with each Authority Customer to develop the Estimated Annual Water Requirement for that Customer. The Estimated Annual Water Requirement for each Authority Customer shall be based on historical water consumption adjusted for economic conditions, known changes to customer base, system improvements reducing water loss, or other quantifiable factors. In the event that mutual agreement on the Estimated Annual Water Requirement for an Authority Customer cannot be achieved, the Authority shall unilaterally establish the Estimated Annual Water Requirement. Notwithstanding the foregoing, if the sum of all the Authority Customer's Estimated Annual Water Requirements at the beginning of the Fiscal Year is less than the number set forth on Exhibit B-1 for the Authority as a whole, all [Charter Authority](#) Customers with an Estimated Annual Water Requirement lower than the number set forth on Exhibit B-1 for that Customer shall have their Estimated Annual Water Requirements increased proportionately so that the Estimated Annual Water Requirement for the Authority as a whole is equal to the amount shown in Exhibit B-1. Exhibit B-1 may be amended ~~by the Authority's Board of Directors~~ in accordance with Section 2.13. *[Amended by the First Amendment to Central Brown County Water Authority Water Purchase and Sale Contract effective December 20, 2004; Second Amendment to Contract effective 11/14/07; Third Amendment to Contract effective 9/22/08; Fourth Amendment to Contract effective 1/5/10; and Sixth Amendment to Contract effective 5/28/14, and the Seventh Amendment to Contract effective May 22, 2017.]*

1.21m **"Executive Committee"** means the Executive Committee of the Authority established as provided in the Authority Formation Agreement.

- 1.22 **"Fiscal Year"** means the fiscal year of the Authority, which shall be a calendar year. The Authority's first Fiscal Year for purposes of this Contract begins January 1, 2005. *[Amended by Sixth Amendment to Contract effective 5/28/14.]*
- 1.23 **"Fixed Costs"** means an amount sufficient at all times to pay the principal of and premium, if any, and interest on all Bonds, to provide an adequate depreciation fund for the Authority's Waterworks System, to comply with the covenants of the Bond Resolution (including payment into any accounts and funds of amounts required by the Bond Resolution) related to the Bonds, and to pay reasonable capital costs, including capital costs for which Bonds may be issued and such other capital costs as are necessary or desirable to carry out the corporate purposes and powers of the Authority and its

obligations under this Contract and any Third Party Water Supply Contract; except as any of the above are included in Operation Costs.

- 1.24 **"Force Majeure"** shall have the meaning set forth in Article 13.
- 1.25 **"Full Water Requirements"** means in reference to the current year or a future year, with respect to an Authority Customer, the amount of water necessary from time to time to meet the water requirements of all then current customers served by the Unit System of such Authority Customer (including municipal use where applicable).
- 1.26 **"Governmental Authority"** means any state or federal court, administrative or regulatory agency or commission, or other governmental entity or instrumentality, or any department thereof, having jurisdiction or authority over all or any part of the subject matter of this Contract.
- 1.27 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 1.28 *[Deleted by Sixth Amendment to Contract effective 5/28/14]*
- 1.29 **"Lake Water"** means potable, treated, filtered water drawn from Lake Michigan.
- 1.30 **"Manitowoc"** means the City of Manitowoc, Wisconsin and the Manitowoc Public Utilities, managed by the Manitowoc Public Utilities Commission.
- 1.31 **"Membership Committee"** means the Membership Committee of the Authority established as provided in the Authority Formation Agreement. /Section 1.31 as originally adopted was ~~f~~Amended by the Third Amendment to Contract effective 9/22/08; and deleted by the Fourth Amendment to Contract effective 1/5/10.]
- 1.32 *[Amended by the Third Amendment to Contract effective 9/22/08; and deleted by the Fourth Amendment to Contract effective 1/5/10.]*
- 1.33 **"Operation Costs"** means all expenses and costs, other than Fixed Costs, incurred by the Authority in providing or preparing to provide Potable Water to Authority Customers (including, without limitation, operation and maintenance expenses, administration and general expenses, working capital, regulatory costs, insurance premiums, and any contractual costs of supply) and the accumulation of reserves and other funds related to payment of said costs. Upon the adoption of a Bond Resolution by the Authority in connection with the sale of Bonds, Operation Costs payable under this Contract shall in any month at least be equal to the amount required to be deposited in that month into the operation and maintenance fund or account created under the Bond Resolution and the amount (together with the amount of Fixed Costs for that month and any other amounts available therefore) required to satisfy any debt service coverage requirement under any Bond Resolution.

- 1.34 **"Party"** means the Authority or any one of the [Authority Charter](#) Customers. Parties means two or such Parties.
- 1.35 **"Points of Connection"** means the points where Potable Water leaves the Unit System of one Authority Customer and enters the Unit System of another Authority Customer. A "Point of Connection" is one such point.
- 1.36 **"Points of Delivery"** means the points where the Potable Water delivered by the Authority to Authority Customers leaves the Authority's Waterworks System and enters the Authority Customers' Unit Systems. A "Point of Delivery" is one such point.
- 1.37 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 1.38 **"Potable Water"** means treated Lake Water, a combination of treated Lake Water and groundwater, or groundwater.
- 1.39 **"Prudent Utility Practice"** shall mean any of the practices, methods and acts which, in the exercise of reasonable judgment in the light of the facts (including, but not limited to, any practices, methods and acts engaged in or approved by a significant portion of the water utility industry prior thereto) known at the time the decision was made, could have been expected to accomplish the desired result at reasonable cost consistent with reliability, safety and expediency. In applying the standard of Prudent Utility Practice to any matter under this Contract, equitable consideration shall be given to the circumstances, requirements and obligations of each of the Parties, and there shall be taken into account the fact that the Authority and the [Authority Charter](#) Customers are all political subdivisions and municipal corporations of the State of Wisconsin with prescribed statutory powers, duties and responsibilities. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at reasonable cost consistent with reliability, safety and expediency. Prudent Utility Practice includes due regard for manufacturers' warranties and the requirements of Governmental Authorities which have jurisdiction.
- 1.40 **"PSC"** means the Public Service Commission of Wisconsin.
- 1.41 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 1.42 **"Security Fund Account"** means the account created and maintained by the Authority to hold the Security Fund Payments made by each [Authority Charter](#) Customer.
- 1.43 **"Security Fund Payment"** means the costs each [Authority Charter](#) Customer shall pay in accordance with Section 6.6 to be held in a Security Fund Account and to be used in accordance with subsection 6.10 in the event an [Authority Charter](#) Customer defaults in its payment of Aggregate Costs.

- 1.44 **"Subsequent Contract"** means a contract which provides for a Subsequent Customer to purchase Potable Water from the Authority (other than in an emergency) and which contract shall further contain the provisions set forth in Article 12.
- 1.45 **"Subsequent Customer"** means a customer of the Authority's Waterworks System which is not a Charter Customer and which is served pursuant to a Subsequent Contract.
- 1.46 **"Third Party Water Supplier"** means a municipality, including but not limited to Manitowoc, or a public or private entity which contracts with the Authority to provide a water supply to the Authority. The term "Third Party Water Supplier" includes any water commission, parent, or subsidiary of such municipality or private entity. *[Revised by Second Amendment to Contract effective 11/14/07]*
- 1.47 **"Third Party Water Supply Contract"** means a contract between the Authority and the Third Party Water Supplier under which: (a) the Third Party Water Supplier sells water to the Authority on a temporary or permanent basis, and the Authority purchases water from the Third Party Water Supplier for distribution to Authority Customers; or (b) the Third Party Water Supplier provides facilities or services for use by the Authority in its provision of water to Authority Customers.
- 1.48 **"Third Party Water Supplier's Customer"** means a customer who receives water from the Third Party Water Supplier's Waterworks System either on a retail or wholesale basis.
- 1.49 **"Third Party Water Supplier's Waterworks System"** means all the Third Party Water Supplier's land, easements, rights-of-way over lands and waters, intake, pumping, storage and treatment facilities, mains and pipelines, and all other facilities, now or in the future acquired by purchase, lease, contract, or otherwise, or constructed by the Third Party Water Supplier, and used for the purposes of providing and transmitting Potable Water to the Third Party Water Supplier's Customers.
- 1.50 **"Town Signatory"** means a town which enters into this Contract for the purpose of fulfilling the obligations of an ~~Authority-Charter~~ Customer which is a town sanitary district located in whole or in part within the corporate limits of the town.
- 1.51 **"Trustee"** means the trustee provided in the Bond Resolution.
- 1.52 **"Unit System"** means the waterworks system or systems or combined waterworks and sewerage system or systems (if such systems are combined for financing and accounting purposes) from time to time of an Authority Customer. A totally separate nonpotable waterworks system of an Authority Customer shall be excluded from the definition of "Unit System" under this Contract.

2 **Water Supply**

- 2.1 **Authority's Purpose to Provide Water Supply.** The Authority was formed for the purpose of jointly developing, financing constructing, operating, maintaining, and administrating a joint water system which will provide Potable Water to the [Authority Charter](#) Customers. The Authority will decide the best manner in which to provide Potable Water to the [Authority Charter](#) Customers taking into consideration the short-term costs of various water supply options, the long-term costs of these options, the short-term and long-term risks involved with the various options, and the ability to influence or control future decision-making so as to control future costs and risks.
- 2.2 **Construction of Water Supply Facilities.** To accomplish the Authority's objective as stated in Section 2.1, the Authority will construct the Authority's Waterworks System to provide Potable Water to the [Authority Charter](#) Customers, and the Authority may construct or pay for other capital facilities required to be constructed or paid for under a Third Party Water Supply Contract. The Authority will issue Bonds prior to the time the Authority will provide Potable Water to [Authority Charter](#) Customers to finance the construction of the Authority's Waterworks System and any other capital costs that the Authority may be required to pay under a Third Party Water Supply Contract. In order to make payments on these Bonds before the Authority begins to provide Potable Water to [Authority Charter](#) Customers, this Contract obligates Charter Customers to pay Fixed Costs beginning no later than January 1, 2005. [An Authority Charter](#) Customer's obligation to pay Fixed Costs is addressed in Section 6.3 of this Contract. *[Revised by Second Amendment to Contract effective 11/14/07]*
- 2.3 *[Deleted by the Seventh Amendment to Contract effective May 22, 2017]*
- 2.4 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 2.5 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 2.6 **Provision of Potable Water** *[Revised by Second Amendment to Contract effective 11/14/07]*
- 2.6.1 *[Deleted by Second Amendment to Contract effective 11/14/07]*
- 2.6.2 **Negotiation of a Third Party Water Supply Contract.** The Authority may negotiate an acceptable contract with a Third Party Water Supplier for the provision of Potable Water, or for certain services or the use of certain facilities. The Authority's costs under a Third Party Water Supply Contract shall be treated as Operation Costs, unless the Authority issues Bonds for certain costs, in which case those costs for which Bonds are issued shall be treated as Fixed Costs.
- 2.6.3 **Construction of an Independent Waterworks System.** If the Authority is unable to negotiate an acceptable contract with a Third Party Water Supplier, the Authority shall build an independent Authority's Waterworks System capable of meeting the [Authority Charter](#) Customers' Full Water Requirement.

- 2.7 **Provision of Full Water Requirements; Agreement to Purchase and Sell.** Once the Authority's Waterworks System is able to provide the [Authority Charter](#) Customers' Full Water Requirements on a yearly basis, (subject to the provisions of Sections 2.8 through 2.11, and 9.1 of this Contract), the Authority shall provide and sell to each [Authority Charter](#) Customer and each [Authority Charter](#) Customer shall take and purchase from the Authority the amount of Potable Water necessary from time to time to serve the [Authority Charter](#) Customer's Full Water Requirements. Except as provided in Sections 2.11 and 9.1, the [Authority Charter](#) Customer shall not obtain water from a source other than the Authority.
- 2.8 **Limits on Authority's Obligations.** The Authority's obligation to each [Authority Charter](#) Customer to deliver Potable Water under Section 2.7 shall be limited to a maximum rate of Potable Water for any one hour equal to 1.8 times such [Authority Charter](#) Customer's Average Day Demand divided by 24. *[Revised by Fifth Amendment to Contract effective 9/24/12]*
- 2.9 **Certain Limits on Supply and Authority's Power to Contract.** The Authority shall use its best efforts, in accordance with Prudent Utility Practice, to furnish Potable Water to the [Authority Charter](#) Customers, but its obligation shall be limited by (i) the amount of Potable Water from time to time available to the Authority; (ii) contracts between the Authority and its other Authority Customers; (iii) the capacity of the Authority's Waterworks System; and (iv) ordinary transmission loss, including standard metering error, between the Authority's source of supply and the Points of Delivery. The Authority shall not enter into contracts with Subsequent Customers that would cause the Authority to be obligated to sell Potable Water in excess of the least of (i) Authority's Waterworks System capacity, or (ii) an amount which would decrease the amount of Potable Water then being supplied or is then anticipated to be supplied within the next three years to [current Authoritythe Charter](#) Customers.
- 2.10 **Emergency or Maintenance Shut-Off.** The Authority undertakes to use reasonable care and diligence to provide a constant supply of Potable Water, but reserves the right at any time temporarily to turn off the Potable Water in its mains for emergency and maintenance purposes. The Authority shall give to the [Authority Charter](#) Customers notice not less than forty-eight (48) hours in advance of any such turn-off, except that in emergencies it shall give notice which is reasonable under the particular circumstances.
- 2.11 **Curtailment; Emergency Use of Other Sources.** If it becomes necessary for the Authority to limit its delivery of Potable Water to its [Authority Charter](#) Customers for any reason, each [Authority Charter](#) Customer shall be entitled to the fullest extent possible to receive during such period of curtailment its pro rata share of Potable Water available. If Potable Water is provided in accordance with Section 2.7, each [Authority Charter](#) Customer's pro rata share of Potable Water shall be determined by the ratio of its current Estimated Annual Water Requirement to the sum of the current Estimated Annual Water Requirements of all [Authority Charter](#) Customers entitled to Potable Water during such period of curtailment. Each [Authority Charter](#) Customer may serve its customers in cases of emergency, or when the Authority for whatever reason is unable to meet such

~~Authority Charter~~ Customer's Full Water Requirements, from any source including wells owned by such ~~Authority Charter~~ Customer and maintained for emergency use.

- 2.12 **Water Quality.** The Authority shall supply each ~~Authority Charter~~ Customer with Potable Water of a quality commensurate with that furnished other ~~Authority Charter~~ Customers, and meeting state and federal water quality standards. The Authority bears no responsibility for the contamination of Potable Water or deterioration of water quality occurring beyond the Points of Delivery to the ~~Authority Charter~~ Customers. *[Revised by Second Amendment to Contract effective 11/14/07]*

- 2.13 **Amendment of Exhibit B-1.** Exhibit B-1 may be amended under this Section, not more than once every three years, by a two-thirds vote of the Authority's Board of Directors, provided the Executive Committee, if one exists, first recommends adoption of the proposed amendment to the Authority's Board of Directors. An amendment under this Section may adjust each individual Charter Customer's share of the total Annual Water Requirement of the Authority listed on Exhibit B-1 to equal the amount calculated by (i) dividing the individual Charter Customer's Annual Water Usage for the most recent three complete calendar years by the Annual Water Usage for all Charter Customers for the most recent three complete calendar years; and (ii) multiplying that quotient by the total Annual Water Requirement of the Authority which shall remain at 2,212.468 million gallons unless amended in accordance with Section 16. Section 16 does not apply to an amendment made in accordance with this Section 2.13. *[Created by Sixth Amendment to Contract effective 5/28/14]*

3 **Storage, Delivery, and Distribution**

- 3.1 **Storage.** At the time Potable Water is first delivered to it pursuant to Section 2.7, each ~~Authority Charter~~ Customer ~~with an Average Day Demand equal to or greater than 210,000 gallons per day~~ shall be required to have water storage capacity in its Unit System in an amount no less than its current Average Day Demand. ~~An Authority Charter Customer with an Average Day Demand less than 210,000 gallons per day shall be required to obtain, construct or acquire water storage capacity in its Unit System in an amount no less than its current Average Day Demand prior to the time its current Average Day Demand equals or exceeds 210,000 gallons per day.~~ Each ~~Authority Charter~~ Customer with water storage capacity in its Unit System shall be required to maintain water storage capacity in its Unit System in an amount no less than its current Average Day Demand. *[Amended by the First Amendment to Central Brown County Water Authority Water Purchase and Sale Contract effective December 20, 2004]*
- 3.2 **Points of Delivery.** The Points of Delivery where Potable Water delivered hereunder leaves the Authority's Waterworks System and enters a Unit System will be one foot downstream from the Authority's meter. The number and location of connections to each ~~Authority Charter~~ Customer's system are shown on Exhibit C. Exhibit C may be amended by majority vote of the Authority's Board of Directors, provided the Membership Committee first recommends adoption of the proposed amendment to the Authority's Board of Directors. *[Revised by Fifth Amendment to Contract effective 9/24/12]*

3.3 **Points of Connection.** The Points of Connection where Potable Water moves from one Authority Customer's Unit System to another Authority Customer's Unit System will be one foot downstream from the Authority's meter. The number and location of the Points of Connection are shown on Exhibit C. Exhibit C may be amended by majority vote of the Authority's Board of Directors, provided the Membership Committee first recommends adoption of the proposed amendment to the Authority's Board of Directors. *[Revised by Fifth Amendment to Contract effective 9/24/12]*

3.4 **Back-Flows, Pressure.** Each Authority~~Charter~~ Customer shall receive its supply of Potable Water downstream of the Authority's meter at pressures that will vary from time to time. Each Point of Delivery shall have pressure increasing/reducing facilities. Each Authority~~Charter~~ Customer is responsible for the siting, installation, operation, maintenance and replacement of the pressure increasing/reducing facilities needed to convey water from the Authority's Waterworks System into the Unit System. The Authority may~~shall~~ pay or reimburse an Authority ~~each Charter~~ Customer for reasonable costs of design and initial installation of such facilities, and of buildings needed to house such facilities; provided, that Authority~~Charter~~ Customers shall provide appropriate sites for these facilities without reimbursement. The Authority shall also pay or reimburse each Authority~~Charter~~ Customer for the electrical costs incurred in the operation of such facilities. Future modifications of such facilities shall be the responsibility of the Authority~~Charter~~ Customer.

Initial construction and future modification of plans and specifications of the pressure increasing/reducing facilities shall be submitted to the Authority for review and approval, which shall not be unreasonably withheld.

Each Authority~~Charter~~ Customer's operation of its pressure increasing/reducing facilities shall not cause surges or back-flows into the Authority's Waterworks System nor shall the operation of the Customer's pressure increasing/reducing facilities cause the Authority's Waterworks System pressure to drop below 20 psi. The Authority shall not be responsible for any damage to the Unit System caused by design, operation or maintenance of the Authority~~Charter~~ Customer's connection facilities to the Authority's Waterworks System.

[Revised by Fifth Amendment to Contract effective 9/24/12]

3.5 **Authority~~Charter~~ Customer to Maintain Water Quality and Unit System and to Prevent Waste.** Each Authority~~Charter~~ Customer agrees to operate its Unit System from the Points of Delivery on to the consumer in such a manner as at no time to place the Authority and the Authority's Waterworks System in jeopardy of failing to meet the regulations of any Governmental Authority having jurisdiction over the operation of public water supplies. Each Authority~~Charter~~ Customer also agrees to notify the Authority as promptly as possible of all emergency and other conditions which may directly or indirectly affect the quantity or quality of the Potable Water received hereunder or the Authority's Waterworks System.

4 **Measuring Equipment.**

- 4.1 **Authority to Supply Equipment, Official Record.** The Authority shall furnish, install, own, operate, maintain, repair and replace, at its own expense, at the Points of Delivery, the necessary equipment and devices for properly measuring the quantity of Potable Water delivered by the Authority to Authority Customers, and transferred between Authority Customers under this Contract. Such measuring equipment and devices shall be of a type meeting the standards of the American Water Works Association. The Authority shall install the equipment in above-ground structures located at sites selected by each [Authority Charter](#) Customer, respectively, for Potable Water delivered to it. Such sites shall be subject to review and approval by the Authority, which shall not be unreasonably withheld. The Authority shall pay the cost of constructing any new above-ground structures or remodeling any existing above-ground structures to the extent necessary to house the Authority's equipment. The above-ground structures shall be owned, maintained, repaired and replaced by Authority Customers. The Authority's meters and other equipment installed in the above-ground structure shall remain the property of the Authority. An [Authority Charter](#) Customer shall grant to the Authority, at no cost, an easement in each respective site sufficient to enable the Authority to install, use, operate and maintain the Authority's equipment during the term of this Contract. The Authority and each [Authority Charter](#) Customer shall have access to such structures and equipment for examination and inspection at all reasonable times, but the reading for billing purposes, calibration and adjustment thereof shall be done only by the employees or agents of the Authority. For the purpose of this Contract, the official record of readings of the meter or meters shall be the journal or other record book of the Authority in its office in which the records of the employees or agents of the Authority who take the readings are or may be transcribed. Upon written request of an [Authority Charter](#) Customer, the Authority will give the [Authority Charter](#) Customer a copy of such journal or record book, or permit the [Authority Charter](#) Customer to have access thereto in the office of the Authority during regular business hours. *[Revised by Second Amendment to Contract effective 11/14/07; and by Fifth Amendment to Contract effective 9/24/12]*
- 4.2 **Calibration.** At least once in each Fiscal Year, the Authority shall calibrate its meters used to measure Potable Water under this Contract. The Authority shall give the [Authority Charter](#) Customer notice, not less than two (2) working days prior to the time of the calibration (which shall be conducted during normal working hours), so that the [Authority Charter](#) Customer may have a representative present during the calibration. If a representative is not present, the calibration and any necessary adjustment may proceed in the absence of a representative. If any check meters as hereinafter provided for have been installed, such meters shall be calibrated by the [Authority Charter](#) Customer. The [Authority Charter](#) Customer shall give the Authority notice, not less than two (2) working days prior to the time of the calibration (which shall be conducted during normal working hours), so that the Authority may have a representative present during the calibration. If an Authority representative is not present, the calibration and any necessary adjustment may proceed in the absence of a representative.

- 4.3 **Check Meters.** An ~~Authority~~ Charter Customer may, at its option and its own expense, install and operate a check meter to check each meter installed by the Authority, but the measurement of Potable Water for the purpose of this Contract shall be solely by the Authority's meters, except in the cases hereinafter specifically provided to the contrary. All such check meters shall be installed as near to the Authority's meters as practicable, be of standard make, and be subject at all reasonable times to inspection and examination by any employee or agent of the Authority, but the calibration and adjustment thereof shall be made only by such ~~Authority~~ Charter Customer, except during any period when a check meter may be used under the provisions hereunder for measuring the amount of water under this Contract, in which case the calibration and adjustment thereof shall be made by a certified independent contractor in the presence of the Authority and the ~~Authority~~ Charter Customer, with like effects as if such check meter or meters had been furnished and installed by the Authority. The cost of the certified independent contractor shall be shared equally by the Authority and the ~~Authority~~ Charter Customer.
- 4.4 **Variations between Meters; Reconciliation.** Notwithstanding the foregoing, if the Authority or any ~~Authority~~ Charter Customer at any time observes a variation between an Authority meter and a check meter, if any such check meter shall have been installed, or any other evidence of meter malfunctions, such Party shall promptly notify the other and the Authority and such ~~Authority~~ Charter Customer shall then cooperate to procure an immediate calibration test and adjustment of such meter to accuracy and shall jointly observe any such adjustment. The Party who discovers such variation shall give the other Party notice not less than two (2) working days prior to the time of all tests of meters (which tests shall be conducted during normal working hours) so that the other Party may conveniently have a representative present. If said representative is not present at the time set in the notice, calibration and adjustment may proceed in the absence of a representative. If, upon any test, the percentage of inaccuracy of any meter is found to be in excess of two percent (2%), registration thereof shall be corrected by agreement of the Authority and such ~~Authority~~ Charter Customer based upon the best data available, for a period extending back to the time when such inaccuracy began, if such time is ascertainable, and if such time is not ascertainable, then for a period extending back one-half (½) of the time elapsed since the last date of calibration, but in no event further back than a period of six (6) months. If for any reason any meters are out of service or out of repair so that the amount of Potable Water supplied under this Contract cannot be ascertained or computed from the reading thereof, the Potable Water delivered during the period such meters are out of service or out of repair shall be deemed to be the registration of any check meter or meters if the same have been installed and are accurately registering. Otherwise, the amount of Potable Water supplied during such period shall be estimated (i) by correcting the error if the percentage of the error is ascertainable by calibration tests or mathematical calculations, or (ii) if the error is not ascertainable by calibration tests or mathematical calculation, by estimating the quantity of delivery by considering deliveries during preceding periods under similar conditions when the meter or meters were registering accurately.
- 4.5 **Removal of Authority Meters.** Within six (6) months after the termination of this Contract without renewal, the Authority shall at its own expense remove metering

equipment from and restore the property of each ~~Authority~~ Customer to which such termination without renewal applies. If the Authority fails to do so, the ~~Authority~~ Customer affected may elect to enforce its right to removal and restoration or to take title to such equipment. *[Revised by Fifth Amendment to Contract effective 9/24/12]*

5 **Measurement.**

5.1 **Unit of Measurement.** The unit of measurement for Potable Water hereunder shall be gallons of water, U.S. Standard Liquid Measure, and all measuring devices shall, unless the Authority and affected ~~Authority~~ Customer otherwise agree, be so calibrated. In the event that it should become necessary, or desirable to use other units of measurement, the basis of conversion shall be that 7.48 gallons is equivalent to one (1) cubic foot.

5.2 **Measurement of Water Use.** Except where otherwise specifically provided, an ~~Authority~~ Customer's actual water use for billing purposes shall be calculated as follows:

- (a) Volume of water measured by the meter readings at the Points of Delivery entering an ~~Authority~~ Customer's service area;
- (b) Less the volume of water measured by the meter readings at the Points of Connection where water is leaving the ~~Authority~~ Customer's service area and entering the service area of another Authority Customer;
- (c) Plus the volume of water measured by the meter readings at the Points of Connection where water is entering the ~~Authority~~ Customer's service area from the service area of another Authority Customer;
- (d) *[Deleted by Second Amendment to Contract effective 11/14/07]*
- (e) Plus the volume of water withdrawn from any wells located within the ~~Authority~~ Customer's service area as measured by the meter readings at the well. *[Revised by Second Amendment to Contract effective 11/14/07]*

6 **Prices and Terms of Payment.**

6.1 **Budget.**

6.1.1 *[Deleted by Sixth Amendment to Contract effective 5/28/14.]*

6.1.2 **Development of Budget.** ~~By September 1 Not less than one hundred and twenty (120) days~~ prior to the beginning of each Fiscal Year, the Authority shall prepare and send to the ~~Authority~~ Customers a tentative budget. Each budget shall include, among such other items as the Authority may choose, (a) the Estimated Annual Water

Requirement for each Authority Charter Customer for the Fiscal Year established as set forth in Section 1.21; (b) an estimate of Operation Costs in a stated price per 1000 gallons for the Fiscal Year calculated in accordance with Section 6.2; (c) an estimate of Fixed Costs in a stated price per 1000 gallons for each Authority Customer for the Fiscal Year calculated in accordance with Section 6.3; and (d) an estimate of monthly Security Fund Payments to be payable by each Authority Charter Customer calculated in accordance with Section 6.6. The Authority will hold a hearing on the tentative budget, at which the Authority Charter Customers may be heard, and shall give the Authority Charter Customers not less than 21 days notice of the hearing. The Authority shall adopt the tentative budget, as submitted or as changed after the hearing, by a majority vote of the Authority. *[Revised by Third Amendment to Contract effective 9/22/08; and revised by Fourth Amendment to Contract effective 1/5/10. Heading revised by Sixth Amendment to Contract effective 5/28/14.]*

6.1.3 Amendment of the Budget. The Authority has the authority to amend the budget.

6.1.4 Amendment of Operation Costs. The price of Operation Costs per 1000 gallons for the Fiscal Year shall not exceed the amount set forth in the approved budget unless the Authority first amends the budget. However, before the budget may be amended to increase the price of Operation Costs, the Authority shall hold a hearing on such higher amount, at which the Authority Charter Customers may be heard, and shall give the Authority Charter Customers not less than 21 days notice of such hearing. *[Revised by Sixth Amendment to Contract effective 5/28/14.]*

6.1.5 *[Created by Third Amendment to Contract effective 9/22/08; and deleted by Fourth Amendment to Contract effective 1/5/10.]*

6.1.6 *[Created by Third Amendment to Contract effective 9/22/08; and deleted by Fourth Amendment to Contract effective 1/5/10.]*

6.2 **Operation Costs.**

6.2.1 Calculation of Price for Operation Costs. Prior to each Fiscal Year, the Authority shall, in accordance with Section 6.1, calculate a price per 1000 gallons of water for Operation Costs for the upcoming Fiscal Year. The price per 1000 gallons for Operation Costs shall be calculated by (i) estimating total Operation Costs for the upcoming Fiscal Year; and (ii) dividing such Operation Costs by the total Estimated Annual Water Requirements for all Authority Customers divided by 1000 gallons. The price per 1000 gallons for Operation Costs calculated under this Section may be adjusted by the Authority in accordance with subsection 6.2.5. *[Revised by Fourth Amendment to Contract effective 1/5/10; and Sixth Amendment to Contract effective 5/28/14.]*

6.2.2 Customers' Monthly Payment of Operation Costs. Each Charter Customer shall pay a share of Operation Costs for each month equal to the then current price per 1000 gallons for Operation Costs times the Customer's Estimated Annual Water Requirement divided by 12. *[Amended by the First Amendment to Central Brown County Water Authority*

Water Purchase and Sale Contract effective December 20, 2004; revised by the Fourth Amendment to Contract effective 1/5/10.]

- 6.2.3 End of Year Adjustment. This subsection applies only if the Annual Water Usage of all Authority Customers combined during the previous Fiscal Year is equal to or greater than the total Estimated Annual Water Requirements for all Authority Customers for that year. By March 1 of each year, the Authority shall calculate an adjustment charge or rebate for the previous Fiscal Year based on the Charter Customer's Annual Water Usage during that Fiscal Year. The amount of the adjustment charge or rebate for each specific Charter Customer for a given year shall be determined as follows:

STEP ONE: For each Charter Customer, determine how much that Charter Customer should pay in Operation Costs for the previous Fiscal Year based upon the Charter Customer's Annual Water Usage in that year. This determination is made by multiplying (i) the Charter Customer's Annual Water Usage for the previous Fiscal Year divided by 1000, by (ii) the price per 1000 gallons for Operation Costs for the year.

STEP TWO: For each Charter Customer, determine how much that Charter Customer has already paid the Authority in Operation Costs for the previous Fiscal Year pursuant to subsection 6.2.2.

STEP THREE: For each Charter Customer, subtract the figure determined under STEP TWO from the figure determined under STEP ONE. This number is the additional amount of money the Charter Customer must pay the Authority for Operation Costs for the previous Fiscal Year. If this number is less than zero, the Charter Customer owes no additional money to the Authority and the Charter Customer is entitled to a rebate from the Authority.

The Authority shall bill each Charter Customer for such additional Operation Costs by March 1, and the Charter Customer shall pay the Authority for such additional Operation Costs by April 1. The Authority shall issue rebates by April 15. *[Revised by the Fourth Amendment to Contract effective 1/5/10.]*

- 6.2.4 Adjustment Where Total Annual Water Usage Declines. This subsection applies only if the Annual Water Usage of all Authority Customers combined during the previous Fiscal Year is less than the total Estimated Annual Water Requirements for all Authority Customers for that year. By March 1 of each year, the Authority shall calculate an adjustment charge or rebate for the previous Fiscal Year. The amount of the adjustment charge or rebate for each specific Charter Customer shall be determined as follows:

STEP ONE: For purposes of this subsection 6.2.4 only, the term Operation Costs means the lesser of estimated Operation Costs for the previous Fiscal Year and actual Operations Costs for the previous Fiscal Year. Operation Costs include any contributions to operating reserves.

STEP TWO: Calculate the price per 1000 gallons for Operation Costs in accordance with the methodology set forth in subsection 6.2.1 using Operation Costs determined under STEP ONE and the Annual Water Usage of all Charter Customers combined in the previous Fiscal Year divided by 1000.

STEP THREE: For each Charter Customer, determine how much that Charter Customer should pay in Operation Costs for the previous Fiscal Year based upon the Charter Customer's Annual Water Usage. This determination is made by multiplying (i) the Charter Customer's Annual Water Usage for that Fiscal Year divided by 1000, by (ii) the price per 1000 gallons for Operation Costs for the year calculated in STEP TWO.

STEP FOUR: For each Charter Customer, determine how much that Charter Customer has already paid the Authority in Operation Costs for the previous Fiscal Year pursuant to subsection 6.2.2.

STEP FIVE: For each Charter Customer, subtract the figure determined under STEP FOUR from the figure determined under STEP THREE. If this figure is greater than zero, this is the additional amount of money the Charter Customer must pay the Authority for Operation Costs for the previous Fiscal Year. If this number is less than zero, this is the amount of money the Authority must rebate to the Charter Customer for Operation Costs for the previous Fiscal Year.

The Authority shall bill each Charter Customer for such additional Operation Costs by March 1, and the Charter Customer shall pay the Authority for such additional Operation Costs by April 1. The Authority shall issue rebates by April 15. *[Revised and recreated by the Fourth Amendment to Contract effective 1/5/10.]*

- 6.2.5 Adjustment if Subsequent Customers Purchase Water. The Authority in its discretion may, but need not, reduce the price for Operation Costs calculated pursuant to subsection 6.2.1, if one or more Subsequent Customers are purchasing water from the Authority. The purpose of any reduction is to reflect the fact that without a reduction the Authority may otherwise over collect for Operation Costs because the price for Operation Costs calculated pursuant to subsection 6.2.1 is calculated based upon the total Minimum Water Requirements of all Authority Customers without any adjustment, and Subsequent Customers then pay more than this price for Operation Costs in accordance with Section 12.4. In no event, however, shall the Authority reduce the price for Operation Costs by an amount which would result in the collection of less than the estimated total Operation Costs for the Fiscal Year.

- 6.2.6 ~~Treatment of Excess Operation Costs Revenues. If the Authority collects Operation Costs revenues in excess of actual Operation Costs, the Authority shall use such excess funds to offset, in whole or in part, any increase in the price per 1000 gallons for Operation Costs in future years, unless the Authority determines by at least a two-thirds affirmative vote under Section 7.1 to do otherwise.~~

- 6.3 **Fixed Costs.**

- 6.3.1 Calculation of Price for Fixed Costs. Prior to each Fiscal Year, the Authority shall annually, in accordance with Section 6.1, calculate a price per 1000 gallons of water for Fixed Costs for the upcoming Fiscal Year by (i) estimating total Fixed Costs for the upcoming Fiscal Year; and (ii) dividing such Fixed Costs by the total Estimated Annual Water Requirements for all Authority Customers divided by 1000 gallons. The price per 1000 gallons for Fixed Costs calculated under this Section may be adjusted by the Authority in accordance with subsection 6.3.5. *[Revised by the Fourth Amendment to Contract effective 1/5/10; and the Sixth Amendment to Contract effective 5/28/14, and the Seventh Amendment to Contract effective May 22, 2017.]*
- 6.3.2 Customers' Monthly Payment of Fixed Costs. Each Charter Customer shall pay a share of Fixed Costs for each month equal to the then current price per 1000 gallons for Fixed Costs times the Customer's Estimated Annual Water Requirement divided by 12. *[Amended by the First Amendment to Central Brown County Water Authority Water Purchase and Sale Contract effective December 20, 2004; and revised by the Fourth Amendment to Contract effective 1/5/10.]*
- 6.3.3 End of Year Adjustment. This subsection applies only if the Annual Water Usage of all Authority Customers combined during the previous Fiscal Year is equal to or greater than the total Estimated Annual Water Requirements for all Authority Customers for that year. By March 1 of each year, the Authority shall calculate an adjustment charge or rebate for the previous Fiscal Year based on the Charter Customer's Annual Water Usage during that Fiscal Year. The amount of the adjustment charge or rebate for each specific Charter Customer for a given year shall be determined as follows:

STEP ONE: For each Charter Customer, determine how much that Charter Customer should pay in Fixed Costs for the previous Fiscal Year based upon the Charter Customer's Annual Water Usage in that year. This determination is made by multiplying (i) the Charter Customer's Annual Water Usage for the previous Fiscal Year divided by 1000, by (ii) the price per 1000 gallons for Fixed Costs for the year.

STEP TWO: For each Charter Customer, determine how much that Charter Customer has already paid the Authority in Fixed Costs for the previous Fiscal Year pursuant to subsection 6.3.2.

STEP THREE: For each Charter Customer, subtract the figure determined under STEP TWO from the figure determined under STEP ONE. This number is the additional amount of money the Charter Customer must pay the Authority for Fixed Costs for the previous Fiscal Year. If this number is less than zero, the Charter Customer owes no additional money to the Authority and the Charter Customer is entitled to a rebate from the Authority.

The Authority shall bill each Charter Customer for such additional Fixed Costs by March 1, and the Charter Customer shall pay the Authority for such additional Fixed Costs by

April 1. The Authority shall issue rebates by April 15. *[Revised by the Fourth Amendment to Contract effective 1/5/10.]*

- 6.3.4 Adjustment Where Total Annual Water Usage Declines. This subsection applies only if the Annual Water Usage of all Authority Customers combined during the previous Fiscal Year is less than the total Estimated Annual Water Requirements for all Authority Customers for that year. By March 1 of each year, the Authority shall calculate an adjustment charge or rebate for the previous Fiscal Year. The amount of the adjustment charge or rebate for each specific Charter Customer shall be determined as follows:

STEP ONE: Calculate the price per 1000 gallons for Fixed Costs in accordance with the methodology set forth in subsection 6.3.1 using the Annual Water Usage of all Charter Customers combined in the previous Fiscal Year divided by 1000.

STEP TWO: For each Charter Customer, determine how much that Charter Customer should pay in Fixed Costs for the previous Fiscal Year based upon the Charter Customer's Annual Water Usage. This determination is made by multiplying (i) the Charter Customer's Annual Water Usage for that Fiscal Year divided by 1000, by (ii) the price per 1000 gallons for Fixed Costs for the year calculated in STEP ONE.

STEP THREE: For each Charter Customer, determine how much that Charter Customer has already paid the Authority in Fixed Costs for the previous Fiscal Year pursuant to subsection 6.3.2.

STEP FOUR: For each Charter Customer, subtract the figure determined under STEP THREE from the figure determined under STEP TWO. If this figure is greater than zero, this is the additional amount of money the Charter Customer must pay the Authority for Fixed Costs for the previous Fiscal Year. If this number is less than zero, this is the amount of money the Authority must rebate to the Charter Customer for Fixed Costs for the previous Fiscal Year.

The Authority shall bill each Charter Customer for such additional Fixed Costs by March 1, and the Charter Customer shall pay the Authority for such additional Fixed Costs by April 1. The Authority shall issue rebates by April 15. *[Recreated by the Fourth Amendment to Contract effective 1/5/10.]*

- 6.3.5 Adjustment if Subsequent Customer Purchases Water. The Authority in its discretion may, but need not, proportionately reduce all Charter Customers' monthly shares of Fixed Costs if one or more Subsequent Customers are purchasing water from the Authority. The purpose of any reduction is to reflect the fact that without a reduction the Authority may otherwise over collect for Fixed Costs because Subsequent Customers pay more than the rate for Fixed Costs in accordance with Section 12.4. In no event, however, shall the Authority reduce the shares of Charter Customers by an amount which exceeds the amount that is available due to a higher rate being paid by a Subsequent Customer.

- 6.3.6 Obligation to Pay Fixed Costs Unconditional and Irrevocable. Each [Authority Charter](#) Customer's obligation to make all payment of Fixed Costs as required hereunder is unconditional and irrevocable, payable without setoff or counterclaim and irrespective of whether Potable Water is ever furnished, made available or delivered to any [Authority Charter](#) Customer or whether the Authority's Waterworks System or any Authority Project is completed, operable or operating, and notwithstanding suspension, interruption, interference, reduction or curtailment of the supply of Potable Water. The rights of the [Authority Charter](#) Customer in the event of the failure by the Authority to perform its obligations under this Contract are governed by Article 14.
- 6.3.7 Restricted Use of Fixed Costs. Fixed Costs collected by the Authority in each Fiscal Year shall be used or applied in the following priority order:
- (a) to paying the principal, premium, and interest due on all subsequently issued Bonds in that Fiscal Year;
 - (b) to complying with the covenants of any Bond Resolution (including payment into any accounts and funds of amounts required by the Bond Resolution) related to the subsequently issued Bonds
 - (c) to paying reasonable capital costs, including capital costs for which Bonds may be issued and such other capital costs as are necessary or desirable to carry out the corporate purposes and powers of the Authority;
 - (d) to providing an adequate depreciation fund for the Authority's Waterworks System; and
 - (e) to contributing to the Authority's segregated maintenance, repair and replacement fund. *[Created by the Sixth Amendment to Contract effective 5/28/14, and revised by the Seventh Amendment to Contract effective May 22, 2017.]*
- 6.3.8 Treatment of Excess Fixed Costs Revenues. If after the Authority applies Fixed Costs revenues in accordance with subsection 6.3.7, total funds accumulated in the Authority's segregated maintenance, repair and replacement fund exceeds \$1,500,000, the Authority may, [after first receiving the affirmative recommendation of the Executive Committee](#), determine by at least a two-thirds affirmative vote under Section 7.1 to refund some or all of the excess Fixed Costs Revenues to Charter Customers. Only Fixed Costs revenues in excess of revenues needed to fully fund the items enumerated in subsection 6.3.7 and to maintain at least \$1,500,000 in the Authority's segregated maintenance, repair and replacement account may be refunded to Charter Customers. Excess Fixed Costs Revenues to be refunded shall be refunded to Charter Customers in proportion to a Charter Customer's Annual Water Usage for the previous Fiscal Year divided by the Annual Water Usage of all Charter Customers combined in the previous Fiscal Year. *[Created by the Sixth Amendment to Contract effective 5/28/14, and revised by the Seventh Amendment to Contract effective May 22, 2017.]*

6.4 **Excess Capacity Charge.**

- 6.4.1 Purpose of Excess Capacity Charge. The Authority's costs to construct the Authority's Waterworks System and any other facilities for which Bonds have been issued shall be paid for with a combination of Fixed Costs charges determined in accordance with Section 6.3, and Excess Capacity Charges determined in accordance with this Section. The intent of Excess Capacity Charges is to recover the costs for excess capacity built into the Authority's Waterworks Systems and any other facilities for which Bonds have been issued.
- 6.4.2 Calculation and Payment of Excess Capacity Charge. At least once every six months, at a date established by the Authority, each [Authority Charter](#) Customer shall pay an Excess Capacity Charge to the Authority based upon the number and size of new water meters connected to the [Authority Charter](#) Customer's Unit System since the last Excess Capacity Charge was paid to the Authority. For each new water meter connected to the [Authority Charter](#) Customer's Unit System since the last Excess Capacity Charge was paid to the Authority, the [Authority Charter](#) Customer shall pay a fee equal to \$294.00 multiplied by a factor determined by the size of meter to be installed. The size of the meter, the appropriate factor, and the resulting excess capacity fee is as set forth on Exhibit D. The sum of all excess capacity fees for all new water meters shall equal the Excess Capacity Charge which must be paid by the [Authority Charter](#) Customer to the Authority. *[Revised by Second Amendment to Contract effective 11/14/07; and Sixth Amendment to Contract effective 5/28/14.]*
- 6.4.2.1 No fee shall be collected for a new water meter if that new water meter relates to (a) alterations or expansion of an existing building where no additional or larger water meter connections are requested; (b) the replacement of a building or structure with a new building or structure of the same size and use where no additional or larger water connections are requested and where the use is not changed; or (c) a decrease in meter size.
- 6.4.2.2 The fee collected for a new water meter may be reduced if the new meter replaces a smaller meter. The fee collected in that case shall equal the fee for the new meter less the fee that would be charged on the size of meter that was replaced. For example, if a water user changes from a 5/8" meter to a 1" meter, the fee to be paid the Authority would equal the charge for a 1" meter less the charge for a 5/8" meter.
- 6.4.3 Authority's Use of Excess Capacity Charges. The Authority shall apply the Excess Capacity Charges received from [Authority Charter](#) Customers to reduce the Authority's Fixed Costs in whatever manner the Authority deems appropriate.
- 6.5 ~~**Development Charge.**~~
- 6.5.1 ~~Purpose of Development Charge. Charter Customers, and the taxpayers and water users within their governmental boundaries as those boundaries existed on December 1, 2003,~~

~~have invested the time and money necessary to enable the Authority to acquire a Potable Water supply. Taxpayers and water users not within the governmental boundaries of the Charter Customers on December 1, 2003, but which are subsequently included within the governmental boundaries of a Charter Customer by annexation or other expansion of governmental boundaries, or which are subsequently served by a Charter Customer pursuant to subsection 9.1.4, did not bear these burdens. The intent of a Development Charge is to recover a contribution towards these costs from the water users that are subsequently included within the governmental boundaries of a Charter Customer after December 1, 2003, or who are subsequently served by a Charter Customer pursuant to subsection 9.1.4. [Revised by Second Amendment to Contract effective 11/14/07]~~

- 6.5.2 ~~Calculation and Payment of Development Charge. At least once every six months, at a date established by the Authority, each Charter Customer shall pay a Development Charge to the Authority based upon the number and size of new water meters connected to the Charter Customer's Unit System and located in areas outside of the area shown in Exhibit E. For each new water meter which is (i) connected to the Charter Customer's Unit System since the last Excess Capacity Charge was paid to the Authority, and (ii) located in an area outside the area shown in Exhibit E, the Charter Customer shall pay a fee equal to \$50.00 multiplied by a factor determined by the size of meter to be installed, with a maximum fee of \$260.00 per meter. The size of the meter, the appropriate factor, and the resulting development fee for the meter is as set forth in Exhibit D. The sum of all development fees for all new water meters connected in areas outside those shown in Exhibit E shall equal the Development Charge which must be paid by the Charter Customer to the Authority. [Revised by Sixth Amendment to Contract effective 5/28/14.]~~
- 6.5.3 ~~Authority's Use of Development Charges. The Water Authority shall apply the Development Charges received from Charter Customers to reduce the Authority's Fixed Costs in whatever manner the Authority deems appropriate.~~

6.6 **Security Fund Payments.**

- 6.6.1 Creation of Security Fund Account. The Authority shall create and maintain a Security Fund Account for each AuthorityCharter Customer, and each AuthorityCharter Customer shall maintain a balance in its Security Fund Account.
- 6.6.2 Monthly Security Fund Payments. Prior to each Fiscal Year, the Authority shall, in accordance with this subsection, calculate how much money each AuthorityCharter Customer must pay to and maintain in its Security Fund Account. This amount shall be calculated as follows:

STEP ONE: Determine each AuthorityCharter Customer's Estimated Annual Water Requirement divided by 1000 and then divided by 12, and multiply this quotient by the price per 1000 gallons for Operation Costs for the upcoming Fiscal Year;

STEP TWO: Determine each [AuthorityCharter](#) Customer's Estimated Annual Water Requirement divided by 1000 and then divided by 12, and multiply this quotient by the price per 1000 gallons for Fixed Costs for the upcoming Fiscal Year;

STEP THREE: Add the figure from STEP ONE to the figure [or figures](#) from STEP TWO, and multiply this sum by two;

STEP FOUR: Subtract from the figure determined in STEP THREE, the balance in the [AuthorityCharter](#) Customer's Security Fund Account;

STEP FIVE: If the figure determined in STEP FOUR is less than zero, no further contribution need be made to the [AuthorityCharter](#) Customer's Security Fund Account for the upcoming Fiscal Year. If the figure determined in STEP FOUR is more than zero, the [AuthorityCharter](#) Customer must make a monthly contribution to the [AuthorityCharter](#) Customer's Security Fund Account during the upcoming Fiscal Year. The amount of the monthly contribution to the [AuthorityCharter](#) Customer's Security Fund Account for the upcoming Fiscal Year shall be as set forth in STEPS SIX, SEVEN and EIGHT;

STEP SIX: For the first year an [AuthorityCharter](#) Customer pays monthly Aggregate Costs, the [AuthorityCharter](#) Customer's monthly contribution to the [AuthorityCharter](#) Customer's Security Fund Account shall equal the figure determined by STEP FOUR (provided that figure is greater than zero) divided by 24;

STEP SEVEN: For the second year an [AuthorityCharter](#) Customer pays monthly Aggregate Costs, the [AuthorityCharter](#) Customer's monthly contribution to the [Authority](#) Customer's Security Fund Account shall equal the figure determined by STEP FOUR (provided that figure is greater than zero) divided by 18;

STEP EIGHT: For all other years, an [AuthorityCharter](#) Customer's monthly contribution to the [Authority](#) Customer's Security Fund Account shall equal the figure determined by STEP FOUR (provided that figure is greater than zero) divided by 12.

Each [AuthorityCharter](#) Customer's Security Fund Account shall bear interest from the date funds are contributed to the date it is applied as provided in subsection 6.10.1. The interest rate to be paid shall be the rate established by the PSC under PSC 185.361(8), Wisconsin Administrative Code.

[Revised by Sixth Amendment to Contract effective 5/28/14.]

- 6.6.3 Return of Excess Money in Security Fund Account. If at the beginning of any Fiscal Year, the money in an [AuthorityCharter](#) Customer's Security Fund Account exceeds three times the sum of the [AuthorityCharter](#) Customer's estimated monthly share of Operation Costs and monthly share of Fixed Costs for that Fiscal Year, the [AuthorityCharter](#) Customer shall be entitled to have a portion of its Security Fund Account money returned to it. The amount to be returned shall be calculated as follows:

STEP ONE: Determine each [AuthorityCharter](#) Customer's Estimated Annual Water Requirement divided by 1000 and then divided by 12, and multiply this quotient by the price per 1000 gallons for Operation Costs for the upcoming Fiscal Year;

STEP TWO: Determine each [AuthorityCharter](#) Customer's Estimated Annual Water Requirement divided by 1000 and then divided by 12, and multiply this quotient by the price per 1000 gallons for Fixed Costs for the upcoming Fiscal Year;

STEP THREE: Add the figure from STEP ONE to the figure [or figures](#) from STEP TWO, and multiply this sum by three;

STEP FOUR: Subtract from the balance in the [AuthorityCharter](#) Customer's Security Fund Account, the figure determined in STEP THREE;

STEP FIVE: If the figure determined in STEP FOUR is less than zero, there is no excess Security Fund Account money to be returned for that Fiscal Year. If the figure determined in STEP FOUR is more than zero, the Authority shall return this amount to the [AuthorityCharter](#) Customer within forty-five (45) days after the beginning of the Fiscal Year.

- 6.7 **Bills and Due Date.** The Authority shall notify each [AuthorityCharter](#) Customer of such [AuthorityCharter](#) Customer's share of Aggregate Costs for a month on or before the 10th day of the following month. The [AuthorityCharter](#) Customer's share of Aggregate Costs for a month shall be due and payable and must be received at the offices of the Authority on or before the tenth day of the month following the month of the Authority's notification or, if later, within 28 days of the date of notification.
- 6.8 **Disputed Payments.** If an [AuthorityCharter](#) Customer desires to dispute all or any part of any payments under this Contract, the [AuthorityCharter](#) Customer shall nevertheless pay the full amount of any such payment when due and include with such payment written notification to the Authority that charges are disputed, the grounds for dispute and the amount in dispute.

Upon receipt of notification of dispute, representatives of the Authority shall meet with representatives of the [AuthorityCharter](#) Customer within ten (10) business days to resolve such dispute. No adjustment or relief on account of any disputed charges shall be made unless disputed charges are the subject of such notice within the time specified, or within a reasonable period from the time the [Charter-Authority](#) Customer knew or should have known of the facts giving rise to the dispute.

The Authority and the [AuthorityCharter](#) Customer shall promptly attempt and continue efforts to resolve the dispute using the procedure set forth in Article 26. In the event that it is determined that the [AuthorityCharter](#) Customer shall have overpaid, it shall receive a refund with interest at the rate set out in Section 6.9.

6.9 **Default; Interest on Overdue Payments.** If an [Authority Charter](#) Customer shall fail to make any payment required under this Contract on or before its due date, such [Authority Charter](#) Customer shall be in default, and interest on the amount of such payment shall accrue during the period of non-payment at the higher of:

- (i) the weighted average effective interest rate on all series of Bonds of the Authority any of which are then outstanding plus two percent (2%), or
- (ii) the prime rate from time to time announced by the largest commercial bank, measured in terms of total assets, located and doing banking business in the State of Wisconsin, plus five percent (5%), or
- (iii) twelve percent (12%) per annum from the date such payment becomes due until paid in full with interest as herein specified.

6.10 **Payment of Overdue Amounts.**

6.10.1 Payment from Defaulting Customer's Security Fund Account. In the event an [Authority Charter](#) Customer is in default for failing to make a payment required under this Contract, the Authority shall, within twenty (20) days from the date such payment becomes due, pay such payment from the monies in the defaulting [Authority Charter](#) Customer's Security Fund Account. If insufficient monies are in the [Authority Charter](#) Customer's Security Fund Account to make such payment, the [Authority Charter](#) Customers not in default shall pay a share of the amount so in default in according with subsection 6.10.2.

6.10.2 Payment from Other [Authority Charter](#) Customers' Security Fund Accounts. If an [Authority Charter](#) Customer is in default for failing to make a payment required under this Contract, and if insufficient monies are in the [Authority Charter](#) Customer's Security Fund Account to make such payment under subsection 6.10.1, the [Authority Charter](#) Customers not in default shall be responsible for a share of the amount so in default in accordance with this subsection. Each [Authority Charter](#) Customer agrees to be responsible for a share of the amount so in default to the Authority, which share shall be in the same proportion as such [Authority Charter](#) Customer's share of the Aggregate Costs for the month prior to the month of the default bears to the sum of the shares of Aggregate Costs in that month of all [Authority Charter](#) Customers obligated to make payments under this Section which are not in default. The Authority shall provide each [Authority Charter](#) Customer with a written demand for its share of defaulted Aggregate Costs, or such defaulted payment of shares, and such written demand shall include the Authority's calculations of the amount due by each [Authority Charter](#) Customer. Twenty-one (21) days after the Authority's written notice, the Authority shall pay from an [Authority Charter](#) Customer's Security Fund Account, the [Authority Charter](#) Customer's share of defaulted Aggregate Costs, or such defaulted payment of shares. If insufficient monies are in the [Authority Charter](#) Customer's Security Fund Account, twenty-one (21) days after the Authority's written notice, the [Authority Charter](#) Customer is obligated to make payments under this Section directly to the Authority.

- 6.10.3 Curing a Default. If an Authority Charter Customer has defaulted in any payment due under this Contract, as a condition of curing such default, the Authority Charter Customer must provide funds to restore to its Security Fund Account, and the Security Fund Account of all other Authority Charter Customers required to pay funds pursuant to subsection 6.10.2, the amount of money which existed in those Security Fund Accounts prior to the Authority Charter Customer's default, plus interest in the amount set forth in Section 6.10.
- 6.10.4 Failure to Cure a Default. In the event a default is not cured within forty-five (45) days from the date such payment becomes due, the Authority, after following any applicable procedural requirements of Section 7.1, may at its option and in its discretion reduce or discontinue delivery of Potable Water to the Authority Charter Customer until the amount due the Authority, and required to cure the default, is paid in full with interest as herein specified. The Authority shall give notice to the Authority Charter Customer not less than twenty (20) days prior to the event of its intention to reduce or discontinue delivery of Potable Water in accordance with this subsection and shall provide the Authority Charter Customer an opportunity for a hearing prior to any reduction or discontinuance. If the Authority reduces or discontinues the delivery of Potable Water under such circumstances, the Authority Charter Customer shall, nevertheless, continue to be liable to pay all charges herein provided for. The rights specified in this subsection shall be in addition to all other rights and remedies available to the Authority at law or in equity for breach of any of the provisions of this Contract.
- 6.11 **Rates to Charter Customers Same.** No change in the rates or charges under this Contract for any Charter Customer may be made unless the same change is made for all Charter Customers.
- 6.12 **Limitation on Payments; Service to the Authority Charter Customer; Not Indebtedness of Authority Charter Customers.** Notwithstanding any other provision of this Contract to the contrary, the payments required to be made by each Authority Charter Customer under this Contract shall be required to be made solely from revenues to be derived by such Authority Charter Customer from the operation of its Unit System and from other funds of the Authority Charter Customer that are legally available for such payments and are appropriated for that purpose. The Authority Charter Customer, in recognition of the benefits provided by the anticipated and actual provision of Potable Water from the Authority to the Authority Charter Customer and from the Authority Charter Customer to its inhabitants through its Unit System, covenants that if the Authority Charter Customer is unable to make the payments required by this Contract solely from the revenues to be derived by such Authority Charter Customer's Unit System, the Authority Charter Customer shall make any necessary payments to the Authority out of the current revenues of the Authority Charter Customer collected or in the process of collection (i.e. out of the tax levy of the Authority Charter Customer made by it to raise money to meet its necessary current expenses). Such payment out of the tax levy of the Authority Charter Customer shall be subject to (a) approval of the PSC, or successors to its function, if applicable, (b) yearly appropriations therefore, and (c) applicable levy limitations, if any. Neither this Contract nor any such payment shall be construed as

constituting an obligation of the ~~Authority Charter~~ Customer to make any appropriation over and above the payments owed to the Authority by the ~~Authority Charter~~ Customer. Furthermore, this Contract shall not constitute an indebtedness of any ~~Authority Charter~~ Customer within the meaning of any statutory or constitutional debt limitation.

- 6.13 **May Use Other Moneys.** Notwithstanding the provisions of Section 6.12, the ~~Authority Charter~~ Customers are not prohibited by this Contract from using other available funds to make the payments required by this Contract.
- 6.14 **Sole Method for ~~Authority Charter~~ Customers to Enforce Provisions Hereof Against Other Customers.** Each ~~Authority Charter~~ Customer acknowledges that its obligations to make payments hereunder are of benefit to each other ~~Authority Charter~~ Customer ~~and to Subsequent Customers~~ as such other Authority Customers' obligations are of benefit to the ~~Authority Charter~~ Customer. Accordingly, each ~~Authority Charter~~ Customer agrees that, in addition to the Authority, Bondholders, a Trustee or other entities by law entitled to enforce the provisions of this Contract, any three or more Authority Customers acting together may enforce the provisions of this Article, but only if the Authority has not acted to enforce such provisions within 90 days of failure to make a payment hereunder.
- 6.15 **Beginning of Obligation to Pay.** The Charter Customers' obligations to make payments under this Contract shall begin at a date established by the Authority which shall be no later than January 1, 2005. *[Revised by Second Amendment to Contract effective 11/14/07]*
- 7 **Procedural and Other Limitations; Further Covenants of the Authority.** Notwithstanding any other provision of this Contract, the ~~Authority Charter~~ Customers shall have the rights enumerated within this Article and the Authority in its activities shall be obligated in the manner provided in this Article.
- 7.1 **Procedural Rule.** ~~Any~~No motion, resolution or ordinance concerning the subjects enumerated below shall be adopted by the Authority in accordance with the terms of the Authority Formation Agreement, or if not addressed in the Authority Formation Agreement,~~except~~ by at least a two-thirds affirmative vote of all of the Authority's Directors.
- (i) Approval of individual contracts or expenditures, or a series of contracts or expenditures related to a single Authority Project in an amount in excess of \$250,000;
 - (ii) ~~Use of excess Operation Costs revenues in a manner other than that set forth in subsection 6.2.6;~~
 - (iii) Refund of excess Fixed Costs revenues in a manner consistent with subsection 6.3.8;
 - (iv) Amendment of Exhibit B-1 in accordance with Section 2.13;

- (v) Issuance of Bonds in an amount in excess of \$100,000;
- (vi) Sale of Potable Water to Subsequent Customers;
- (vii) Approval of a contract between the Authority and an Authority Customer;
- (viii) Approval of a contract to operate the Authority's Waterworks System; or
- (ix) ~~Employment of managerial and professional personnel either as employees or consultants to the Authority; or~~
- (x) Disconnection of an Authority Customer's water pursuant to subsection 6.10.4.

[Revised by Sixth Amendment to Contract effective 5/28/14.]

- 7.2 **Lake Water Only.** Without the prior approval of the corporate authorities of any ~~Authority Charter~~ Customer affected, the Authority shall not deliver through the Authority's Waterworks System any water to an ~~an Authority Charter~~ Customer other than Lake Water.
- 7.3 **Covenants to Be Set Out in Bond Ordinance.** Any Bond Resolution passed by the Authority shall contain language to the following effect:
- Any holder or registered owner of a bond in any civil action, mandamus, or other proceeding, may enforce and compel performance of all duties required by law to be performed by the Authority or by any customers of the Authority, including the making of rates and charges, the collecting of sufficient revenue and the application thereof, as provided by applicable law, and including, expressly, all of the terms and provisions of Articles 6, 7 and 16 of the Contract [referring to this Contract], if the nonperformance of such duties would substantially impair the ability of the ~~Authority Charter~~ Customer to make the payments required by the Contracts, or result in the Authority being in default under any Bond Resolution, or adversely affect the rating of any of the Authority's Bonds.
- 7.4 **Emergency Supply.** An ~~Authority Charter~~ Customer may contract for a temporary supply of water in case of an emergency from any other unit of local government or any entity.
- 7.5 **Retail Sales.** The Authority shall not engage in the retail sale of water.
- 7.6 **Evidence of Customer Action.** Wherever in this Contract the consent or authorization of an ~~Authority Charter~~ Customer or a group of ~~Authority Charter~~ Customers are required, that consent may only be evidenced by a resolution or motion passed by the corporate authorities of the ~~Authority Charter~~ Customer.

7.7 **Limitation on Funds.** No funds received by the Authority from Aggregate Costs revenues from [Authority Charter](#) Customers may be expended for the planning, construction, operations or maintenance of a waterworks system other than (i) the Authority's Waterworks System specified within this Contract; (2) the Third Party Water Supplier's Waterworks System as specified in a Third Party Water Supply Contract; or (3) an [an Authority Charter](#) Customer's Unit System if so specified in a contract between the Authority and an [an Authority Charter](#) Customer.

7.8 **No Free Service.** The Authority shall not provide free Potable Water to any Party or any other entity.

8 **Special Conditions and Covenants.**

8.1 **Authority to Build Authority's Waterworks System and Supply Potable Water.** The Authority shall, in accordance with Prudent Utility Practice, reasonably proceed with the construction of the Authority's Waterworks System and any other capital facilities required to be constructed or paid for by the Authority under a Third Party Water Supply Contract so as to be able to perform its obligations hereunder. The Authority will make a diligent effort to have facilities completed to the Point of Delivery so as to furnish Potable Water to the Charter Customers by December 8, 2006, but the Authority does not hereby guarantee delivery by such date. The Authority shall not be liable to any [Authority Charter](#) Customer for any damages occasioned by delay in the commencement of such service to any [Authority Charter](#) Customer, and all payments provided for under this Contract remain due and payable in accordance with its terms notwithstanding any such delay. After Potable Water is first tendered for delivery to an [an Authority Charter](#) Customer at any Point of Delivery, the Authority shall, subject to the other terms and conditions of this Contract, continually hold itself ready, willing and able to supply Potable Water to such [Authority Charter](#) Customer. The Authority shall also use its best efforts, consistent with its legal obligations to its other Authority Customers and consistent with fair and equitable treatment of all of its Authority Customers, to supply each [Authority Charter](#) Customer with such additional amounts of Potable Water as may from time to time be needed by such [Authority Charter](#) Customer over and above its Estimated Annual Water Requirement, but the Authority does not hereby guarantee a supply of such additional amounts.

8.2 **Title to Potable Water.** Title to all Potable Water supplied hereunder shall remain in the Authority to the point one foot downstream from the Authority's meters for each Unit System and thereupon shall pass to such [Authority Charter](#) Customer. *[Revised by Second Amendment to Contract effective 11/14/07; and by Fifth Amendment to Contract effective 9/24/12]*

8.3 **Authority to Use Best Efforts to Build and Finance Construction.** The Authority shall use its best efforts, in accordance with Prudent Utility Practice, to obtain the necessary permits and contracts for labor and material, and to borrow funds and issue its Bonds therefor in order to acquire, construct and pay for the Authority's Waterworks

System or other capital facilities required to be constructed or paid for by the Authority under a Third Party Water Supply Contract.

- 8.4 **Payments Hereunder an Operation Expense of Unit Systems.** Obtaining water is an essential item of expense of the Unit Systems. To the fullest extent permitted by law, all of the payments to be made by each [Authority Charter](#) Customer hereunder shall constitute operating expenses of the Unit Systems and all revenue bond and other borrowing ordinances hereinafter enacted by an [Authority Charter](#) Customer with respect to its Unit System (“Unit System Bond Resolutions”) shall expressly provide that such payments constitute operating expenses. In addition, all Unit System Bond Resolutions shall provide that operating expenses (including the payments to be made under this Contract) shall be paid from revenues of the [Authority Charter](#) Customer’s Unit System before such revenues are available to pay debt service on revenue bonds or other obligations issued by the [Authority Charter](#) Customer payable from revenues of the Unit System (“Unit System Revenue Bonds”). Each [Authority Charter](#) Customer shall make all budgetary, emergency and other provisions and appropriations necessary to provide for and authorize the prompt payment by such [Authority Charter](#) Customer to the Authority of its shares of Aggregate Costs. The obligations of each [Authority Charter](#) Customer under this Contract are further payable from all other accounts of the Unit System of each [Authority Charter](#) Customer, respectively, for its shares, in which there are lawfully available funds. If legal action is brought against an [Authority Charter](#) Customer challenging the payment of such [Authority Charter](#) Customer’s obligations hereunder as an operating expense of its Unit System or the payment of operating expenses prior to payment of debt service on any Unit System Revenue Bonds, the Authority shall, if requested to do so by the [Authority Charter](#) Customer, undertake the defense of the legal action at the Authority’s expense.
- 8.5 **Authority Insurance.** The Authority will carry insurance or maintain self-insurance with respect to the Authority’s Waterworks System of the kinds and in the amounts which are customarily carried or maintained by entities operating similar properties, including, without limiting the generality of the foregoing, fire and other casualty and public liability insurance or protection. All moneys received for loss under the insurance policies or on deposit as self-insurance reserve funds shall be used in making good the loss or damage in respect of which they were paid except to the extent no longer deemed useful to or profitable in the operation of the Authority’s Waterworks System, whether by repairing the property damaged or replacing the property destroyed, and provision for making good such loss or damage or replacing the property destroyed shall be made within a reasonable time from date of loss. The proceeds derived from any and all policies or available from self-insurance reserves for public liability losses shall be used in paying or reimbursing any accounts from which payments for settlements, judgments or expenses were advanced.
- 8.6 **Authority to Continue to Serve.** The Authority will use its best efforts to continue serving all the [Authority Charter](#) Customers.

8.7 **Authority Covenant to Operate Properly.** The Authority will take steps consistent with Prudent Utility Practice so that the Authority's Waterworks System may at all times be operated properly and advantageously.

9 ~~Authority~~ ~~Charter~~ Customer Covenants.

9.1 **Provision of Water to Customers.**

9.1.1 Customers Within Corporate Limits. Except as provided in subsections 9.1.2 through 9.1.4, an ~~Authority~~ ~~Charter~~ Customer may only provide and sell Potable Water from its Unit System to customers that are located within the ~~Authority~~ ~~Charter~~ Customer's corporate limits (e.g. a town sanitary district may sell Potable Water within its district boundaries).

9.1.2 Customers Outside Corporate Limits. Notwithstanding subsection 9.1.1, an ~~Authority~~ ~~Charter~~ Customer may provide and sell Potable Water from its Unit System to customers outside its corporate limits if (a) the customer is provided with retail water from the ~~Authority~~ ~~Charter~~ Customer's Unit System pursuant to and in accordance with a contract existing on the Effective Date of this Contract; (b) the customer is located within the corporate limits of another Authority Customer and the other Authority Customer approves of the sale; or (c) the customer is provided with retail water from the ~~Authority~~ ~~Charter~~ Customer's Unit System pursuant to a written contract and the Authority has consented to such provision of water in accordance with subsection 9.1.4.

9.1.3 Wholesale Sales of Water. An ~~Authority~~ ~~Charter~~ Customer may sell Potable Water from its Unit System, on a wholesale basis, to one or more customers that are located within the ~~Authority~~ ~~Charter~~ Customer's corporate limits. An ~~Authority~~ ~~Charter~~ Customer may also sell Potable Water from its Unit System on a wholesale basis to (a) another Authority Customer pursuant to and in accordance with a contract existing on the Effective Date of this Contract; (b) another Authority Customer with the Authority's consent; (c) a customer, who is not an Authority Customer, provided such customer is provided with wholesale water pursuant to a written contract and the Authority has consented to such provision of water in accordance with subsection 9.1.4; or (d) any other entity on a short-term emergency basis with the Authority's consent. In no other case may an ~~Authority~~ ~~Charter~~ Customer sell Potable Water from its Unit System on a wholesale basis.

9.1.4 Authority Approval of ~~Authority~~ ~~Charter~~ Customer's Contract to Provide Water. An ~~Authority~~ ~~Charter~~ Customer shall request Authority consent for the ~~Authority~~ ~~Charter~~ Customer to provide retail or wholesale water to an entity which is not an Authority Customer. A request for Authority consent shall be in writing and shall at a minimum contain: (1) a map of the area proposed to be served; (2) a list of the properties to be served; (3) an estimate of current and future water usage for the area proposed to be served; and (4) a copy of the written contract between the ~~Authority~~ ~~Charter~~ Customer and the entity pursuant to which water would be provided. The request for Authority consent shall be submitted to the full Authority for approval, and may be approved by a

majority vote of all Authority Directors after first receiving the affirmative recommendation of the Executive Committee. The Authority's consent shall specifically designate the area that may be served by the Authority ~~Charter~~ Customer, and the Authority ~~Charter~~ Customer shall have no right to serve beyond this area without the Authority's consent. The Authority's consent shall be conditioned upon also receiving the Third Party Water Supplier's consent to an Authority ~~Charter~~ Customer's request to provide retail or wholesale water to an entity which is not an Authority Customer if the Third Party Water Supplier's consent is required pursuant to an applicable Third Party Water Supply Contract.

- 9.2 **Maintain and Operate Unit System.** Each Authority ~~Charter~~ Customer covenants that, in accordance with Prudent Utility Practice, it will: (a) own and maintain its Unit System and all improvements and extensions to its Unit System, (b) operate the same and the business in connection therewith efficiently, and (c) punctually perform all duties with respect to its Unit System as may be required by the Constitution and laws of the State of Wisconsin, by all other applicable laws, and by its own resolutions and ordinances. Each Authority ~~Charter~~ Customer covenants it will not sell, transfer or abandon its Unit System except if required to do so by §§ 66.0235 or 60.79, Stats.
- 9.3 **Water Supply Capacity Charge Ordinance.** Each Authority ~~Charter~~ Customer shall adopt an ordinance substantially in the form set forth in Exhibit F to collect charges from new water users or water users increasing their usage. Such charges collected from new water users or water users increasing their usage shall be called Water Supply Capacity Charges. This ordinance is intended to collect the money required to be paid to the Authority as Excess Capacity Charges under Section 6.4. The Authority ~~Charter~~ Customer's obligation to pay the Authority the Excess Capacity Charge shall not be based upon the passage or enforceability of this ordinance, and such obligation shall continue even if this ordinance is struck down by a court of law. The Authority ~~Charter~~ Customer agrees that all Water Supply Capacity Charges paid to and collected by it shall be placed in a segregated, interest-bearing account called the Water Supply Capacity Charge Account. Such funds shall be accounted for separately from other general and utility funds. The Authority ~~Charter~~ Customer further agrees that all funds, excluding interest, accumulated in the Water Supply Capacity Charge Account established by it shall be used semi-annually on dates established by the Authority to pay the Excess Capacity Charge owed by the Authority ~~Charter~~ Customer to the Authority. This ordinance shall be adopted by Charter Customers ~~by~~ March 1, 2004.
- 9.4 ~~**Water Supply Development Charge Ordinance.** Each Charter Customer shall adopt an ordinance substantially in the form set forth in Exhibit G to collect fees from new water users located outside the areas shown on Exhibit E. Such fees collected from new water users outside the areas shown on Exhibit E shall be called Water Supply Development Charges. This ordinance is intended to collect the money required to be paid to the Authority as Development Charges under Section 6.5. The Charter Customer's obligation to pay the Authority the Development Charges shall not be based upon the passage or enforceability of this ordinance, and such obligation shall continue even if this ordinance is struck down by a court of law. The Charter Customer agrees that all Water~~

~~Supply Development Charges paid to and collected by it shall be placed in a segregated, interest-bearing account called the Water Supply Development Charge Account. Such funds shall be accounted for separately from other general and utility funds. The Charter Customer further agrees that all funds, excluding interest, accumulated in the Water Supply Development Charge Account established by it shall be used semi-annually on dates established by the Authority to pay the Development Charge owed by the Charter Customer to the Authority. This ordinance shall be adopted by March 1, 2004.~~

- 9.5 **Conservation Ordinance.** Each ~~Authority~~Charter Customer shall adopt a water conservation ordinance substantially in the form set forth in Exhibit H. This ordinance shall be adopted by March 1, 2004.
- 9.6 **No Sewer Without Water.** No ~~Authority~~Charter Customer shall permit the extension of public sanitary sewerage service to a parcel of property within the ~~Authority~~Charter Customer's corporate limits unless the extension of public water service to that parcel of property is required at the same time. This prohibition shall not apply if the Wisconsin Department of Natural Resources orders the extension of public sanitary sewerage service to the parcel of property.
- 9.7 **Rate Covenant.** Each ~~Authority~~Charter Customer covenants that it will promptly seek approval from the PSC, or any Governmental Authority with jurisdiction, to establish, maintain, revise as necessary and collect, rates and charges for customers of its Unit System as shall be required from time to time to produce revenues at least sufficient (i) to meet all of its obligations to the Authority under this Contract, (ii) to pay all other costs of operation and maintenance of its Unit System, (iii) to provide an adequate depreciation fund for its Unit System, (iv) to meet all of its obligations under (including to make all deposits in all funds and accounts required by) the terms of resolutions or ordinances authorizing bonds payable from revenues of its Unit System and (v) to pay the principal of and interest on all bonds of such ~~Authority~~Charter Customer payable from the revenues of its Unit System. The Authority may not sue to enforce the provisions of this Section as they relate to clauses (iii) through (v) unless it can show that either the ability of the ~~Authority~~Charter Customer to make the payments set forth in clause (i) is substantially impaired by the inadequacy of said rates and charges or that, as a result, the Authority may be in default under any Bond Resolution or the rating of any of its Bonds may be adversely affected. The rates and charges for customers of a Unit System shall not be required, however, to be sufficient to produce amounts required to make payments under this Contract so long as available amounts sufficient for making such payments for the next six (6) months or the remainder of such ~~Authority~~Charter Customer's fiscal year, whichever is longer, shall have been set aside in cash or investments in a separate account in its Unit System Fund designated for the purpose of making payments under this Contract.
- 9.8 **Purchased Water Adjustment Clause.** Each ~~Authority~~Charter Customer covenants that it will promptly seek approval from the PSC to include a purchased water adjustment clause as part of its tariff rates. Each ~~Authority~~Charter Customer further covenants that if

its responsibility for Aggregate Costs under this Contract increases, it will promptly file a request with the PSC for authority to pass on such higher costs to its ratepayers.

- 9.9 **Segregate Revenues.** Each [Authority Charter](#) Customer covenants that it shall provide for the segregation of all revenues of its Unit System in a revenue fund and provide for the application of the revenues for the purpose of Section 9.7. Moneys of a Unit System of an [Authority Charter](#) Customer which exceed the obligations of such [Authority Charter](#) Customer hereunder may be used for any lawful purposes.

- 9.10 **Accounting and Audit.** Each [Authority Charter](#) Customer covenants that it will make and keep proper books and accounts (separate and apart from all other records and accounts of such [Authority Charter](#) Customer) in which complete entries shall be made of all transactions relating to its Unit System, and, within two hundred ten (210) days following the close of each fiscal year of such [Authority Charter](#) Customer, it will cause the books and accounts of its Unit System to be audited annually by independent certified public accountants, showing the receipts and disbursements on account of its Unit System.

- 9.11 **Maintain Ownership of Unit System and Properties.** Each [Authority Charter](#) Customer covenants that it will continue to own and possess its Unit System and will, in accordance with Prudent Utility Practice and in a manner so as not to cause a default hereunder, dispose of property which is part of its Unit System only to the extent that such property is no longer useful or profitable in the operations of its Unit System.

- 9.12 **Insurance.** Each [Authority Charter](#) Customer covenants that it will carry insurance or maintain self-insurance reserves with respect to its Unit System of the kinds and in the amounts which are customarily carried or maintained by entities operating similar properties, including, without limiting the generality of the foregoing, fire and other casualty and public liability insurance or protection. All moneys received for loss under the insurance policies or on deposit as self-insurance reserves shall be used in making good the loss or damage in respect of which they were paid except to the extent that the property damaged or lost would be permitted to be disposed of under Section 9.11, whether by repairing the property damaged or replacing the property destroyed, and provision for making good such loss or damage or replacing the property destroyed shall be made within a reasonable time from date of loss. The proceeds derived from any and all policies or available from self-insurance reserves for public liability losses shall be used in paying or reimbursing any accounts from which payments for settlements, judgments or expenses were advanced.

- 9.13 **Budget and Appropriations.** Each [Authority Charter](#) Customer covenants that it will adopt a budget or appropriations ordinance for each fiscal year of such [Authority Charter](#) Customer, or otherwise in accordance with applicable state laws, and provide lawful authority for payment of all sums anticipated to be due to the Authority during such fiscal year.

- 9.14 **Continue to Serve.** Each ~~Authority~~Charter Customer covenants that it will use its best efforts to continue serving all customers of its Unit System within its territorial limits which are served as of the date of this Contract.
- 9.15 **Combining or Separating Unit System Accounts.** Each ~~Authority~~Charter Customer covenants that it shall not combine its existing separate waterworks system with its separate sewerage system or separate its existing combined waterworks and sewerage system into separate systems unless it meets the following conditions: (i) the ~~Authority~~Charter Customer shall provide the Authority with written evidence that the proposed combination or separation will not materially and adversely affect the ~~Authority~~Charter Customer's ability to comply with all of the terms, conditions and covenants of this Contract; and (ii) if the Authority shall then determine the proposed combination or separation will not materially and adversely affect the ~~Authority~~Charter Customer's ability to comply with all of the terms, conditions and covenants of this Contract, then and only then the Authority shall approve such combination or separation and advise such ~~Authority~~Charter Customer in writing.
- 9.16 **Customer Covenants as to Rate of Withdrawal.** Each ~~Authority~~Charter Customer covenants that it will take Potable Water at the most uniform and continuous rate of withdrawal practicable.
- 9.17 **Tax Status.**
- 9.17.1 Except as provided in subsection 9.17.3, no ~~Authority~~Charter Customer shall use or permit to be used any of the water acquired under this Contract in any manner or for any purpose or take any other action or omit to take any action which could, either alone or in conjunction with any other similar actions by other Authority Customers, result in loss of the exclusion from gross income for federal tax purposes of the interest on any outstanding Bonds or any Bonds which in the future may be issued by the Authority, as that status is governed by the federal income tax laws, as amended from time to time, including but not limited to, Section 141 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations or any rulings promulgated thereunder or as affected by a decision of any court of competent jurisdiction (collectively, the "Tax Laws").
- 9.17.2 The ~~Authority~~Charter Customer has no contracts whereby any person, corporation, partnership or other non-governmental entity agrees to purchase water from the ~~Charter~~Authority Customer (i) on terms not available to the general public; and (ii) for a period of more than thirty (30) days. The ~~Charter~~Authority Customer has no current expectation of entering into any such contracts. At least sixty (60) days prior to entering into any contract whereby any person, corporation, partnership or other non-governmental entity agrees to purchase water from the ~~Charter~~Authority Customer on terms not available to the general public for a period of more than thirty (30) days, the ~~Charter~~Authority Customer shall notify the Authority of its intent to enter into such contract and provide copies of such contract to the Authority. Within sixty (60) days after receipt of such notice, the Authority shall advise the ~~Charter~~Authority Customer as

to whether, in the opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Authority, the entering into of such contract would result in a violation of the covenant in subsection 9.17.1 above. The cost of this opinion shall be borne by the [Charter Authority](#) Customer. Any determination by the Authority that any such contract would violate the covenant set forth in subsection 9.17.1 above shall be made by the Authority based upon this opinion. In the event that allocations are necessary under the Tax Laws to determine whether entering into any such contract violates the covenant set forth in subsection 9.17.1 above, the Authority shall make such allocations, in its sole discretion, after receipt of an opinion of counsel of recognized standing in the field of law relating to municipal bonds selected by the Authority and paid for by the [Charter Authority](#) Customer.

9.17.3 Notwithstanding subsection 9.17.1 above, the [Charter Authority](#) Customer may enter into a contract determined by the Authority pursuant to subsection 9.17.2 to violate subsection 9.17.1 if, but only if, the [Charter Authority](#) Customer enters into a supplement to this Contract in form and substance satisfactory to the Authority providing that the [Charter Authority](#) Customer will bear and pay any and all increased costs allocated to it resulting from the issuance by the Authority of Bonds, the interest on which is not excludable from gross income for federal income tax purposes ("Taxable Bonds"). The Authority in its sole discretion, after receipt of an opinion of counsel of recognized standing in the field of municipal bonds selected by the Authority, shall allocate on a reasonable basis the increased interest costs associated with such Taxable Bonds to the Authority Customers which have entered into any such contracts pursuant to this subsection 9.17.3. In the event that such an allocation is made, the Authority shall bill the [Charter Authority](#) Customer therefor as a surcharge on its water bill. Any such supplement shall contain such other terms and provisions as the Authority deems reasonably necessary in order to preserve the tax-exempt status of any Bonds not intended by the Authority to be Taxable Bonds, including, without limitation, a requirement that the [Charter Authority](#) Customer pass on to the non-exempt user the additional costs allocated to the [Charter Authority](#) Customer.

9.18 Opinions as to Validity.

9.18.1 Upon the execution and delivery of this Contract [by an Authority Customer](#), the [Charter Authority](#) Customer shall furnish the Authority with an opinion by an attorney or firm of attorneys to the effect that (i) the [Charter Authority](#) Customer is a political subdivision and municipal corporation of the State of Wisconsin and is fully authorized and empowered under the laws of the State of Wisconsin to enter into this Contract and to perform its obligations hereunder, (ii) based upon the attorney's knowledge and due investigation, no consent, order, waiver or any other action by any person, board or body, public or private, is required as of the date of execution of this Contract by the [Charter Authority](#) Customer for the [Charter Authority](#) Customer to enter into this Contract and to perform its obligations hereunder, (iii) based upon the attorney's knowledge and due investigation, there is no action, suit or proceeding at law or in equity or by or before any Governmental Authority pending or threatened against or affecting the [Charter Authority](#) Customer or its Unit System which seeks to prohibit, restrain or enjoin

the [Charter Authority](#) Customer from entering into or complying with its obligations contained in this Contract, including payment obligations to the Authority, or in any way affects or questions the validity or enforceability of this Contract, or in any way might materially adversely affect the [Charter Authority](#) Customer's ability to carry out the transactions contemplated by this Contract, (iv) this Contract has been duly and validly authorized, executed and delivered by the [Charter Authority](#) Customer and constitutes a legal, valid and binding obligation of the [Charter Authority](#) Customer enforceable against it in accordance with its terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to the rights and remedies of creditors, and (v) the execution and delivery of this Contract and compliance by the [Charter Authority](#) Customer with its terms will not conflict with, or constitute on the part of the [Charter Authority](#) Customer a breach of or a default under, any existing statute, law, governmental rule, regulation (other than any provision of the Internal Revenue Code or regulation promulgated thereunder), decree, resolution, ordinance, charter or order, or any agreement, indenture, mortgage, lease or instrument to which the [Charter Authority](#) Customer is subject or by which it is or its properties are or may be bound.

- 9.18.2 Upon the execution and delivery of this Contract, the Authority shall furnish the [Charter Authority](#) Customer with an opinion by an attorney or firm of attorneys to the effect that (i) the Authority is a political subdivision and body public and corporate of the State of Wisconsin and is fully authorized and empowered under the laws of the State of Wisconsin to enter into this Contract and to perform its obligations hereunder, (ii) based upon the attorney's knowledge and due investigation, no consent, order, waiver or any other action by any person, board or body, public or private, is required as of the date of execution of this Contract by the Authority for the Authority to enter into this Contract and to perform its obligations hereunder, (iii) based upon the attorney's knowledge and due investigation, there is no action, suit or proceeding at law or in equity or by or before any Governmental Authority pending or, to the best of such counsel's knowledge, threatened against or affecting the Authority which seeks to prohibit, restrain or enjoin the Authority from entering into or complying with its obligations contained in this Contract or in any way affects or questions the validity or enforceability of this Contract, or in any way might materially adversely affect the Authority's ability to carry out the transactions contemplated by this Contract, (iv) this Contract has been duly and validly authorized, executed and delivered by the Authority and constitutes a legal, valid and binding obligation of the Authority enforceable against it in accordance with its terms, except that such enforceability may be limited by applicable bankruptcy, insolvency, reorganization and similar laws of general application relating to the rights and remedies of creditors, and (v) the execution and delivery of this Contract and compliance by the Authority with its terms will not conflict with or constitute on the part of the Authority a breach of or a default under any existing statute, law, governmental rule, regulation, decree, resolution, ordinance, charter or order, or any agreement, indenture, mortgage, lease or instrument to which the Authority is subject or by which it is or its properties are or may be bound.

9.19 **Town Sanitary District Covenant.** Each ~~Charter~~Authority Customer which is a town sanitary district covenants that it will not request a town board to add territory, and each Town Signatory covenants that it will not approve additions of territory to any ~~Charter~~Authority Customer which is a town sanitary district, except as follows: (i) within the corporate limits of the town in which a majority of its customers reside, or (ii) within any other town provided that after the expansion the town sanitary district has fewer than 15% of its total customers in the other town, and has less than 15% of its total property equalized value in the other town.

10 **Capacity and Future Capacity.**

10.1 **Availability of Capacity.** Capacity from the Authority's Waterworks System shall be available to Authority Customers on a first-come, first-served basis. The Authority shall not reserve capacity for any Authority Customer.

10.2 **Additional Capacity in Authority's Waterworks System.**

10.2.1 The Authority's Waterworks System has initially been designed to provide each Charter Customer with enough water to meet its expected water needs through the year 2030. Nevertheless, the Authority and the Charter Customers anticipate that in the future the Authority may determine that additional facilities must be constructed to augment the initial capacity of the Authority's Waterworks System. This may occur because of the addition of Subsequent Customers, unanticipated growth in an ~~an~~ Authority Customer, or other events.

10.2.2 Additional facilities to augment the initial capacity of the Authority's Waterworks System shall be constructed by the Authority when the Authority determines such additional capacity is needed.

10.2.3 If the Authority determines that additional facilities must be constructed to augment the initial capacity of the Authority's Waterworks System, the cost to construct the additional capacity is to be paid for as Fixed Costs in accordance with Section 6.3.

10.3 **Additional Capacity from Third Party Water Supplier.**

10.3.1 A Third Party Water Supply Contract may require the Authority to construct and/or pay for capital facilities that will be used to provide the Authority with Potable Water. Such capital facilities may be owned by the Authority, by the Third Party Water Supplier, or by the Authority and Third Party Water Supplier jointly. To the extent reasonable and in accordance with Prudent Utility Practice, such capital facilities shall be designed to provide the Authority with sufficient Potable Water to meet each Charter Customer's expected water needs through the year 2030.

10.3.2 To the extent a Third Party Water Supply Contract requires the Authority to construct and/or pay for additional capital facilities to augment the initial capacity provided to the Authority, the Authority shall construct and/or pay for such additional capital facilities to

the extent required. If additional facilities must be constructed and/or paid for by the Authority to augment the initial capacity provided to the Authority, the cost to construct the additional capacity is to be paid for as Fixed Costs in accordance with Section 6.3.

- 10.4 **Notification of Water Demands.** The Authority may, at any time, request in writing that each Authority Customer notify the Authority of its expected water demands for a specified year. The Authority Customer shall respond to this request in writing within three months. The Authority may use this information to determine when additional capacity must be built or obtained by contract, and how much additional capacity must be built or obtained.

11 **Deleted**

[Deleted by the Seventh Amendment to Contract effective May 22, 2017.]

12 **Subsequent and Other Contracts.**

- 12.1 **No Contract with Rate More Favorable.** The Authority shall not supply Potable Water except pursuant to a written contract. Any Subsequent Contract entered into by the Authority shall require a Subsequent Customer to pay the additional costs, rates and charges set forth in Sections 12.2 to 12.4, and to abide by the requirements set forth in Section 12.5. By requiring a Subsequent Customer to pay these additional costs, rates and charges, it is the intent of the Authority to recognize that the Charter Customers, solely, enable the Authority to obtain Potable Water for Authority Customers, that units of local government need to be induced to become Charter Customers and that this provision is an express inducement to become a Charter Customer. In no case shall a Subsequent Contract provide rates, charges or terms lower or more favorable to the Subsequent Customer than those provided in this Contract for Charter Customers.

12.2 **Payment of Infrastructure Costs Required in Subsequent Contract.**

- 12.2.1 Every Subsequent Contract shall require the Subsequent Customer to pay all costs, including but not limited to, infrastructure, real estate, administrative and legal costs, necessary to supply water to the Subsequent Customer. Such infrastructure costs shall include, but not be limited to, the cost of extending water distribution mains from the Authority's existing distribution system to the Subsequent Customer, and the cost of all connection points needed to serve the Subsequent Customer. The Authority shall contract for the design and construction of the infrastructure facilities necessary to supply water to the Subsequent Customer. The Subsequent Customer shall agree in the Subsequent Contract to pay for all costs necessary to supply water to the Subsequent Customer, including the cost of such work and facilities. The facilities, at all times, shall be owned by the Authority.
- 12.2.2 The Subsequent Customer shall pay the Authority for the costs under subsection 12.2.1 by either (a) making a direct cash payment to the Authority within thirty days after the Authority notifies the Subsequent Customer of the amount due; or (b) paying the Authority such costs over time by amortizing such costs and adding them to the

wholesale water rate paid by the Subsequent Customer; or (c) some combination of (a) and (b) above. If costs are to be amortized and included in rates, the length of time over which costs may be amortized may not exceed the remaining term of the Authority's Bonds, or the term of the Subsequent Contract, whichever is shorter. Interest on the costs amortized shall accrue during the period of amortization at the weighted average effective interest rate on all series of Bonds of the Authority any of which are then outstanding plus two percent (2%).

- 12.2.3 In order to partially satisfy its obligation to provide the local facilities necessary to connect its distribution system to the Authority's existing distribution system, a Subsequent Customer may enter into an agreement with a Charter Customer which allows the Subsequent Customer to use the Charter Customer's Unit System as a means of transporting water from the Authority's Waterworks System to the Subsequent Customer.

12.3 **Payment of ~~Development Charge and~~ Excess Capacity Charge.**

- 12.3.1 ~~Development Charge. Every Subsequent Contract shall require the Subsequent Customer to pay to the Authority a Development Charge to recognize that Charter Customers invested the time and money necessary to enable the Authority to acquire a Potable Water supply, and that the Subsequent Customers did not bear these burdens which were borne solely by the Charter Customers. A Subsequent Customer's Development Charge shall be determined based upon the number and sizes of water meters served by the Subsequent Customer. For each water meter served, the Subsequent Customer shall pay a charge equal to \$50.00 multiplied by a factor determined by the size of the water meter, with a maximum fee of \$260.00 per meter. The size of the meter, the appropriate factor, and the resulting development charge for that meter is as set forth in Exhibit D. A Subsequent Customer's total Development Charge shall equal the sum of all charges on all water meters served by the Subsequent Customer, plus interest. Interest shall accrue on this amount from December 1, 2003 until the date of the Subsequent Contract. The rate of interest shall equal the sum of the weighted average effective interest rate on all series of Bonds of the Authority any of which are outstanding on the date of the Subsequent Contract plus two percent (2%). [Revised by Second Amendment to Contract effective 11/14/07]~~

- 12.3.2 Excess Capacity Charge. Every Subsequent Contract shall require the Subsequent Customer to pay to the Authority an Excess Capacity Charge to recover Fixed Costs from the Subsequent Customer for excess capacity built into the Authority's Waterworks System and any other facilities paid for with Bonds. A Subsequent Customer's Excess Capacity Charge shall be determined based upon the number and sizes of water meters served by the Subsequent Customer. For each water meter served, the Subsequent Customer shall pay a charge equal to \$294.00 multiplied by a factor determined by the size of the water meter. The size of the meter, the appropriate factor, and the resulting excess capacity charge for that meter is as set forth in Exhibit D. A Subsequent Customer's total Excess Capacity Charge shall equal the sum of all charges on all water meters served by the Subsequent Customer, plus interest. Interest shall accrue on this

amount from December 1, 2003 until the date of the Subsequent Contract. The rate of interest shall equal the sum of the weighted average effective interest rate on all series of Bonds of the Authority any of which are outstanding on the date of the Subsequent Contract plus two percent (2%). *[Revised by Second Amendment to Contract effective 11/14/07]*

- 12.3.3 **Payment of Charges.** The Subsequent Customer shall pay the Authority for the costs under subsections 12.3.1 and 12.3.2 by either (a) making a direct cash payment to the Authority within thirty days after the Authority notifies the Subsequent Customer of the amount due; or (b) paying the Authority such costs over time by amortizing such costs and adding them to the wholesale water rate paid by the Subsequent Customer; or (c) some combination of (a) and (b) above. If costs are to be amortized and included in rates, the length of time over which costs may be amortized may not exceed the remaining term of the Authority's Bonds, or the term of the Subsequent Contract, whichever is shorter. Interest on the costs amortized shall accrue during the period of amortization at the weighted average effective interest rate on all series of Bonds of the Authority any of which are then outstanding plus two percent (2%).

12.4 Water Rate and Charge Differential Required by Subsequent Contract.

- 12.4.1 Every Subsequent Contract shall provide that the Operation Costs rate that the Subsequent Customer pays for water shall equal (a) the rate that the Subsequent Customer would pay in accordance with Section 6.2; plus (b) a capital risk factor equal to the rate that the Subsequent Customer would pay in accordance with Section 6.2 multiplied by the sum of the weighted average effective interest rate on all series of Bonds of the Authority any of which are then outstanding plus two percent (2%). The requirement to pay the additional capital risk factor may be waived by the Authority for a Subsequent Customer if that Subsequent Customer provides other consideration to the Authority.
- 12.4.2 Every Subsequent Contract shall provide that the monthly Fixed Costs payment that the Subsequent Customer pays for water shall equal (a) the monthly payment that the Subsequent Customer would pay in accordance with Section 6.3; plus (b) a capital risk factor equal to the rate that the Subsequent Customer would pay in accordance with Section 6.3 multiplied by the sum of the weighted average effective interest rate on all series of Bonds of the Authority any of which are then outstanding plus two percent (2%). The requirement to pay the additional capital risk factor may be waived by the Authority for a Subsequent Customer if that Subsequent Customer provides other consideration to the Authority.
- 12.5 **Other Terms in Subsequent Contract.** Except as provided in Sections 12.2 to 12.4, a Subsequent Contract shall require a Subsequent Customer to meet the same requirements and satisfy the same obligations as a Charter Customer under this Contract.

12.6 **Service To Customers Only.** The Authority shall not provide a supply of Potable Water to any person except to (a) a Charter Customer, (b) a Subsequent Customer, or (c) a Customer who contracts for short-term emergency water use.

12.7 **Limitation on Quantity of Water.** The Authority shall not enter into contracts with Subsequent Customers that would cause the Authority to be obligated to sell Potable Water in excess of amounts set forth in Sections 2.7 through 2.11.

12.8 ~~**Hobart Exception.** Notwithstanding the provisions of Sections 12.1 to 12.4, if the Village of Hobart becomes a Subsequent Customer, the Authority shall not require the Village of Hobart to pay the additional costs, rates and charges set forth in Sections 12.2 to 12.4, with the exception that the Village of Hobart shall be required to pay for the cost of an appropriate meter and meter station as specified by the Authority. In no case, however, shall the Subsequent Contract with the Village of Hobart provide rates, charges or terms lower or more favorable to the Village of Hobart than those provided in this Contract for Charter Customers. [Added by Second Amendment to Contract effective 11/14/07]~~

13 **Force Majeure.**

In case by reason of Force Majeure any Party hereto shall be rendered unable wholly or in part to carry out its obligation under this Contract, then if such Party shall give notice and full particulars of such Force Majeure in writing to the other Parties within a reasonable time after occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability with all reasonable dispatch. The term Force Majeure as employed herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of public enemy, orders of any kind of Governmental Authorities, or of any civil or military authority, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, hurricanes, storms, floods, washouts, droughts, arrests, restraints of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines, canals, or tunnels, partial or entire failure of water supply, and inability on the part of the Authority to deliver Potable Water hereunder, or of any ~~Authority~~ ~~Charter~~ Customer to receive Potable Water hereunder, on account of any other causes not reasonably within the control of the Party claiming such inability. The settlement of strikes and lockouts shall be entirely within the discretion of the Party having the difficulty and the above requirement that any Force Majeure shall be remedied with all reasonable dispatch shall not require the settlement of strikes and lockouts by acceding to the demands of the opposing Party or Parties when such settlement is unfavorable to it in the judgment of the Party having the difficulty. No Force Majeure which renders any of the Parties unable to perform under this Contract shall relieve an ~~Authority~~ ~~Charter~~ Customer of its obligation to make payments to the Authority as required under Article 6.

14 **Defaults.**

14.1 **Authority Defaults.** Failure by the Authority to continue to deliver Potable Water to any [AuthorityCharter](#) Customer after Potable Water is first delivered under Section 2.7 of this Contract or failure of the Authority to perform any other obligation under this Contract and the continuation of that failure to perform for thirty (30) days after written notice from such [AuthorityCharter](#) Customer to the Authority of such failure shall be a default of the Authority under this Contract, unless any such failure is excused pursuant to Article 13 of this Contract. If the Authority defaults under this Contract, the [AuthorityCharter](#) Customer or [AuthorityCharter](#) Customers affected may follow the dispute resolution procedure set forth in Article 26, which allows the [AuthorityCharter](#) Customer to bring an action against the Authority, which may be an action for money damages, or for mandamus and specific performance of the Authority's obligations, or for any other available remedy to the extent allowed by law. Election of any remedy shall not be a waiver of any other remedy. This Section is intended by the Parties to this Contract to waive their respective statutory right to any further notice under Section 893.80, Wisconsin Statutes, to the extent such section is applicable.

14.2 **Customer Defaults.** Failure by the [AuthorityCharter](#) Customer to pay for Potable Water as required by this Contract shall be an immediate default under this Contract. Failure by the [AuthorityCharter](#) Customer to perform any other obligation under this Contract and the continuation of that failure to perform for thirty (30) days after written notice from Authority to such [AuthorityCharter](#) Customer of such failure shall also be a default of the [AuthorityCharter](#) Customer under this Contract, unless any such failure is excused pursuant to Article 13 of this Contract. If the [AuthorityCharter](#) Customer defaults under this Contract, the Authority has the option of (a) proceeding in accordance with Section 6.10 if the [AuthorityCharter](#) Customer has failed to pay for Potable Water; (b) immediately bringing an action against the [AuthorityCharter](#) Customer, which may be an action for money damages, or for mandamus and specific performance of the [AuthorityCharter](#) Customer's obligations, or for any other available remedy; or (c) following the dispute resolution procedure set forth in Article 26. Election of any remedy shall not be a waiver of any other remedy. If the Authority elects to immediately bring an action against the [AuthorityCharter](#) Customer, the Authority, in the event it prevails in the action, shall have the right to recover its reasonable litigation expenses, including reasonable attorneys' fees, from the [AuthorityCharter](#) Customer. This Section is intended by the Parties to this Contract to waive their respective statutory right to any further notice under Section 893.80, Wisconsin Statutes, to the extent such section is applicable.

15 **[AuthorityCharter](#) Customer's Obligation Unconditional.**

The [AuthorityCharter](#) Customers shall have no right to terminate, cancel or rescind this Contract, no right to terminate its purchase of Potable Water under this Contract, no right to withhold from the Authority or the Trustee who is an assignee of the Authority pursuant to Article 17 of this Contract payments due or to become due under this Contract, no right to recover from the Authority or such Trustee amounts previously paid under this Contract unless paid in error or contrary to the provisions of this Contract or law, no right of reduction or set-off against the amounts due or to become due under this

Contract to the Authority or such Trustee, and no lien on any amounts in any fund established by the Authority or such Trustee for any reason or on account of the existence or occurrence of any event, condition or contingency, whether foreseen or unforeseen or foreseeable or unforeseeable by the [Authority Charter](#) Customers or the Authority or any other person -- including by way of illustration and not limitation, by reason of the fact that the Authority's Waterworks System in whole or in part is not completed, operable or operating; the output of the Authority's Waterworks System in whole or in part is suspended, interrupted, interfered with, reduced or curtailed; any Authority Customer does not perform in whole or in part under this Contract or any other agreement or instrument -- it being the intent hereof that the [Authority Charter](#) Customers shall be absolutely and unconditionally obligated to make all payments hereunder, subject to Section 6.12 hereof. The Authority will issue its Bonds in specific reliance on the limitations set forth in this Article with respect to the rights of the [Authority Charter](#) Customers.

16 **Modification of this Contract.**

Except for revisions and adjustments otherwise expressly provided for by the terms of this Contract, this Contract may not be changed or modified unless the consent of the Authority and of three-fourths of the Charter Customers shall have been obtained. Such modification may be requested by any Party, in which event a joint meeting of representatives of all governing bodies shall be called by the Authority and held not more than sixty (60) days after such request is made and at least thirty (30) days after the giving of notice of such meeting. At the joint meeting the requested changes or modifications shall be considered and discussed. No such change or modification made under this Section 16 may materially impair or adversely affect the ability or obligation of any [Authority Charter](#) Customer under the Contract to make payments to the Authority at the times, in the amounts, and with the priority required in order for the Authority timely to meet its obligations under this Contract, any Third Party Water Supply Contract, other water purchase or sale contracts of the Authority and each Bond Resolution, including without limitation the making of all deposits in various funds and accounts created under each Bond Resolution; or materially impair or adversely affect the ability of the holders of the Bonds or the Trustee, under the Contract or the Bond Resolutions, to enforce the terms of the Contract. No such change or modification shall be effective which would cause a violation of any provisions of any Bond Resolution or any ordinance authorizing bonds of any [Authority Charter](#) Customer. *[Amended by the First Amendment to Central Brown County Water Authority Water Purchase and Sale Contract effective December 20, 2004; and Sixth Amendment to Contract effective 5/28/14, and the Seventh Amendment to Contract effective May 22, 2017.]*

17 **Non-Assignability.**

Except to the extent hereinafter provided, no Party shall assign or transfer this Contract or any rights or interests herein without the written consent of three-fourths of the Charter Customers and the Authority. The right to receive all payments which are required to be made by the [Authority Charter](#) Customers to the Authority in accordance with the

provisions of this Contract may be assigned by the Authority to any Trustee as provided in the Bond Resolution to secure the payment of the principal of, premium, if any, and interest on the Bonds as those amounts come due, subject to the application of those payments as may be provided in the Bond Resolution. The [Authority Charter](#) Customers will, upon notice of assignment to any such Trustee, make all payments directly to such Trustee. The rights of the Authority to enforce the provisions of this Contract may be assigned to such Trustee and, in such event, the Trustee will have the right to enforce this Contract at law or in equity with or without the further consent or participation of the Authority. The Authority may also retain the right to enforce this Contract.

18 **Cooperation In Construction of Authority Water Supply.**

The [Authority Charter](#) Customers shall cooperate with the Authority in the construction and acquisition of the Authority's Waterworks System and in the construction of any capital facilities required pursuant to any Third Party Water Supply Contract. Each [Authority Charter](#) Customer shall grant without charge to the Authority any reasonably required construction easements and any easements necessary for portions of the Authority's Waterworks System to be located on such [Authority Charter](#) Customer's property, provided the Authority agrees to restore the easement property in a reasonable manner after construction. Each [Authority Charter](#) Customer shall grant the Authority access to its property to the extent reasonably necessary to construct and install the Points of Delivery. *[Revised by Second Amendment to Contract effective 11/14/07]*

19 **Mutual Cooperation in Issuance of Obligations.**

Each [Authority Charter](#) Customer shall cooperate with the Authority in the issuance of the Bonds, and the Authority shall cooperate with each [Authority Charter](#) Customer in the issuance of the [Authority Charter](#) Customer's general obligation bonds or revenue bonds of its Unit System. In such connection, each [Authority Charter](#) Customer and the Authority will comply with all reasonable requests of each other and will, upon request, do as follows:

- (i) Make available general and financial information about itself, including any information requested by the Authority to meet its continuing disclosure requirements under SEC Section 15(c)(2)(12);
- (ii) Consent to publication and distribution of its financial information;
- (iii) Certify that general and financial information about it is accurate, does not contain an untrue statement of a material fact and does not omit to state a material fact necessary in order to make the statements in that information, in light of the circumstances under which they were made, not misleading;
- (iv) Make available certified copies of official proceedings;

- (v) Provide reasonable certifications to be used in a transcript of closing documents; and
- (vi) Provide and pay for reasonably requested opinions of counsel as to the validity of its actions taken with respect to and the binding effect of this Contract, title to its Unit System or the Authority's Waterworks System, as applicable, pending or threatened litigation which could materially affect its performance hereunder, and other reasonably related opinions.

In addition, each [AuthorityCharter](#) Customer shall provide the Authority with copies of all future bond resolutions.

20 **Regulatory Bodies.**

The Parties through this Contract seek to exercise and maintain all rights granted to them under and through the Constitution and laws of the State of Wisconsin. This Contract shall be subject to all valid rules, regulations, and laws applicable hereto passed or promulgated by any Governmental Authority having lawful jurisdiction, or any authorized representative or agency or any of them; provided however, that this clause shall not be construed as waiving the right of either Party to challenge the validity of such rule, regulation, or law on any basis, including the impairment of this Contract.

21 **Authority Cooperative Arrangements With Other Water Suppliers.**

Notwithstanding any of the provisions of this Contract, the Authority is not prohibited by this Contract from entering into cooperative arrangements with other suppliers of water to provide water to each other to meet their water needs in times of emergencies.

22 **Notices and Evidence of Actions.**

All notices or communications provided for herein shall be in writing and shall be delivered to the [AuthorityCharter](#) Customers affected or the Authority either in person or by United States mail, via registered mail, return receipt requested, postage prepaid, addressed to the principal office thereof.

Any action hereunder to be taken by the Authority or any [AuthorityCharter](#) Customer may be evidenced by copy of official proceedings (including pertinent minutes, motions, resolutions, or ordinances) duly certified by the Clerk of such [AuthorityCharter](#) Customer or the Secretary of the Authority.

23 **Severability.**

Should any part, term, or provision of this Contract be determined by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining portions or provisions shall not be affected thereby.

24 **Effective Date and Term.**

24.1 *[Deleted by Second Amendment to Contract effective 11/14/07]*

24.2 **Effective Date.** This Contract is effective as of November 24, 2003. *[Revised by Second Amendment to Contract effective 11/14/07]*

24.3 *[Deleted by Second Amendment to Contract effective 11/14/07]*

24.4 *[Deleted by Second Amendment to Contract effective 11/14/07]*

24.5 **Termination Date.** If this Contract is effective as provided in Section 24.2, this Contract shall continue in force and effect until the later of January 1, 2040 or the date on which all Bonds of the Authority are repaid. The [Authority Charter](#) Customers and the Authority agree to begin negotiation of a succeeding Water Purchase and Sale Contract not later than five (5) years prior to the end of the term of this Contract.

25 **Governing Law.**

This Contract and the rights of the Parties hereunder shall be interpreted and enforced in accordance with the laws of the State of Wisconsin. All actions involving breach of this Contract shall be venued in Brown County, Wisconsin.

26 **Dispute Resolution.**

26.1 **Dispute Resolution.** A dispute or controversy between [Authority Charter](#) Customers and the Authority regarding any matter relating to this Contract shall be resolved in accordance with this Article except to the extent that Section 14.2 provides otherwise.

26.2 **Notice of Dispute and Initial Meeting.** If a dispute or controversy exists between [Authority Charter](#) Customers and the Authority, regarding any matter relating to this Contract, any Party involved in the dispute may send a written notice to the other Party involved in the dispute asking for a meeting to discuss resolution of the dispute. The written notice shall identify the nature of the dispute, and shall be delivered to the other Parties in accordance with Article 22 of this Contract. Within 30 days of the date written notice is delivered, a meeting between the Parties involved in the dispute or controversy shall be held to attempt in good faith to negotiate a resolution of the dispute or controversy. This Section is intended by the Parties to this Contract to waive their respective statutory right to any further notice under Section 893.80, Wisconsin Statutes, to the extent such section is applicable.

26.3 **Mediation.** If the Parties have not succeeded in resolving the dispute or controversy at the initial meeting, or if the Parties have not held an initial meeting within thirty (30) days after the date of delivery of the written notice as required by Article 22 of this Contract, the Parties shall proceed to mediation in accordance with this Section. The Parties shall jointly appoint a mutually acceptable neutral person not affiliated with either

of them (the "Mediator") to conduct the mediation. If the Parties are unable to agree upon the selection of a Mediator within twenty (20) days after the initial meeting, or if no initial meeting was held, within fifty (50) days after the delivery of the written notice required by Article 22, the Brown County Circuit Court shall select the Mediator. The fees of the Mediator shall be shared equally by the Parties involved in the dispute or controversy.

In consultation with the Parties, the Mediator will select or devise the mediation procedure to be held in Brown County, Wisconsin, by which the Parties will attempt to resolve the dispute or controversy. In consultation with the Parties, the Mediator will also select a date and time for the mediation and a date by which the mediation will be completed.

The Parties involved in the dispute shall participate in good faith in the mediation to its conclusion as designated by the Mediator. If the Parties are not successful in resolving the dispute or controversy through the mediation, then the Parties may agree in writing to resolve the dispute by arbitration under Section 26.4 of this Contract, or if no agreement to arbitrate has been reached by the Parties, the dispute may be resolved by litigation.

26.4 Binding Arbitration. In the event the procedures of Sections 26.2 and 26.3 do not resolve a dispute, the Parties involved in the dispute may agree in writing to have the dispute resolved by binding arbitration. If the Parties reach such an agreement, the dispute shall be resolved under this Section, and arbitration shall be the exclusive remedy of the Parties. The procedures and requirements set forth in subsections 26.4.1 to 26.4.6 shall apply to any arbitration hereunder.

26.4.1 Each Party shall prepare a statement of the facts or circumstances causing the controversy and the resolution, determination or relief sought by the Party.

26.4.2 The arbitration shall be conducted before a panel of three arbitrators (or if the Parties agree, by a single arbitrator).

26.4.2.1 If two Parties are involved in a dispute, each Party shall choose and pay for an arbitrator, and the two arbitrators selected shall choose a third arbitrator whose fees shall be evenly divided between the two disputing Parties.

26.4.2.2 If there are more than two Parties to the dispute, each Party shall submit the name of an arbitrator, and two arbitrators shall be chosen from the submitted names by lot. The two arbitrators selected shall choose the third arbitrator. The cost of all three arbitrators shall be divided evenly among all the Parties involved in the arbitration.

26.4.2.3 If the two arbitrators selected are unable to agree upon the selection of a third arbitrator, the two arbitrators shall be discharged, and the Brown County Circuit Court shall select three arbitrators to conduct the arbitration.

- 26.4.2.4 All arbitrators selected shall be competent by virtue of education and experience in the particular matter subject to arbitration.
- 26.4.2.5 All arbitrators are to be selected within twenty (20) days after the date of the written agreement to proceed to arbitration.
- 26.4.3 A conference shall be held with the arbitrators to attempt to stipulate as many facts as possible and to clarify and narrow the issues to be submitted to arbitration.
- 26.4.4 The arbitration shall be conducted in accordance with Chapter 788, Wis. Stats. The Parties may use discovery to the same extent allowed by the Wisconsin Rules of Civil Procedure and Evidence in effect at the time.
- 26.4.5 The arbitrators shall have no authority, power or jurisdiction to decide the validity of the Contract, or to alter, amend, change, modify, add to or subtract from any of the provisions of this Contract or to decide any issues other than the issues or controversies set forth in the notice or notices instituting the arbitration.
- 26.4.6 The decision or award of the arbitrators shall be final and binding upon the Parties and the Parties shall do such acts as the arbitrators' decision or award may require of them. In accordance with Chapter 788, Wis. Stats., judgment upon any award rendered by the arbitrators may be entered in Brown County Circuit Court and execution issued thereon. This provision shall survive the termination of this Contract.
- 26.5 **Recovery of Litigation Expenses.** If the dispute proceeds to litigation rather than arbitration, the prevailing Party shall have the right to recover from the other Party its reasonable litigation expenses, including reasonable attorneys' fees.
- 27 **Successors.** This Contract shall benefit and be binding upon the successors of the Authority and the ~~Authority~~[Authority Charter](#) Customers.
- 28 **Execution in Counterparts.**

This Contract may be executed in several counterparts, each of which shall be deemed to be an original, and all of which shall constitute but one and the same instrument. Any such counterpart may be signed by one or more of the Parties hereto as long as each of the Parties hereto has signed one or more of such counterparts.

29 **Town Sanitary Districts and Town Signatories.**

29.1 **Town Signatory Required.** A town in which a town sanitary district is located which is an [Authority Charter](#) Customer must agree to fulfill the obligations and responsibilities of such [Authority Charter](#) Customer under this Contract before the residents and lands within that portion of the town within the town sanitary district may receive Potable Water. A town which signs this Contract for the purpose of agreeing to fulfill the town sanitary district's obligations and responsibilities shall be a Town Signatory. If a town does not sign this Contract as a Town Signatory, the residents and lands within that town shall not be entitled to receive Potable Water from the Authority.

29.2 **Town Sanitary District Located in Multiple Towns.**

29.2.1 If an [Authority Charter](#) Customer is a town sanitary district located in two or more towns, each town in which the town sanitary district is located and which desires to have water service provided to the residents and lands within the portion of the town within the town sanitary district must sign this Contract as a Town Signatory, and thereby agree to fulfill the Town Signatory's proportionate share of the obligations of the [Authority Charter](#) Customer.

29.2.2 If territory is added to an [Authority Charter](#) Customer which is a town sanitary district in a town which has not signed this Contract as a Town Signatory, the residents and lands within that town shall not be entitled to receive Potable Water from the Authority unless and until such town signs this Contract as a Town Signatory.

29.2.3 If two or more Town Signatories have agreed to fulfill the obligations of one [Authority Charter](#) Customer to the Authority, each Town Signatory's proportionate share of the obligation shall be determined by comparing the equalized full value of the taxable property located in the Town Signatory which is also located in the [Authority Charter](#) Customer, to the equalized full value of the taxable property located in all areas of the [Authority Charter](#) Customer.

29.3 **Terms of Town Obligation.** Each Town Signatory executes this Contract in consideration of the benefit provided to the Town Signatory by the provision of water service to certain areas and inhabitants of the Town Signatory by the [Authority Charter](#) Customer which is a town sanitary district located in whole or in part within the Town Signatory's corporate limits. The Town Signatory agrees to fulfill its proportionate share of the obligations and responsibilities under this Contract of the [Authority Charter](#) Customer which is a town sanitary district relating to the area of the [Authority Charter](#) Customer that is within the Town Signatory's corporate limits. To fulfill its obligation under this Contract, the Town Signatory covenants that if the [Authority Charter](#) Customer which is a town sanitary district located within the Town Signatory's corporate limits fails to fulfill its obligations and responsibilities under this Contract, the Town Signatory shall fulfill its proportionate share of such obligations and responsibilities by making any necessary payments to the Authority out of the current revenues of the Town Signatory collected or in the process of collection (i.e. out of the tax levy of the Town Signatory

made by it to raise money to meet its necessary current expenses). Such payment out of the tax levy of the Town Signatory shall be subject to (a) approval of the PSC, or successors to its function, if applicable, (b) yearly appropriations therefor, and (c) applicable levy limitations, if any. Neither this Contract nor any such payment shall be construed as constituting an obligation of the Town Signatory to make any appropriation over and above the payments owed to the Authority by the [Authority Charter](#) Customer which is the town sanitary district located within the Town Signatory's corporate limits. Furthermore, this Contract shall not constitute an indebtedness of any [Authority Charter](#) Customer within the meaning of any statutory or constitutional debt limitation.

29.4 **Town Signatory's Covenants.**

29.4.1 **Expansion of Town Sanitary District.** Each Town Signatory covenants that it will not: (1) allow the [Authority Charter](#) Customer which is a town sanitary district located in whole or in part within the Town Signatory's corporate limits to expand other than as set forth in Section 9.20; or (2) dissolve the [Authority Charter](#) Customer which is a town sanitary district located within the Town Signatory's corporate limits unless a Town Signatory assumes all the obligations and responsibilities of the [Authority Charter](#) Customer under this Contract.

29.4.2 **Adoption of Ordinances.** If an [Authority Charter](#) Customer which is a town sanitary district is unable to adopt and enforce the ordinances required pursuant to Sections 9.3, 9.4, and 9.5 of this Contract, each Town Signatory covenants that it will adopt and enforce such ordinances.

29.5 **Cooperation by Town Signatory.** Each Town Signatory agrees to cooperate with the Authority in the construction and acquisition of the Authority's Waterworks System and in the construction of any capital facilities required pursuant to any Third Party Water Supply Contract. Each Town Signatory shall grant without charge to the Authority any reasonably required construction easements and any easements necessary for portions of the Authority's Waterworks System to be located on the Town Signatory's property, provided the Authority agrees to restore the easement property in a reasonable manner after construction. Each Town Signatory shall grant the Authority access to its property to the extent reasonably necessary to construct and install the Points of Delivery.
[Revised by Second Amendment to Contract effective 11/14/07]

29.6 **Town Signatory's Opinion as to Validity.** Each Town Signatory shall furnish the Authority with an opinion which meets the requirements of subsection 9.18.1 except for this purpose the term "[Authority Charter](#) Customer" in subsection 9.18.1 shall be replaced with the term "Town Signatory."

30 **Interpretation.**

30.1 **Drafted Jointly by the Parties.** This Contract shall be interpreted as though jointly drafted by the Parties.

- 30.2 **Headings, Title and Captions.** The headings, titles or captions contained in this Contract have been inserted only as a matter of convenience and for reference, and such captions in no way define, limit, extend or describe the scope of this Contract or the intent of any provision hereof.
- 30.3 **Exhibits.** Exhibits A through I attached hereto are, by this reference, incorporated herein. In case of any conflict between an Exhibit to the Contract and the text of this Contract, the text of this Contract shall control.
- 30.4 **Interpretation of Terms.** Unless otherwise required by the context in which any term appears: (a) capitalized terms used in this Contract shall have the meanings specified in Article 1; (b) the singular shall include the plural and the masculine shall include the feminine and neuter; and (c) references to “Articles,” “Sections” or “Exhibits” shall be to the numbered articles, sections and exhibits of this Contract.
- 30.5 **Days and Dates.** Any reference herein to “day” or “days” shall mean calendar and not business days. If the date for giving of any notice required to be given hereunder or the performance of any obligation hereunder falls on a Saturday, Sunday or federal holiday, then the notice or obligation may be given or performed on the next business day after such Saturday, Sunday or federal holiday.
- 30.6 **References to Other Agreements.** All references herein to any contract or other agreement shall be to such contract or other agreement as amended, supplemented, or modified to the date of reference.
- 30.7 **References to Laws.** Unless otherwise explicitly provided in this Contract, any reference to laws, ordinances, rules, or regulations shall include such laws, ordinances, rules, or regulations as they may be amended or modified from time to time hereafter.

IN WITNESS WHEREOF, the Parties hereto have by their duly authorized officers and representatives set their hands and affixed their seals on the date set forth below their name.

EXHIBIT A

SAMPLE PAGE W-10 FROM ANNUAL REPORT TO BE FILED WITH THE PSC

EXHIBIT B

**MINIMUM WATER USAGE AMOUNT FOR
ESTIMATED ANNUAL WATER REQUIREMENT**

<u>Charter CustomerMember</u> <u>in Million Gallons Per Year</u>	<u>Annual Water Requirement</u>
Village of Allouez	544.109
Village of Bellevue	372.184
City of De Pere	908.021
Village of Howard	576.056
Town of Lawrence	15.314
Ledgeview Sanitary District No. 2	68.749
<u>Authority Total</u>	2,484.433

[Revised by Second Amendment to Contract effective 11/14/07]

EXHIBIT B-1

**MINIMUM WATER USAGE AMOUNT FOR
ESTIMATED ANNUAL WATER REQUIREMENT**

<u>Charter Customer in Million Gallons Per Year</u>	<u>Annual Water Requirement</u>
Village of Allouez	355.882
Village of Bellevue	360.553
City of De Pere	717.800
Village of Howard	585.424
Town of Lawrence	53.118
Ledgeview Sanitary District No. 2	139.691
<u>Authority Total</u>	2,212.468

[Created by Sixth Amendment to Contract effective 5/28/14]

EXHIBIT C

MAP SHOWING POINTS OF DELIVERY AND POINTS OF CONNECTION

EXHIBIT D

EXCESS CAPACITY CHARGE AND DEVELOPMENT CHARGE

Meter Size (Inches)	Factor	Excess Capacity Charge	Development Charge
Under 1"	1	\$294.00	\$50.00
1"	1.6	\$470.00	\$80.00
1.5	3	\$882.00	\$150.00
2"	5.2	\$1,528.00	\$260.00
3"	9.6	\$2,822.00	\$260.00
4"	16.4	\$4,822.00	\$260.00
6"	30	\$8,820.00	\$260.00
8"	52	\$15,288.00	\$260.00
10"	78	\$22,982.00	\$260.00
12"	132	\$38,808.00	\$260.00

[Revised by Second Amendment to Contract effective 11/14/07]

EXHIBIT E

**MAP OF CHARTER CUSTOMERS' GOVERNMENTAL BOUNDARIES
EXISTING ON THE DATE OF THIS AGREEMENT**

EXHIBIT F

DRAFT

WATER SUPPLY CAPACITY CHARGE ORDINANCE
_____, WISCONSIN

WHEREAS, Named Government is a member of the Central Brown County Water Authority (“Water Authority”); and

WHEREAS, the Water Authority is a joint local water authority formed pursuant to §66.0823, Wis. Stats., and an Agreement Establishing the Central Brown County Water Authority effective as of January 19, 1999; and

WHEREAS, the City of De Pere, the Villages of Allouez, Bellevue, and Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2 are all members of the Water Authority (jointly referred to hereafter as “Water Authority Members”, and individually referred to as “Water Authority Member”); and

WHEREAS, the Water Authority has built or is building water supply facilities for the purpose of providing water supply to Water Authority Members, including the Named Government; and

WHEREAS, the Water Authority has sized or will size such water supply facilities beyond what is currently needed in order to account for the projected increased water needs of Water Authority Members; and

WHEREAS, the Water Authority has determined to charge its Water Authority Members for this additional capacity built into the Water Authority’s water supply facilities by imposing a charge on each Water Authority Member for new or larger connections to the Water Authority Member’s water system; and

WHEREAS, this water supply capacity charge is set out in the Water Purchase and Sale Contract between the Central Brown County Water Authority and Water Authority Members dated _____; and

WHEREAS, Named Government believes it is fair and equitable that the new and expanding users that connect to the Named Government’s water system and cause the Named Government to incur these water supply capacity charges imposed by the Water Authority, pay these water supply capacity charges;

NOW THEREFORE, BE IT ORDAINED by the Governing Body of the Named Government of _____, Wisconsin that:

1. SHORT TITLE. This Ordinance shall be known and may be cited as the NAMED GOVERNMENT'S WATER SUPPLY CAPACITY CHARGE ORDINANCE.
2. INTRODUCTION AND PURPOSE. The purpose of this Ordinance is to establish a mechanism to recover the costs imposed on the Named Government by the Water Authority to fund the additional capacity built into the Water Authority's water supply facilities to handle future growth. To fund this additional capacity, the Water Authority charges the Named Government for new or increased connections to the Named Government's water system. The purpose of this Ordinance is to pass those charges on to the propertyowner seeking the new or increased connection since that propertyowner is directly responsible for the costs imposed on the Named Government by the Water Authority.
3. PERMIT. Each person, corporation, partnership, public agency, or other entity (hereinafter referred to as "a water user") shall obtain a permit from the Named Government before installing a new water meter. Named Government shall determine the size of the water meter necessary or appropriate to provide service to the water user.
4. WATER SUPPLY CAPACITY CHARGE. Except as provided in Section 6 of this Ordinance, each water user who obtains a permit under Section 3 shall pay a Water Supply Capacity Charge to Named Government at the time of the application for the permit. Such Water Supply Capacity Charge shall be calculated as set forth in Sections 5 and 7 of this Ordinance, and shall equal the charge imposed by the Water Authority on the Named Government.
5. SCHEDULE OF WATER SUPPLY CAPACITY CHARGES. Except as provided in Sections 6 and 7, the amount of the Water Supply Capacity Charge shall be based upon the size of the meter to be installed. The Water Supply Capacity Charge shall equal \$294.00 multiplied by a factor determined by the size of meter to be installed. The size of the meter, the appropriate factor, and the resulting Water Supply Capacity Charge is set forth on the following table:

<u>Meter Size (Inches)</u>	<u>Factor</u>	Water Supply Capacity Charge
Under 1"	1	\$294.00
1"	1.6	\$470.00
1.5"	3	\$882.00
2"	5.2	\$1,528.00
3"	9.6	\$2,822.00
4"	16.4	\$4,822.00
6"	30	\$8,820.00
8"	52	\$15,288.00
10"	78	\$22,932.00
12"	132	\$38,808.00

6. EXEMPTIONS FROM WATER SUPPLY CAPACITY CHARGES. A water user who obtains a permit pursuant to Section 3 may apply for an exemption from paying Water Supply Capacity Charges if the permit relates to (a) alterations or expansion of an existing building where no additional or larger water meter connections are requested; (b) the replacement of a building or structure with a new building or structure of the same size and use where no additional or larger water connections are requested and where the use is not changed; or (c) a decrease in meter size. Any claim for an exemption must be made no later than the time of application for a permit for a new water meter or a change in water meter size. Any claim not so made shall be deemed waived.
7. CREDIT AGAINST WATER SUPPLY CAPACITY CHARGES FOR INCREASING EXISTING METER SIZE. A current water user who obtains a permit under Section 3 to increase its meter size shall be eligible for a credit toward the Water Supply Capacity Charge imposed under Section 5. Such credit shall equal an amount equal to the amount of a Water Supply Capacity Charge calculated on the size of the meter to be replaced. For example, if water user applies for a permit to change from a 5/8" meter to a 1" meter, the Water Supply Capacity Charge to the water user would equal the charge for a 1" meter less the charge for a 5/8" meter. In no case shall a credit exceed the amount of the Water Supply Capacity Charge.

8. RESPONSIBILITY FOR PAYMENT OF WATER SUPPLY CAPACITY CHARGES. All required Water Supply Capacity Charges, unless expressly excepted in Section 6 of this Ordinance, shall be paid in full prior to issuance of a permit under Section 3. Payment of the Water Supply Capacity Charge is the responsibility of the propertyowner of record at the time a permit under Section 3 of this Ordinance is requested.
9. COLLECTION OF WATER SUPPLY CAPACITY CHARGES. Water Supply Capacity Charges paid to and collected by the Named Government shall be placed in a segregated, interest-bearing account called the Water Supply Capacity Charge Account. Such funds shall be accounted for separately from other Named Government general and utility funds.
10. PAYMENT OF WATER SUPPLY CAPACITY CHARGES TO WATER AUTHORITY. All funds, excluding interest, accumulated in the Water Supply Capacity Charge Account established by the Named Government shall be turned over to the Water Authority semi-annually on dates established by the Water Authority. The Water Authority shall use the funds to reduce fixed costs of the Water Authority. Any interest income earned by the monies in the Water Supply Capacity Charge Account need not be turned over to the Water Authority, but may be used by the Named Government to help pay administrative costs of implementing this Ordinance.
11. WAIVER. Named Government may waive the collection of a Water Supply Capacity Charge from any propertyowner if the Named Government itself agrees to be responsible for the payment of such charge.
12. SEVERABILITY. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portions shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.
13. EFFECTIVE DATE. This Ordinance shall take effect on _____, 2003.

Adopted thisdate.....

Regular city ordinance information and signatures.

[Revised by Second Amendment to Contract effective 11/14/07]

EXHIBIT G

*DRAFT***~~WATER SUPPLY DEVELOPMENT CHARGE ORDINANCE~~**

~~WHEREAS, _____ (“Named Government”) is a member of the Central Brown County Water Authority (“Water Authority”); and~~

~~WHEREAS, the Water Authority is a joint local water authority formed pursuant to §66.0823, Wis. Stats., and an Agreement Establishing the Central Brown County Water Authority effective as of January 19, 1999; and~~

~~WHEREAS, the City of De Pere, the Villages of Allouez, Bellevue, and Howard, the Town of Lawrence, and Ledgeview Sanitary District No. 2 are all members of the Water Authority (jointly referred to hereafter as “Water Authority Members”, and individually referred to as “Water Authority Member”); and~~

~~WHEREAS, the Water Authority has built or is building water supply facilities for the purpose of providing water supply to Water Authority Members, including the Named Government; and~~

~~WHEREAS, each Water Authority Member has invested substantial time, effort, money, and other resources over many years to enable the Water Authority to acquire a water supply for Water Authority Members; and~~

~~WHEREAS, these costs have been borne by the property taxpayers who lived within the local governmental boundaries of the Water Authority Members as those boundaries existed on December 1, 2003; and~~

~~WHEREAS, propertyowners whose property is later annexed or added to the boundaries of a Water Authority Member did not bear the formation and development costs for the Water Authority; and~~

~~WHEREAS, the Water Authority has determined that these propertyowners whose property is later annexed or added to the boundaries of a Water Authority Member should contribute to the formation and development costs for the Water Authority; and~~

~~WHEREAS, the Water Authority has determined to charge its Water Authority Members for these development costs by imposing a development charge on each Water Authority Member for new connections to the Water Authority Member’s water system; and~~

WHEREAS, this water supply development charge is set out in the Water Purchase and Sale Contract between the Central Brown County Water Authority and Water Authority Members dated _____; and

WHEREAS, Named Government believes it is fair and equitable that the new users that cause the Named Government to incur these water supply development charges imposed by the Water Authority, pay these water supply development charges;

NOW THEREFORE, BE IT ORDAINED by the Governing Board of the Named Government of _____, Wisconsin that:

1. ~~SHORT TITLE.~~ This Ordinance shall be known and may be cited as the THE NAMED GOVERNMENT'S WATER SUPPLY DEVELOPMENT CHARGE ORDINANCE.
2. ~~INTRODUCTION AND PURPOSE.~~ The purpose of this Ordinance is to establish a mechanism to recover the development costs imposed on the Named Government by the Water Authority. The Water Authority charges the Named Government for new connections to the Named Government's water system in areas outside the Named Government's boundaries as they existed on December 1, 2003. The purpose of this Ordinance is to pass those charges on to the propertyowner seeking the new connection since that propertyowner is directly responsible for the costs imposed on the Named Government by the Water Authority.
3. ~~PERMIT.~~ Each person, corporation, partnership, public agency, or other entity (hereinafter referred to as "a water user") shall obtain a permit from the Named Government before installing a new water meter. Named Government shall determine the size of the water meter necessary or appropriate to provide service to the water user.
4. ~~WATER SUPPLY DEVELOPMENT CHARGE.~~ If the new water meter is for a new connection to the Named Government's water system in an area that was annexed or added to the Named Government's boundaries since December 1, 2003, the water user who obtains a permit under Section 3 shall pay a Water Supply Development Charge to Named Government at the time of the application for the permit. Such Water Supply Development Charge shall be calculated as set forth in Section 5 of this Ordinance, and shall equal the charge imposed by the Water Authority on the Named Government.
5. ~~SCHEDULE OF WATER SUPPLY DEVELOPMENT CHARGES.~~ The amount of the Water Supply Development Charge shall be based upon the size of the meter to be installed. The Water Supply Development Charge shall equal \$50.00 multiplied by a factor determined by the size of meter to be installed, with a maximum charge of \$260.00 per meter. The size of the meter, the appropriate factor, and the resulting Water Supply Development Charge is set forth on the following table:

<u>Water Supply Meter Size (Inches)</u>	<u>Factor</u>	<u>Development Charge</u>
Under 1"	1.0	\$50.00
1"	1.6	\$80.00
1.5"	3.0	\$150.00
2" or greater	5.2	\$260.00

6. ~~RESPONSIBILITY FOR PAYMENT OF WATER SUPPLY DEVELOPMENT CHARGES.~~ All required Water Supply Development Charges shall be paid in full prior to issuance of a permit under Section 3. Payment of the Water Supply Development Charge is the responsibility of the propertyowner of record at the time a permit under Section 3 of this Ordinance is requested.
7. ~~COLLECTION OF WATER SUPPLY DEVELOPMENT CHARGES.~~ Water Supply Development Charges paid to and collected by the Named Government shall be placed in a segregated, interest-bearing account called the Water Supply Development Charge Account. Such funds shall be accounted for separately from other Named Government general and utility funds.
8. ~~PAYMENT OF WATER SUPPLY DEVELOPMENT CHARGES TO WATER AUTHORITY.~~ All funds, excluding interest, accumulated in the Water Supply Development Charge Account established by the Named Government shall be turned over to the Water Authority semi-annually on dates established by the Water Authority. The Water Authority shall use the funds to reduce the fixed costs of the Water Authority. Any interest income earned by the monies in the Water Supply Development Charge Account need not be turned over to the Water Authority, but may be used by the Named Government to help pay administrative costs of implementing this Ordinance.
9. ~~WAIVER.~~ Named Government may waive the collection of a Water Supply Development Charge from any propertyowner if the Named Government itself agrees to be responsible for the payment of such charge.
10. ~~SEVERABILITY.~~ If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portions shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.
11. ~~EFFECTIVE DATE.~~ This Ordinance shall take effect on _____, 2003.

Adopted thisdate.....

Regular city ordinance information and signatures.

[Revised by Second Amendment to Contract effective 11/14/07]

EXHIBIT H

DRAFT

WATER CONSERVATION ORDINANCE

BE IT ORDAINED by the Governing Body of the Named Government that:

1. INTRODUCTION AND PURPOSE. This ordinance is enacted in cooperation with the Central Brown County Water Authority (“Water Authority”) and its member communities -- Allouez, Bellevue, DePere, Howard, Lawrence, and Ledgeview -- to support the implementation of a water conservation and management plan. The goal of this conservation and management plan is to preserve the water resources of the region and to extend the value and life of the infrastructure assets used in supplying water, without jeopardizing public health, safety and welfare.
2. PUBLIC EDUCATION. Named Government shall at least once a year provide to its customers information regarding water conservation methods. Information may be provided by community newsletter, local newspaper, radio, television, new homeowners and business information packets, or information provided to students and teachers through school newsletters. The information provided shall include: (a) information on water consumption and use by customers; (b) tips on water conservation; (c) recommended lawn length and mowing practices; (d) recommended lawn care water amounts; (e) information on use of automatic sprinkler systems; (f) when to water for best results; (g) information on flow control on hoses; (h) information on the impact of water usage on the environment and public water systems; (i) information on in-house water fixture reductions (i.e. showerhead, reduced toilet flush, laundry etc.); and (j) information on the impact to the public if conservation methods are not used. This information may be provided in conjunction with the Water Authority and other Water Authority members.
3. DETERMINATION OF WATER SHORTAGE. A water shortage shall be deemed to exist when the Water Authority advises Named Government and the other member communities that the Water Authority may not be able to supply sufficient potable water to meet the current or expected level of customer demand. The Water Authority shall declare a Stage I Water Shortage if *(conditions to be determined by the Authority)*. The Water Authority shall declare a Stage II Water Shortage if *(conditions to be determined by the Authority)*. The Water Authority may also declare a Stage I or Stage II Water Shortage if any other circumstances, including service losses caused by equipment failure, human error, weather, or other natural disaster, constrains the Water Authority’s water supply to less than the current level of customer demand.

4. DECLARATION OF WATER SHORTAGE. In the event of a water shortage as determined in Section 3, the Water Authority shall issue a public declaration of the water shortage. Upon such declaration, Named Government shall place in effect the restrictive provisions hereinafter authorized. Named Government shall inform the public about the water use restrictions and the reasons for those restrictions. Information shall be provided in the same manner as set forth in Section 2.

5. MANDATORY CONSERVATION DURING STAGE I WATER SHORTAGE. In the event the Water Authority declares a Stage I Water Shortage, it shall be unlawful for any person, firm, or corporation to use or permit the use of potable water within Named Government for any of the purposes hereinafter set forth until the Water Authority, by public declaration, has declared the Stage I Water Shortage to be lifted.
 - a. Watering of lawns is restricted to the following: House numbers ending in an even number may water on even numbered days of the month. House numbers ending in an odd number may water on the odd days of the month. However, all watering must be done between the hours of 6 p.m. to midnight. Watering of trees, shrubs and flowers may be done at any time using a hand held hose.

6. MANDATORY CONSERVATION DURING STAGE II WATER SHORTAGE. In the event the Water Authority declares a Stage II Water Shortage, it shall be unlawful for any person, firm, or corporation to use or permit the use of potable water within Named Government for any of the purposes hereinafter set forth until the Water Authority, by public proclamation, has declared the Stage II Water Shortage to be lifted.
 - a. No outside use of water is allowed. Outside use is referred to but not limited to the following: (i) no watering of lawn, flowers or shrubs; and (ii) no washing of vehicles, recreational equipment, driveways, decks, porches or structures.

7. PENALTIES.

Violation of Water Conservation plan Phase II.
 First offense – verbal/written warning.
 Second offense - \$50.00 forfeiture.
 Third offense - \$100.00 forfeiture.
 Continued violations - \$100.00 forfeiture for each day violation continues.

Violation of the Water Conservation Plan Phase III
 First offense - \$50.00 forfeiture.
 Second offense - \$100.00 forfeiture.
 Third offense - \$200.00 forfeiture.
 Continued violations - \$200.00 forfeiture for each day violation continues.

8. SEVERABILITY. If any section, phrase, sentence, or portion of this Ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such

portions shall be deemed separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions thereof.

9. EFFECTIVE DATE. This Ordinance shall take effect on _____, 2003.

Adopted thisdate.....

Regular city ordinance information and signatures.

[Revised by Second Amendment to Contract effective 11/14/07]

[Exhibit I - Deleted by Second Amendment to Contract effective 11/14/07]



Central Brown County Water Authority
Agenda Report
Meeting: July 22, 2020

ADMINISTRATIVE ACTIONS AND REPORTS:

- 6. Recommendations of the Growth Management Task Force.** As reported to the Board back in February, the Growth Management Task Force had developed an issue statement, goals, and review criteria for expanding the membership of the Water Authority. The Task Force has continued to work toward fulfillment of its charge, and is now presenting a set of initial clean-up amendments to the Member Water Purchase Agreement. The intent of breaking the amendments into two stages is to simplify the review process when the more substantive amendments come forward and to allow the member governing bodies ample time to get up to speed on the details of all the proposed amendments.

At its July 15 meeting, the Growth Management Task Force took action to recommend to the Water Authority Board to proceed with the set of attached amendments. These amendments fall into the following broad categories:

- a) Added definitions and clarified procedures to reference the 2018 revisions to the Water Authority Formation Agreement. This includes adding terms such as the Membership Committee, Executive Committee, and the Formation Agreement itself.
- b) Changing the term “Charter Customer” to “Authority Customer” broadening the applicability of many contract terms to include future members of the “Customer Member” class. Some provisions will still apply specifically to the Charter Members, but most provisions need to be expanded in anticipation of adding one or more new members.
- c) Clarification of the member water system storage requirements to reflect Wisconsin Administrative Code (and eliminating the 210,000 gallon per day threshold, which is less restrictive than state code).
- d) Eliminating the restriction on carrying forward excess operational revenues. This is needed in order to allow for a new class of Customer Members that are billed purely on the basis of the volume of water used. (We need flexibility to collect their revenues one year, but not apply some of those revenues to expenses until the following year.)
- e) Elimination of the Development Charge. This fee has never been applied to the Charter Members and is very unlikely to ever be charged to a new customer. We would retain the Excess Capacity Charge as a way to ensure that new and upgraded water services contribute to the cost of the infrastructure.

Please see the attached letter from Attorney Kobza describing the process for amending the Member Water Purchase Agreement. I have also provided a timeline showing possible dates for completing the steps in the amendment process. If the Board agrees to proceed with the proposed amendments, it will need to schedule a joint meeting of the Member governing bodies as the next step. Member governing body approval (by at least a $\frac{3}{4}$ majority, or 5 of the 6 members) is required to amend the Member Water Purchase Agreement. The Water Authority Board must also take action, and that could occur at any time before the amendments take effect.

Action: I am recommending that the Water Authority proceed with the attached set of proposed amendments to the Member Water Purchase Agreement (along with any other revisions identified by the Board) and schedule a joint meeting of the Member governing bodies for the review of these amendments.



Central Brown County Water Authority
Agenda Report
Meeting: September 23, 2020

NEW BUSINESS:

15. Resolution 2020-01 Approving the 8th Amendment to the Central Brown County Water Authority Water Purchase and Sale Contract. The proposed 8th Amendment to the Water Purchase and Sale Contract does not become effective until approved by at least three-fourths of the Members and by the Water Authority Board. The attached resolution is supplied for the Board's consideration.

The 8th Amendment to the Water Purchase and Sale Contract consists of the "clean-up" amendments needed to pave the way for the 9th Amendment. The 9th Amendment will include the substantive changes to the Contract that will allow Customer Members to be added to the membership with much greater flexibility in the terms of a Subsequent Contract. It is intended that the increased flexibility will result in variations between member charges including the expectation that new Customer Members will pay a lower water purchase rate than the Charter Members, at least in the near term while the Water Authority's existing debt is outstanding.

Steps in the process completed to date:

- Growth Management Task Force recommendation on the 8th Amendment presented to the Board (July 22nd)
- Member request (from Town of Ledgeview and Sanitary District #2) received to proceed with the amendments (August 5th)
- Notice of the 8th Amendment and of the joint meeting of governing bodies provided to the Members (August 12th)
- Local resolutions provided to the Member governing bodies (August 12th)
- Joint meeting of the Member governing bodies held (today)

Pending any Member feedback to the contrary or unanswered questions/issues from the joint meeting of governing bodies or from the Board, the 8th Amendment is ready for adoption.

Action: I am recommending adoption of Resolution 2020-01.



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Carey Danen

SUBJECT: **Resolution #20-111 Authorizing Memorandum of Understanding Regarding Continuity of Election Operation Plan - Brown County (2020 Presidential Election).**

The Finance-Personnel Committee voted unanimously at its October 13, 2020 meeting to recommend approval of this item.

ATTACHMENTS:

- Reso20-111 (PDF)
- Memo to Finance - continuity of elections MOU (2) (PDF)
- Continuity of Election Operations Plan MOU - Brown County 10.12.2020 (PDF)

RESOLUTION #20-111

AUTHORIZING MEMORANDUM OF UNDERSTANDING REGARDING
CONTINUITY OF ELECTION OPERATIONS – BROWN COUNTY
(2020 Presidential Election)

WHEREAS, the Public Health Emergency resulting from COVID-19 has created concern surrounding the November 3, 2020 Presidential Election in the event a municipal clerk is unable to perform his or her statutory duties as a result of COVID-19 exposure or infection, a mandated quarantine or another emergency situation; and

WHEREAS, pursuant to the authority for municipalities to enter into Intergovernmental Cooperation Agreements under Wis. Stats. §66.0301, the City wishes to enter into the attached Memorandum of Understanding (MOU) allowing for the mutual assistance of municipal clerk employees with other local participating municipalities in preparation for the Election and on Election Day; and

WHEREAS, participation in the MOU will provide the community with a continuity of election operations plan and promote the public interest in the effective and efficient use of limited public resources;

WHEREAS, this matter has been reviewed by the Finance/Personnel Committee which recommends approval thereof.

NOW, THEREFORE, BE IT HEREBY RESOLVED THAT:

The Mayor and City Clerk are authorized and directed to execute the attached Memorandum of Understanding Regarding Continuity of Election Operations Plan – Brown County as is attached hereto, contingent upon City Attorney approval of the same.

Resolution #20-111

Page 2 of 2

BE IT FURTHER RESOLVED THAT:

All City officials, employees, and agents are authorized and directed to take such steps as are lawful and necessary in furtherance thereof.

Adopted by the Common Council of the City of De Pere, Wisconsin, this 20th day of October, 2020.

APPROVED:

James G. Boyd, Mayor

ATTEST:

Carey E. Danen, City Clerk

Ayes: _____

Nays: _____

Board/Committee Approval: 10/13/2020

CITY OF DE PERE MEMO



To: Honorable Mayor James G. Boyd
Members of the Finance-Personnel Committee

From: Carey Danen, City Clerk

Date: October 9, 2020

RE: **Continuity of Elections Operations Plan Memorandum of Understanding**

The City of De Pere Clerk's Office has been invited to cooperate with other area municipalities to provide election assistance in the event that one of these Clerks is unable to perform the duties of their office due to exposure to or infection with COVID-19. The draft MOU is included in the agenda packet for your review.

There are questions regarding insurance coverage that still need to be addressed if a request for assistance is invoked; specifically, whether the requesting municipality or the responding municipality would provide liability and workers compensation coverage. Our Legal Department will be researching coverage issues, and we have requested that the other municipalities research their coverage as well.

I am respectfully requesting your approval of the MOU, provided that the question of insurance coverage can be successfully answered. It is important to note that this agreement is NOT binding. If a Clerk receiving a request for assistance is unable to comply, or if it is determined that insurance coverage is not adequate, no participating municipality will be required to assist another municipality.

I am happy to answer any questions you may have in advance of the meeting.

CONTINUITY OF ELECTION OPERATIONS PLAN – BROWN COUNTY

MEMORANDUM OF UNDERSTANDING

Village of Suamico
Village of Howard
Village of Allouez
Village of Wrightstown
Village of Bellevue
Village of Hobart
Town of Ledgeview
City of De Pere (Pending)

***List as of October 12, 2020. More municipalities may be added at a later date.

Brown County, the State of Wisconsin, and the United States of America are currently under a Public Health Emergency due to the COVID-19 pandemic. This document provides a back-up plan for the November 3, 2020 Presidential Election (“Election”) for Municipal Clerks (“Clerks”) in the municipalities outlined above (“Municipalities”).

The Clerks from the Municipalities listed above have agreed to assist each other in preparation for the Election and on Election Day in the event that one or more of these Clerks is unable to perform the statutory duties of his or her office due to exposure or infection of COVID-19 or mandated quarantine.

The Clerks included in this plan and their contact information is included below:

Bonnie Swan
 Clerk, Village of Suamico
 (920) 434-2212 – office
BonnieS@Suamico.org

Christopher A. Haltom, CPA
 Dir. of Admin. Services, Village of Howard
 920-434-4640- office
 920-366-5528– cell
chaltom@villageofhoward.com

Michelle Seidl, WCMC, CMC
 Clerk/Treasurer, Village of Wrightstown
 (920) 532-5567 x12 – office
mseidl@wrightstown.us

Karen Simons
 Clerk/Treasurer, Village of Bellevue
 920-593-5011 - office
 920-370-5861 - cell
karens@villageofbellevue.org

Debbie Baenen/Carrie Zittlow
 Clerk/Deputy Clerk, Village of Allouez
 920-448-2800 – office
Debbie@villageofallouez.com
CZittlow@villageofallouez.com

Charlotte K. Nagel
 Clerk – Town of Ledgeview
 920-585-4309 - cell
 920-336-3360 - office
cnagel@ledgeviewwisconsin.com

Updated October 12, 2020

Erica Berger
 Clerk/Treasurer, Village of Hobart
 920-869-3802 – office
erica@hobart-wi.org

In the event that any of the Clerks above are unable to perform the statutory duties of the office due to mandated quarantine, COVID-19 infection, or another emergency situation, that “Affected Clerk” will contact one of the “Non-affected Clerks” or designee (e.g., Deputy Clerk) on this list to perform or assist said duties, which may include any or all of the following:

- Performing in-person absentee voting duties, either from the office of the Affected Clerk (if sanitized properly) or the office of the Non-affected Clerk (“either office”) as appropriate.
- Performing voter registration duties from either office as appropriate.
- Mailing absentee ballots to voters who make such requests from either office as appropriate.
- Providing Election Official training from either office or virtually.
- Testing election equipment.
- Assigning Election Officials to a polling place, directing their work in conjunction with the Chief Inspector, or removing them from the polling place if needed due to medical or other conditions.
- Accessing the WisVote system on behalf of the Affected Clerk to perform WisVote-related duties including tracking absentee applications and ballots, printing voter lists and poll lists, recording voter participation data, entering voter registrations, and any other functions necessary to comply with state election laws.
- Preparing the polling place for Election Day.
- Ensuring that notices are properly posted and documents are in order and ready for in-person voting and registration on Election Day.
- Serving as an on-site Clerk throughout Election Day, providing guidance and input to Election Officials as needed. The Non-affected Clerk would serve both his or her own polling place(s) and the Affected Clerk’s polling place(s), and would move freely between polling places throughout Election Day as needed.
- Signing documents on behalf of the Affected Clerk when necessary.
- Assisting in the post-election duties as needed to ensure the validity and security of ballots, election materials, and election results.

The Non-affected Clerk will record time, materials, and resources used for any work assisting an Affected Clerk or Municipality for possible reimbursement through federal, state, or local governments.

In order to access the WisVote System and data from an Affected Clerk’s municipality, the Non-affected Clerk would need to contact the Wisconsin Election Commission.

This plan does not obligate any Non-affected Clerk to assist any Affected Clerk if doing so would compromise the health, safety, or welfare of the Non-affected Clerk or would compromise the Non-affected Clerk’s ability to perform the statutory Clerk duties for the Non-affected Clerk’s municipality.

Updated October 12, 2020

This MOU is signed and effective this 12th day of October, 2020.

Bonnie Swan
Village Clerk
Village of Suamico

Christopher A. Haltom, CPA
Director of Administrative Services
Village of Howard

Debbie Baenen
Village Clerk
Village of Allouez

Charlotte K. Nagel
Town Clerk
Town of Ledgeview

Karen Simons
Clerk/Treasurer
Village of Bellevue

Michelle Seidl, WCMC, CMC
Clerk/Treasurer
Village of Wrightstown

Erica Berger
Clerk/Treasurer
Village of Hobart

Updated October 12, 2020



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Ann Ledvina

SUBJECT: Presentation of and Action on 2019 Preliminary Audit Management Letter and Financial Statements.

ATTACHMENTS:

- City of De Pere Draft FS - 2nd (PDF)
- City of De Pere Draft GC-10-16-20 (PDF)

City of De Pere, Wisconsin

ANNUAL FINANCIAL REPORT

December 31, 2019

DRAFT

City of De Pere, Wisconsin

DECEMBER 31, 2019

Table of Contents

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	4
BASIC FINANCIAL STATEMENTS	
Government-wide Financial Statements	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements	
Balance Sheet - Governmental Funds	14
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	17
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	20
Statement of Net Position - Proprietary Funds	21
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds	25
Statement of Cash Flows - Proprietary Funds	27
Statement of Fiduciary Net Position - Fiduciary Funds	31
Notes to Basic Financial Statements	32
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Proportionate Share of Net Pension Liability (Asset) - Wisconsin Retirement System	66
Schedule of Contributions - Wisconsin Retirement System	66
Schedule of Changes in OPEB Liability and Related Ratios	67
Schedule of Proportionate Share of Net Pension Liability - Local Retiree Life Insurance Plan	68
Schedule of Contributions - Local Retiree Life Insurance Plan	68
Notes to Required Supplementary Information	69

City of De Pere, Wisconsin

DECEMBER 31, 2019

SUPPLEMENTARY INFORMATION

General Fund

Detailed Comparison of Budgeted and Actual Revenues	70
Detailed Comparison of Budgeted and Actual Expenditures	72
Combining Balance Sheet - Nonmajor Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	78
Combining Statement of Net Position - Internal Service Funds	82
Combining Statement of Revenues, Expenses and Change in Net Position - Internal Service Funds	83
Combining Statement of Cash Flows - Internal Service Funds	84
Schedule of Water Utility Operating Revenues and Expenses	85

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

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 <i>Government Auditing Standards</i> and the <i>Department of Health Services Audit Guide</i>	86
--	----

FEDERAL AND STATE AWARDS

Schedule of Expenditures of Federal Awards	88
Schedule of Expenditures of State Awards	90
Notes to Schedules of Expenditures of Federal and State Awards	92
Schedule of Findings and Responses	93
Schedule of Settlement of DHS Cost Reimbursement Award	95



CliftonLarsonAllen LLP
CLAconnect.com

Independent auditors' report

To the City Council
City of De Pere, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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

AUDITORS' RESPONSIBILITY

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

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

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

OPINIONS

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

REPORT ON PRIOR YEAR SUMMARIZED INFORMATION

We have previously audited the City's 2018 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information in our report dated September 5, 2019. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 10 and the schedules relating to pensions and other postemployment benefits on pages 66 through 68 be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The financial information listed in the table of contents as supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis, as required by the *Department of Health Services Audit Guide* issued by the State of Wisconsin and are also not a required part of the basic financial statements.

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

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statements of City of De Pere as of and for the year ended December 31, 2018 (not presented herein), and have issued our report thereon dated September 5, 2019, which contained unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. The combining and individual fund financial statements for the year ended December 31, 2018 is presented for purposes of additional analysis and is 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 2018 financial statements. The combining and individual fund financial statements have been subjected to the auditing procedures applied in the audit of the 2018 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended December 31, 2018.

OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS

In accordance with *Government Auditing Standards*, we have also issued our report dated REPORT DATE, 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
REPORT DATE

DRAFT

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

As management of the City of De Pere, Wisconsin, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2019.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2019 by \$106,008,122 (*net position*). Of this amount, \$13,905,754 (*unrestricted net position*) may be used to meet the City's ongoing obligations to citizens and creditors.
- As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$15,081,359, an increase of \$3,005,333 in comparison with the prior year. Approximately 33% of this total amount, \$4,948,816 is *available for spending* at the City's discretion (*unassigned fund balance*).
- As of December 31, 2019, unassigned fund balance for the general fund was \$6,648,634 or approximately 38% of total general fund expenditures.
- The City's total general-obligation debt increased by \$1,635,000 (4%) during 2019. The City issued \$9,595,000 of debt during 2019, and retired \$7,960,000.

Overview of the Basic Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, sanitation, health and human services, culture and recreation, and conservation and development. The business-type activities of the City include the water, wastewater treatment, wastewater collection and stormwater utilities.

The government-wide financial statements can be found on pages 11 - 13 of this report.

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

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

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

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

The City maintains 22 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, debt service fund, and public improvements capital project fund, all of which are considered to be major funds. Data from the other 19 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all its governmental funds. As part of the basic governmental fund financial statements, budgetary comparison statements have been provided for the general fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 14 - 20 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, wastewater treatment plant, stormwater utility, and wastewater utilities. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its health and dental self-insurance funds. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the enterprise and internal service funds. The four enterprise funds are considered to be major funds of the City. The two internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 21 - 30 of this report.

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

The basic fiduciary fund financial statements can be found on page 31 of this report.

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 32 - 65 of this report.

Other information. Required supplementary information relating to pensions and other postemployment benefits and the combining statements referred to earlier in connection with nonmajor governmental funds, nonmajor enterprise funds and internal service funds are presented immediately following the notes to the basic financial statements. These statements and schedules can be found on pages 70 - 85.

Government-wide Financial Analysis

Net position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$106,008,122 at the close of 2019.

City of De Pere's Net Position (in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 39,296	\$ 38,683	\$ 3,916	\$ 5,972	\$ 43,212	\$ 44,655
Capital assets	69,789	67,585	59,295	55,837	129,084	123,422
Total Assets	109,085	106,268	63,211	61,809	172,296	168,077
Deferred Outflows of Resources	8,350	4,656	782	441	9,132	5,097
Other liabilities	3,973	3,884	1,661	2,351	5,634	6,235
Long-term liabilities outstanding	43,892	38,493	3,717	4,291	47,609	42,784
Total Liabilities	47,865	42,377	5,378	6,642	53,243	49,019
Deferred Inflows of Resources	21,768	21,848	409	461	22,177	22,309
Net Position						
Net Investment in Capital Assets	31,271	32,813	56,177	51,888	87,448	84,701
Restricted	4,449	6,097	205	435	4,654	6,532
Unrestricted	12,082	7,789	1,824	2,824	13,906	10,613
Total Net Assets	\$ 47,802	\$ 46,699	\$ 58,206	\$ 55,147	\$ 106,008	\$ 101,846

By far the largest portion of the City's net position (82%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, infrastructure, etc.); less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although, the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position (4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$13,905,754) may be used to meet the City's ongoing obligations to citizens and creditors.

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

Change in net position. Governmental activities increased the City's net position by \$1,103,037, while business-type activities increased \$3,059,239. Key elements of the changes in net position are as follows:

City of De Pere's Change in Net Position (In thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for services	\$ 3,858	\$ 3,595	\$ 16,965	\$ 17,891	\$ 20,823	\$ 21,486
Operating grants and contributions	1,788	1,628	-	-	1,788	1,628
Capital grants and contributions	959	2,769	2,539	1,635	3,498	4,404
General Revenues						
Property taxes	16,932	14,925	-	-	16,932	14,925
Other taxes	306	324	-	-	306	324
Grants and contributions not restricted to specific programs	2,124	2,116	-	-	2,124	2,116
Other	801	708	59	64	860	772
Total Revenues	26,768	26,065	19,563	19,590	46,331	45,655
Expenses						
General government	2,004	1,981	-	-	2,004	1,981
Public safety	10,020	9,523	-	-	10,020	9,523
Public works and sanitation	7,779	6,493	-	-	7,779	6,493
Health and human services	497	496	-	-	497	496
Culture and recreation	3,134	3,197	-	-	3,134	3,197
Conservation and development	1,953	3,125	-	-	1,953	3,125
Interest on long-term debt	1,047	992	-	-	1,047	992
Water utility	-	-	6,147	5,901	6,147	5,901
Wastewater Collection	-	-	8,194	8,509	8,194	8,509
Stormwater utility	-	-	1,394	1,311	1,394	1,311
Total Expenses	26,434	25,807	15,735	15,721	42,169	41,528
Change in Net Position Before Transfers	334	258	3,828	3,869	4,162	4,127
Transfers	769	737	(769)	(737)	-	-
Change in Net Position	1,103	995	3,059	3,132	4,162	4,127
Cumulative Effect of Change in Accounting Principle	-	(789)	-	(74)	-	(863)
Net Position - January 1	46,699	46,493	55,147	52,089	101,846	98,582
Net Position - December 31	\$ 47,802	\$ 46,699	\$ 58,206	\$ 55,147	\$ 106,008	\$ 101,846

Property taxes increased by \$2,006,732 (13%) during the year.

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

Financial Analysis of the City's Funds

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

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

As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$15,081,359, an increase of \$3,005,333 in comparison with the prior year. Approximately 32% of this amount (\$4,948,816) constitutes *unassigned fund balance*, which is available for spending at the City's discretion. The remainder of fund balance is restricted (\$8,558,582), committed (\$1,337,553), or nonspendable (\$236,408).

The general fund is the main operating fund of the City. At the end of the current year, unassigned fund balance of the general fund was \$6,648,634 while total fund balance reached \$7,839,127. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 37% of total general fund expenditures, while total fund balance represents 44% of that same amount.

The fund balance of the City's general fund increased by \$290,870 during the current year. The key factor in this decrease was unfavorable budget to actual variances in expenditures.

The debt service fund has a total fund balance of \$2,555,768 as of December 31, 2019. The fund balance represents 30% of total debt service fund expenditures.

The public improvements fund has a total fund balance of \$98,514. This increased by \$21,632 during the current year.

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

Unrestricted net position of the water utility fund at the end of the year amounted to -\$2,723,178. The total increase in net position was \$295,212.

Unrestricted net position of the wastewater treatment plant fund at the end of the year amounted to \$1,433,686.

Unrestricted net position of the wastewater utility fund at the end of the year amounted to \$1,941,317. The total increase in net position was \$1,330,430.

Unrestricted net position of the stormwater utility fund at the end of the year amounted to \$943,141. The total increase in net position was \$1,234,285.

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

General Fund Budgetary Highlights

Generally the original budget is modified in small amounts. The City allocated a total of \$18,942 from the contingency account to various expenditure accounts in the general fund as approved by the City Council.

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS DECEMBER 31, 2019

During the year, actual revenues were greater than budgeted revenues by \$515,244. Actual expenditures were greater than budgeted expenditures by \$274,957 primarily in culture & recreation, public works, sanitation and conservation & development.

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2019 amounts to \$129,084,610 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, vehicles, infrastructure (highways and bridges), and construction in progress. The total increase in the City's investment in capital assets for the current year was \$5,662,919 or 5% over last year.

City of De Pere's Capital Assets (in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
Land	\$ 9,354	\$ 9,354	\$ 53	\$ 53	\$ 9,407	\$ 9,407
Construction in progress	207	93	219	623	426	716
Land improvements	6,387	6,139	-	-	6,387	6,139
Buildings	12,463	12,580	892	892	13,355	13,472
Machinery and equipment	5,224	4,501	6,610	6,449	11,834	10,950
Vehicles	6,128	6,146	-	-	6,128	6,146
Infrastructure	81,382	78,473	78,688	73,571	160,070	152,044
Accumulated depreciation	(51,356)	(49,701)	(27,167)	(25,752)	(78,523)	(75,453)
Net Capital Assets	\$ 69,789	\$ 67,585	\$ 59,295	\$ 55,836	\$ 129,084	\$ 123,421

Long-term debt. At the end of the current fiscal year, the City had total general obligation debt outstanding of \$38,520,000. The remainder of the City's debt represents bonds secured solely by specified revenue sources (i.e., revenue bonds).

City of De Pere's Outstanding Debt General Obligation Debt and Revenue Bonds (in thousands of dollars)						
	Governmental Activities		Business-type Activities		Totals	
	2019	2018	2019	2018	2019	2018
General Obligation Debt						
Bonds	\$ 15,240	\$ 20,230	\$ -	\$ -	\$ 15,240	\$ 20,230
Notes	20,975	13,880	2,305	2,775	23,280	16,655
Total General Obligation Debt	36,215	34,110	2,305	2,775	38,520	36,885
Revenue bonds	-	-	730	1,075	730	1,075
Total	\$ 36,215	\$ 34,110	\$ 3,035	\$ 3,850	\$ 39,250	\$ 37,960

The City's total general obligation debt increased by \$1,635,000 (4%) during the current fiscal year. The key factor in this increase was the newly incurred debt was more than debt retirements.

The City maintains an Aa2 rating from Moody's Investors Service for its general obligation debt.

State statutes limit the amount of general obligation debt the City may issue to 5% of its total equalized valuation. The current debt limitation for the City is \$110,490,770 which is significantly in excess of the City's \$38,520,000 in outstanding general obligation debt.

City of De Pere, Wisconsin

MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Economic Factors and Next Year's Budgets and Rates

- The economic condition and outlook of the City has remained fairly stable based on a relatively healthy mix of manufacturing, tourism, service industry, retail, and farming activities which support our tax base.
- Inflationary trends in our region compare favorably to national indices.
- During the current year, unassigned fund balance in the general fund increased by \$442,638 to \$6,648,634.

All of these factors were considered in preparing the City's budget for the 2020 fiscal year.

Contacting the City's Financial Management

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Joseph G. Zegers, Finance Director of the City of De Pere, 335 S. Broadway, De Pere, Wisconsin 54115.

DRAFT

City of De Pere, Wisconsin

STATEMENT OF NET POSITION

DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Governmental Activities	Business-type Activities	Totals	
			2019	2018
ASSETS				
Cash and investments	\$ 12,760,813	\$ 1,858,604	\$ 14,619,417	\$ 13,520,894
Receivables				
Taxes and special charges	17,169,083	-	17,169,083	16,931,655
Delinquent taxes	7,431	-	7,431	5,745
Accounts	611,139	3,904,195	4,515,334	4,368,482
Special assessments	1,306,434	-	1,306,434	2,433,691
Loans	357,674	-	357,674	467,629
Other	-	269,329	269,329	216,103
Internal balances	3,540,946	(3,540,946)	-	-
Due from other governments	-	1,037,251	1,037,251	1,140,701
Inventories and prepaid items	172,072	25,008	197,080	191,873
Restricted assets				
Cash and investments	3,369,242	362,233	3,731,475	2,679,076
Net pension asset	-	-	-	2,699,621
Capital assets, nondepreciable	9,560,990	272,556	9,833,546	10,123,194
Capital assets, depreciable	60,228,507	59,022,557	119,251,064	113,298,497
Total assets	109,084,331	63,210,787	172,295,118	168,077,161
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	8,217,155	769,842	8,986,997	4,956,789
Other postemployment related amounts	133,054	12,259	145,313	140,109
Total deferred outflows of resources	8,350,209	782,101	9,132,310	5,096,898
LIABILITIES				
Accounts payable	2,339,012	1,619,444	3,958,456	4,596,094
Accrued and other current liabilities	914,485	22,851	937,336	789,758
Due to other governments	1,513	-	1,513	1,136
Accrued interest payable	244,214	18,597	262,811	229,179
Special deposits	70,818	-	70,818	45,104
Unearned revenues	2,635	-	2,635	2,789
Short-term note payable	400,000	-	400,000	570,000
Long-term obligations				
Due within one year	5,369,108	850,552	6,219,660	5,342,655
Due in more than one year	34,378,990	2,505,809	36,884,799	35,968,076
Net pension liability	3,032,857	279,458	3,312,315	-
Other postemployment benefits	1,110,938	80,795	1,191,733	1,474,762
Total liabilities	47,864,570	5,377,506	53,242,076	49,019,553
DEFERRED INFLOWS OF RESOURCES				
Property taxes levied for subsequent year	17,169,083	-	17,169,083	16,931,655
Pension related amounts	4,206,219	387,576	4,593,795	5,348,993
Other postemployment related amounts	392,740	21,612	414,352	28,012
Total deferred inflows of resources	21,768,042	409,188	22,177,230	22,308,660
NET POSITION				
Net investment in capital assets	31,270,908	56,176,741	87,447,649	82,744,109
Restricted	4,449,093	205,626	4,654,719	3,722,370
Unrestricted	12,081,927	1,823,827	13,905,754	15,379,367
Total net position	\$ 47,801,928	\$ 58,206,194	\$ 106,008,122	\$ 101,845,846

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

City of De Pere, Wisconsin

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ 2,004,281	\$ 597,485	\$ -	\$ -
Public safety	10,019,651	1,691,080	145,596	-
Public works	7,024,668	929,861	1,375,828	364,293
Sanitation	754,230	-	188,244	-
Health and human services	496,739	2,318	77,783	-
Culture and recreation	3,134,509	587,344	559	592,031
Conservation and development	1,952,630	49,535	-	2,813
Interest and fiscal charges	1,047,078	-	-	-
Total governmental activities	26,433,786	3,857,623	1,788,010	959,137
BUSINESS-TYPE ACTIVITIES				
Water utility	6,146,679	6,062,376	-	940,151
Wastewater collection	8,194,390	9,175,822	-	648,787
Stormwater utility	1,394,090	1,726,712	-	950,353
Total business-type activities	15,735,159	16,964,910	-	2,539,291
Total	\$ 42,168,945	\$ 20,822,533	\$ 1,788,010	\$ 3,498,428
General revenues				
Taxes				
Property taxes				
Tax increments				
Sales tax				
Other taxes				
Federal and state grants and other contributions not restricted to specific functions				
Interest and investment earnings				
Miscellaneous				
Gain on sale of asset				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - January 1				
Net position - December 31				

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

**Net (Expense) Revenue
and Changes in Net Position**

Governmental Activities	Business-type Activities	Totals	
		2019	2018
\$ (1,406,796)	\$ -	\$ (1,406,796)	\$ (1,413,668)
(8,182,975)	-	(8,182,975)	(7,922,414)
(4,354,686)	-	(4,354,686)	(747,704)
(565,986)	-	(565,986)	(632,534)
(416,638)	-	(416,638)	(419,278)
(1,954,575)	-	(1,954,575)	(2,578,209)
(1,900,282)	-	(1,900,282)	(3,108,897)
(1,047,078)	-	(1,047,078)	(991,789)
<u>(19,829,016)</u>	<u>-</u>	<u>(19,829,016)</u>	<u>(17,814,493)</u>
-	855,848	855,848	1,320,487
-	1,630,219	1,630,219	1,693,650
-	1,282,975	1,282,975	791,261
<u>-</u>	<u>3,769,042</u>	<u>3,769,042</u>	<u>3,805,398</u>
<u>(19,829,016)</u>	<u>3,769,042</u>	<u>(16,059,974)</u>	<u>(14,009,095)</u>
13,675,077	-	13,675,077	12,201,697
3,256,583	-	3,256,583	2,723,211
8,047	-	8,047	22,025
298,227	-	298,227	301,789
2,124,137	-	2,124,137	2,115,798
665,070	58,874	723,944	340,077
136,235	-	136,235	95,085
-	-	-	336,665
<u>768,677</u>	<u>(768,677)</u>	<u>-</u>	<u>-</u>
<u>20,932,053</u>	<u>(709,803)</u>	<u>20,222,250</u>	<u>18,136,347</u>
1,103,037	3,059,239	4,162,276	4,127,252
<u>46,698,891</u>	<u>55,146,955</u>	<u>101,845,846</u>	<u>97,718,594</u>
<u>\$ 47,801,928</u>	<u>\$ 58,206,194</u>	<u>\$ 106,008,122</u>	<u>\$ 101,845,846</u>

City of De Pere, Wisconsin

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	General	Debt Service	Public Improvements	Other Governmental Funds
ASSETS				
Cash and investments	\$ 3,642,002	\$ -	\$ 1,315,492	\$ 5,780,786
Restricted cash and investments	-	2,555,768	-	813,474
Receivables				
Taxes and special charges	8,146,885	3,813,192	942,276	4,266,730
Delinquent taxes	7,431	-	-	-
Accounts	435,313	-	-	175,826
Special assessments	46,965	-	1,259,469	-
Loans	-	-	-	357,674
Due from other funds	5,486,362	-	-	-
Advance to other funds	27,821	-	-	-
Inventories and prepaid items	172,072	-	-	-
Total assets	<u>\$ 17,964,851</u>	<u>\$ 6,368,960</u>	<u>\$ 3,517,237</u>	<u>\$ 11,394,490</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 591,587	\$ -	\$ 1,216,978	\$ 463,382
Accrued and other current liabilities	912,286	-	-	2,199
Due to other funds	-	-	-	1,716,555
Due to other governments	1,513	-	-	-
Special deposits	70,818	-	-	-
Unearned revenues	2,635	-	-	-
Short-term note payable	400,000	-	-	-
Total liabilities	<u>1,978,839</u>	<u>-</u>	<u>1,216,978</u>	<u>2,182,136</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	8,146,885	3,813,192	942,276	4,266,730
Loans receivable	-	-	-	357,674
Special assessments	-	-	1,259,469	-
Total deferred inflows of resources	<u>8,146,885</u>	<u>3,813,192</u>	<u>2,201,745</u>	<u>4,624,404</u>
Fund balances				
Nonspendable	236,408	-	-	-
Restricted	626,689	2,555,768	-	5,376,125
Committed	327,396	-	98,514	911,643
Unassigned	6,648,634	-	-	(1,699,818)
Total fund balances	<u>7,839,127</u>	<u>2,555,768</u>	<u>98,514</u>	<u>4,587,950</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,964,851</u>	<u>\$ 6,368,960</u>	<u>\$ 3,517,237</u>	<u>\$ 11,394,490</u>

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

Totals	
2019	2018
\$ 10,738,280	\$ 10,283,453
3,369,242	2,317,795
17,169,083	16,931,655
7,431	5,745
611,139	402,446
1,306,434	2,433,691
357,674	467,629
5,486,362	3,697,639
27,821	27,821
172,072	166,996
<u>\$ 39,245,538</u>	<u>\$ 36,734,870</u>
\$ 2,271,947	\$ 2,030,225
914,485	751,359
1,716,555	1,490,562
1,513	1,136
70,818	63,830
2,635	2,789
400,000	570,000
<u>5,377,953</u>	<u>4,909,901</u>
17,169,083	16,931,655
357,674	467,629
<u>1,259,469</u>	<u>2,349,659</u>
<u>18,786,226</u>	<u>19,748,943</u>
236,408	251,709
8,558,582	6,587,476
1,337,553	501,778
<u>4,948,816</u>	<u>4,735,063</u>
<u>15,081,359</u>	<u>12,076,026</u>
<u>\$ 39,245,538</u>	<u>\$ 36,734,870</u>

City of De Pere, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	<u>2019</u>	<u>2018</u>
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total fund balances as shown on previous page	\$ 15,081,359	\$ 12,076,026
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.	69,789,497	67,585,058
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	1,617,143	2,817,288
Net position of the internal service fund is reported in the statement of net position as governmental activities	1,698,786	713,796
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	8,217,155	4,527,547
Deferred inflows related to pensions	(4,206,219)	(4,889,812)
Deferred outflows related to other postemployment benefits	133,054	128,081
Deferred inflows related to other postemployment benefits	(392,740)	(26,682)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(36,215,000)	(34,110,000)
Capital leases payable	(156,381)	(96,140)
Premium on debt	(1,633,465)	(1,135,708)
Compensated absences	(1,743,252)	(1,771,995)
Net pension liability (asset)	(3,032,857)	2,467,873
Other postemployment benefit	(1,110,938)	(1,380,355)
Accrued interest on long-term obligations	(244,214)	(206,086)
Net position of governmental activities as reported on the statement of net position (see page 11)	<u>\$ 47,801,928</u>	<u>\$ 46,698,891</u>

City of De Pere, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	General	Debt Service	Public Improvements	Other Governmental Funds
REVENUES				
Taxes	\$ 8,271,714	\$ 3,730,250	\$ 942,276	\$ 4,056,583
Special assessments	-	-	1,454,483	-
Intergovernmental	3,303,419	20,796	263,605	658,044
Licenses and permits	692,896	-	-	90,430
Fines and forfeits	425,638	-	-	-
Public charges for services	1,565,235	-	-	32,939
Intergovernmental charges for services	1,324,327	-	-	-
Miscellaneous	763,151	158	-	369,258
Total revenues	16,346,380	3,751,204	2,660,364	5,207,254
EXPENDITURES				
Current				
General government	1,955,999	-	-	-
Public safety	9,532,198	-	-	-
Public works	2,397,887	-	-	-
Sanitation	729,742	-	-	-
Health and human services	501,685	-	-	-
Culture and recreation	2,515,160	-	-	136,135
Conservation and development	348,822	-	-	886,650
Debt service				
Principal	-	7,490,000	-	-
Interest and fiscal charges	-	1,045,286	41,433	61,379
Capital outlay	-	-	3,883,555	4,560,759
Total expenditures	17,981,493	8,535,286	3,924,988	5,644,923
Excess of revenues under expenditures	(1,635,113)	(4,784,082)	(1,264,624)	(437,669)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	2,600,000	1,444,387	5,550,613
Capital lease issued	126,239	-	-	-
Premium on debt issued	-	193,376	216,869	226,660
Proceeds from sale of capital assets	-	-	-	-
Transfers in	1,830,077	3,609,720	-	600,333
Transfers out	(30,333)	(570,000)	(375,000)	(4,296,120)
Total other financing sources (uses)	1,925,983	5,833,096	1,286,256	2,081,486
Net change in fund balances	290,870	1,049,014	21,632	1,643,817
Fund balances - January 1	7,548,257	1,506,754	76,882	2,944,133
Fund balances - December 31	\$ 7,839,127	\$ 2,555,768	\$ 98,514	\$ 4,587,950

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

Totals	
2019	2018
\$ 17,000,823	\$ 15,010,832
1,454,483	785,196
4,245,864	3,857,301
783,326	728,159
425,638	404,015
1,598,174	1,474,721
1,324,327	1,258,677
1,132,567	455,310
<u>27,965,202</u>	<u>23,974,211</u>
1,955,999	1,873,365
9,532,198	9,184,628
2,397,887	2,025,000
729,742	733,009
501,685	488,618
2,651,295	2,708,634
1,235,472	1,138,481
7,490,000	6,380,000
1,148,098	1,019,312
8,444,314	7,910,828
<u>36,086,690</u>	<u>33,461,875</u>
<u>(8,121,488)</u>	<u>(9,487,664)</u>
9,595,000	8,145,000
126,239	168,635
636,905	526,711
-	713,800
6,040,130	5,467,381
<u>(5,271,453)</u>	<u>(4,730,512)</u>
<u>11,126,821</u>	<u>10,291,015</u>
3,005,333	803,351
<u>12,076,026</u>	<u>11,272,675</u>
<u>\$ 15,081,359</u>	<u>\$ 12,076,026</u>

City of De Pere, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	2019	2018
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net change in fund balances as shown on previous page	\$ 3,005,333	\$ 803,351
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital assets reported as capital outlay in governmental fund statements	5,359,767	4,215,509
Depreciation expense reported in the statement of activities	(3,096,187)	(2,860,277)
Net book value of disposals	(59,141)	(377,135)
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.	(1,200,145)	1,790,832
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	(9,595,000)	(8,145,000)
Capital leases issued	(126,239)	(168,635)
Premium on debt issued	(636,905)	(526,712)
Principal repaid	7,490,000	6,380,000
Capital leases paid	65,998	72,495
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	(38,128)	(69,382)
Amortization of debt premium	139,148	96,906
Compensated absences	28,743	(10,179)
Net pension asset	(2,467,873)	2,467,873
Net pension liability	(3,032,857)	666,658
Deferred outflows of resources related to pensions	3,689,608	(643,645)
Deferred inflows of resources related to pensions	683,593	(2,770,193)
Other postemployment benefits	269,417	(207,038)
Deferred outflows of resources related to other postemployment benefits	4,973	128,081
Deferred inflows of resources related to other postemployment benefits	(366,058)	(26,682)
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.	984,990	178,254
Change in net position of governmental activities as reported in the statement of activities (see pages 12 - 13)	<u>\$ 1,103,037</u>	<u>\$ 995,081</u>

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

City of De Pere, Wisconsin

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL - GENERAL FUND FOR THE YEAR ENDED DECEMBER 31, 2019 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual		
REVENUES					
Taxes	\$ 8,270,467	\$ 8,270,467	\$ 8,271,714	\$ 1,247	\$ 8,259,381
Intergovernmental	3,244,618	3,244,618	3,303,419	58,801	3,180,529
Licenses and permits	645,372	645,372	692,896	47,524	633,003
Fines and forfeits	390,000	390,000	425,638	35,638	404,015
Public charges for services	1,466,549	1,466,549	1,565,235	98,686	1,469,321
Intergovernmental charges for services	1,380,100	1,380,100	1,324,327	(55,773)	1,258,677
Miscellaneous	434,030	434,030	763,151	329,121	291,601
Total revenues	15,831,136	15,831,136	16,346,380	515,244	15,496,527
EXPENDITURES					
Current					
General government	2,074,697	2,074,697	1,955,999	118,698	1,873,365
Public safety	9,656,889	9,656,889	9,532,198	124,691	9,184,628
Public works	2,239,033	2,239,033	2,397,887	(158,854)	2,025,000
Sanitation	627,633	627,633	729,742	(102,109)	733,009
Health and human services	547,059	547,059	501,685	45,374	488,618
Culture and recreation	2,232,537	2,232,537	2,515,160	(282,623)	2,586,487
Conservation and development	328,688	328,688	348,822	(20,134)	452,951
Total expenditures	17,706,536	17,706,536	17,981,493	(274,957)	17,344,058
Excess of revenues under expenditures	(1,875,400)	(1,875,400)	(1,635,113)	240,287	(1,847,531)
OTHER FINANCING SOURCES (USES)					
Capital lease issued	-	-	126,239	126,239	168,635
Transfers in	1,791,400	1,791,400	1,830,077	38,677	1,798,269
Transfers out	-	-	(30,333)	(30,333)	(167,118)
Total other financing sources (uses)	1,791,400	1,791,400	1,925,983	134,583	1,799,786
Net change in fund balance	(84,000)	(84,000)	290,870	374,870	(47,745)
Fund balance - January 1	7,548,257	7,548,257	7,548,257	-	7,596,002
Fund balance - December 31	<u>\$ 7,464,257</u>	<u>\$ 7,464,257</u>	<u>\$ 7,839,127</u>	<u>\$ 374,870</u>	<u>\$ 7,548,257</u>

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

City of De Pere, Wisconsin

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
ASSETS				
Current assets				
Cash and investments	\$ -	\$ 396,435	\$ 412,620	\$ 1,049,549
Receivables				
Customer accounts	1,567,985	-	2,336,210	-
Other	269,329	-	-	-
Due from other governments	-	1,037,251	-	-
Inventories and prepaid items	25,008	-	-	-
Total current assets	1,862,322	1,433,686	2,748,830	1,049,549
Noncurrent assets				
Restricted assets				
Cash and investments	212,233	-	150,000	-
Other assets				
Net pension asset	-	-	-	-
Capital assets				
Nondepreciable	162,581	-	-	109,975
Depreciable	27,005,043	-	18,431,036	13,586,478
Total capital assets	27,167,624	-	18,431,036	13,696,453
Total assets	29,242,179	1,433,686	21,329,866	14,746,002
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	313,630	-	248,316	207,896
Other postemployment related amounts	6,133	-	2,850	3,276
Total deferred outflows of resources	319,763	-	251,166	211,172

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 1,858,604	\$ 2,151,983	\$ 2,022,533	\$ 1,085,458
3,904,195	3,966,036	-	-
269,329	216,103	-	-
1,037,251	1,140,701	-	-
25,008	24,877	-	-
7,094,387	7,499,700	2,022,533	1,085,458
362,233	361,281	-	-
-	231,748	-	-
272,556	675,874	-	-
59,022,557	55,160,759	-	-
59,295,113	55,836,633	-	-
66,751,733	63,929,362	2,022,533	1,085,458
769,842	429,242	-	-
12,259	12,028	-	-
782,101	441,270	-	-

City of De Pere, Wisconsin

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
LIABILITIES				
Current liabilities				
Accounts payable	\$ 724,730	\$ -	\$ 866,053	\$ 28,661
Accrued and other current liabilities	9,034	-	7,488	6,329
Due to other funds	3,769,807	-	-	-
Current portion of long-term debt	460,200	-	390,352	-
Payable from restricted assets				
Accrued interest payable	6,607	-	11,990	-
Total current liabilities	4,970,378	-	1,275,883	34,990
Long-term obligations, less current portion				
Advance from other funds	-	-	-	-
General obligation debt	620,000	-	1,210,000	-
Revenue bonds	370,000	-	-	-
Debt premium	15,273	-	52,547	-
Compensated absences	78,742	-	82,284	76,963
Net pension liability	114,023	-	90,752	74,683
Other postemployment benefits	41,846	-	17,357	21,592
Total long-term liabilities	1,239,884	-	1,452,940	173,238
Total liabilities	6,210,262	-	2,728,823	208,228
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	158,137	-	125,863	103,576
Other postemployment related amounts	8,944	-	6,892	5,776
Total deferred inflows of resources	167,081	-	132,755	109,352
NET POSITION				
Net investment in capital assets	25,702,151	-	16,778,137	13,696,453
Restricted	205,626	-	-	-
Unrestricted	(2,723,178)	1,433,686	1,941,317	943,141
Total net position	\$ 23,184,599	\$ 1,433,686	\$ 18,719,454	\$ 14,639,594

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds
Net position of business-type activities as reported on the Statement of Net Position (see page 10)

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 1,619,444	\$ 2,308,612	\$ 67,065	\$ 257,257
22,851	19,673	-	-
3,769,807	2,207,077	-	-
850,552	831,575	-	-
18,597	23,093	-	-
6,281,251	5,390,030	67,065	257,257
-	-	27,821	27,821
1,830,000	2,305,000	-	-
370,000	730,000	-	-
67,820	83,372	-	-
237,989	246,941	-	-
279,458	-	-	-
80,795	94,407	-	-
2,866,062	3,459,720	27,821	27,821
9,147,313	8,849,750	94,886	285,078
387,576	459,181	-	-
21,612	1,330	-	-
409,188	460,511	-	-
56,176,741	51,887,709	-	-
205,626	435,001	-	-
1,594,966	2,737,661	1,927,647	800,380
57,977,333	55,060,371	<u>\$ 1,927,647</u>	<u>\$ 800,380</u>
228,861	86,584		
<u>\$ 58,206,194</u>	<u>\$ 55,146,955</u>		

City of De Pere, Wisconsin

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
OPERATING REVENUES				
Charges for services	\$ 5,763,102	\$ -	\$ 6,877,480	\$ 1,726,712
Other	299,274	-	2,298,342	-
Total operating revenues	6,062,376	-	9,175,822	1,726,712
OPERATING EXPENSES				
Claims and administrative fees	-	-	-	-
Operation and maintenance	5,376,225	-	7,459,792	943,272
Depreciation	720,178	-	748,035	499,508
Taxes	49,528	-	-	-
Total operating expenses	6,145,931	-	8,207,827	1,442,780
Operating income (loss)	(83,555)	-	967,995	283,932
NONOPERATING REVENUES (EXPENSES)				
Interest income	1,839	57,035	-	-
Nonoperating grants	-	-	-	-
Interest and fiscal charges	(51,156)	-	(29,742)	-
Total nonoperating revenues (expenses)	(49,317)	57,035	(29,742)	-
Income before contributions and transfers	(132,872)	57,035	938,253	283,932
Capital contributions	940,151	-	648,787	950,353
Transfers out	(512,067)	-	(256,610)	-
Change in net position	295,212	57,035	1,330,430	1,234,285
Net position - January 1	22,889,387	1,376,651	17,389,024	13,405,309
Net position - December 31	<u>\$ 23,184,599</u>	<u>\$ 1,433,686</u>	<u>\$ 18,719,454</u>	<u>\$ 14,639,594</u>

Change in net position, per above

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds

Change in net position of business-type activities as reported on the statement of activities (see pages 11 - 12)

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 14,367,294	\$ 14,517,681	\$ 2,627,156	\$ 2,636,225
2,597,616	3,372,792	-	-
16,964,910	17,890,473	2,627,156	2,636,225
-	-	1,502,978	2,354,045
13,779,289	13,855,135	-	-
1,967,721	1,823,217	-	-
49,528	46,647	-	-
15,796,538	15,724,999	1,502,978	2,354,045
1,168,372	2,165,474	1,124,178	282,180
58,874	63,642	3,089	2,554
-	94,612	-	-
(80,898)	(101,960)	-	-
(22,024)	56,294	3,089	2,554
1,146,348	2,221,768	1,127,267	284,734
2,539,291	1,540,792	-	-
(768,677)	(736,869)	-	-
2,916,962	3,025,691	1,127,267	284,734
55,060,371	52,034,680	800,380	515,646
\$ 57,977,333	\$ 55,060,371	\$ 1,927,647	\$ 800,380
\$ 2,916,962	\$ 3,025,691		
142,277	106,480		
\$ 3,059,239	\$ 3,132,171		

City of De Pere, Wisconsin

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 5,982,111	\$ -	\$ 9,264,702	\$ 1,726,712
Cash paid for services provided	-	-	-	-
Cash paid for employee wages and benefits	(870,097)	-	(643,587)	(607,358)
Cash paid to suppliers	(4,483,319)	-	(7,503,733)	(311,379)
Net cash provided by operating activities	628,695	-	1,117,382	807,975
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental revenues	-	-	-	-
Due to/from other funds	1,562,730	-	-	-
Transfer in (out)	(512,067)	-	(256,610)	-
Net cash provided (used) by noncapital financing activities	1,050,663	-	(256,610)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(1,182,468)	-	(855,431)	(849,011)
Proceeds from sale of treatment plant	-	103,450	-	-
Principal paid on long-term debt	(442,500)	-	(372,500)	-
Interest paid on long-term debt	(55,277)	-	(45,669)	-
Net cash provided (used) by capital and related financing activities	(1,680,245)	103,450	(1,273,600)	(849,011)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	1,839	57,035	-	-
Change in cash and cash equivalents	952	160,485	(412,828)	(41,036)
Cash and cash equivalents - January 1	211,281	235,950	975,448	1,090,585
Cash and cash equivalents - December 31	<u>\$ 212,233</u>	<u>\$ 396,435</u>	<u>\$ 562,620</u>	<u>\$ 1,049,549</u>

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 16,973,525	\$ 17,979,820	\$ -	\$ -
-	-	2,627,156	2,636,225
(2,121,042)	(1,615,200)	-	-
(12,298,431)	(11,791,411)	(1,693,170)	(2,272,265)
2,554,052	4,573,209	933,986	363,960
-	94,612	-	-
1,562,730	1,090,800	-	-
(768,677)	(736,869)	-	-
794,053	448,543	-	-
(2,886,910)	(3,860,317)	-	-
103,450	98,524	-	-
(815,000)	(795,000)	-	-
(100,946)	(121,008)	-	-
(3,699,406)	(4,677,801)	-	-
58,874	63,642	3,089	2,554
(292,427)	407,593	937,075	366,514
2,513,264	2,105,671	1,085,458	718,944
<u>\$ 2,220,837</u>	<u>\$ 2,513,264</u>	<u>\$ 2,022,533</u>	<u>\$ 1,085,458</u>

City of De Pere, Wisconsin

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Enterprise Funds			
	Water Utility	Wastewater Treatment Plant Utility	Wastewater Utility	Stormwater Utility
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income	\$ (83,555)	\$ -	\$ 967,995	\$ 283,932
Adjustments to reconcile operating income to net cash provided by operating activities				
Depreciation	720,178	-	748,035	499,508
Depreciation charged to sewer utility	22,060	-	(22,060)	-
Change in liability (asset) and deferred outflows and inflows of resources				
Pension	42,950	-	32,702	23,349
Other postemployment benefits	9,315	-	(6,068)	3,192
Change in operating assets and liabilities				
Accounts receivables	(80,265)	-	88,880	-
Inventories and prepaid items	(131)	-	-	-
Accounts payable	(3,589)	-	(687,762)	2,183
Accrued and other current liabilities	788	-	998	1,392
Compensated absences	944	-	(5,338)	(5,581)
Net cash provided by operating activities	<u>\$ 628,695</u>	<u>\$ -</u>	<u>\$ 1,117,382</u>	<u>\$ 807,975</u>
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ -	\$ 396,435	\$ 412,620	\$ 1,049,549
Cash and cash equivalents in restricted assets	<u>212,233</u>	<u>-</u>	<u>150,000</u>	<u>-</u>
Total cash and cash equivalents	<u>\$ 212,233</u>	<u>\$ 396,435</u>	<u>\$ 562,620</u>	<u>\$ 1,049,549</u>
Noncash capital and related financing activities				
Capital contributions	<u>\$ 940,151</u>	<u>\$ -</u>	<u>\$ 648,787</u>	<u>\$ 950,353</u>

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

Totals		Governmental Activities - Internal Service Funds	
2019	2018	2019	2018
\$ 1,168,372	\$ 2,165,474	\$ 1,124,178	\$ 282,180
1,967,721	1,823,217	-	-
-	-	-	-
99,001	12,867	-	-
6,439	9,621	-	-
8,615	89,347	-	-
(131)	27	-	-
(689,168)	426,811	(190,192)	81,780
3,178	4,730	-	-
(9,975)	41,115	-	-
<u>\$ 2,554,052</u>	<u>\$ 4,573,209</u>	<u>\$ 933,986</u>	<u>\$ 363,960</u>
\$ 1,858,604	\$ 2,151,983	\$ 2,022,533	\$ 1,085,458
362,233	361,281	-	-
<u>\$ 2,220,837</u>	<u>\$ 2,513,264</u>	<u>\$ 2,022,533</u>	<u>\$ 1,085,458</u>
<u>\$ 2,539,291</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of De Pere, Wisconsin

**STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018**

	Tax Collection	Trust Deposits	Totals	
			2019	2018
ASSETS				
Current assets				
Cash and investments	\$ 5,150,612	\$ 25,230	\$ 5,175,842	\$ 4,836,498
Receivables				
Taxes	23,668,480	-	23,668,480	24,612,900
Total assets	<u>\$ 28,819,092</u>	<u>\$ 25,230</u>	<u>\$ 28,844,322</u>	<u>\$ 29,449,398</u>
LIABILITIES				
Current liabilities				
Deposits held in trust	\$ -	\$ 25,230	\$ 25,230	\$ 25,230
Due to other governments	28,819,092	-	28,819,092	29,424,168
Total liabilities	<u>\$ 28,819,092</u>	<u>\$ 25,230</u>	<u>\$ 28,844,322</u>	<u>\$ 29,449,398</u>

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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 established in GASB Statement No. 61.

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*.

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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Public Improvements Fund

This fund accounts for the acquisition or construction of major capital facilities other than those financed by proprietary fund types.

The City reports the following major enterprise funds:

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.

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 an *agency 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, 2019

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.

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 2018 tax roll are recognized as revenue in 2019. Special assessments are subject to collection procedures.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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.

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 offset by 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, 2019

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.

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. 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, 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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

14. Other Postemployment Benefits Other Than Pensions (OPEB)

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, 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.

15. 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.

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, 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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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. PRIOR YEAR INFORMATION

Comparative amounts for the prior year have been presented in the basic financial statements to provide an understanding of changes in the City's financial position and operations. The comparative amounts may be summarized in total and not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2018, from which the summarized information was derived.

H. RECLASSIFICATIONS

Certain amounts in the prior year financial statements have been reclassified to conform with the presentation in the current year financial statements with no change in previously reported net position, changes in net position, fund balance or changes in fund balance.

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, 2019.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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, 2019 as follows:

<u>Funds</u>	<u>Excess Expenditures</u>
General	
General Government	
Sanitation	\$ 102,109
Public Works	158,854
Culture and Recreation	282,623
Conservation and Development	20,134

C. DEFICIT FUND EQUITY

The following funds had deficit fund balance as of December 31, 2019:

<u>Funds</u>	<u>Deficit Fund Balance</u>
Special Revenue Fund	
Cable Access	\$ 76,503
Capital Projects Funds	
TID No. 7	1,137,621
TID No. 9	485,694

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 2019 and 2020 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 2019 budget was .99%. The actual limit for the City for the 2020 budget was 0.988%. 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.

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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

The carrying amount of the City's cash and investments totaled \$23,526,734 on December 31, 2019 as summarized below:

Petty cash and cash on hand	\$ 4,113
Deposits with financial institutions	2,305,771
Investments	
U.S. Treasury securities	3,788,275
Federal agency securities	1,338,714
Negotiable certificate of deposits	3,768,096
Corporate bonds and notes	740,011
Municipal bonds	1,144,994
Money market mutual funds	3,311,727
Wisconsin local government investment pool	7,125,033
	<u>\$ 23,526,734</u>

Reconciliation to the basic financial statements:

Government-wide Statement of Net Position	
Cash and investments	\$ 14,619,417
Restricted cash and investments	3,731,475
Fiduciary Fund Statement of Net Position	
Cash and investments	5,175,842
	<u>\$ 23,526,734</u>

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, 2019:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
U.S. Treasury securities	\$ -	\$ 3,788,275	\$ -
Federal agency securities	-	1,338,714	-
Corporate bonds & notes	-	740,011	-
Municipal bonds	-	1,144,994	-
Money market mutual funds	3,311,727	-	-
Negotiable certificates of deposit	-	3,768,096	-
	<u>\$ 3,311,727</u>	<u>\$ 10,780,090</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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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.

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, 2019, \$5,838,905 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. \$5,838,905 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	\$ 3,788,275	\$3,788,275	\$ -	\$ -	\$ -	\$ -
Federal agency securities	1,338,714	-	1,338,714	-	-	-
Negotiable certificates of deposit	3,768,096	-	3,768,096	-	-	-
Corporate bonds & notes	740,011	740,011	-	-	-	-
Municipal bonds	1,144,994	-	407,653	597,656	139,685	-
Money market mutual funds	3,311,727	3,311,727	-	-	-	-
Wisconsin local government investment pool	7,125,033	-	-	-	-	7,125,033
Totals	<u>\$21,216,850</u>	<u>\$7,840,013</u>	<u>\$5,514,463</u>	<u>\$ 597,656</u>	<u>\$ 139,685</u>	<u>\$7,125,033</u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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.

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	\$ 3,788,275	\$ 3,278,517	\$ 509,758	\$ -	\$ -
Federal agency securities	1,338,714	424,413	214,727	699,574	-
Negotiable certificates of deposit	3,768,096	740,413	746,826	2,280,857	-
Corporate bonds and notes	740,011	-	307,248	432,763	-
Municipal Bonds	1,144,994	100,113	100,032	944,849	-
Money market mutual funds	3,311,727	3,311,727	-	-	-
Wisconsin local government investment pool	7,125,033	7,125,033	-	-	-
Totals	<u>\$21,216,850</u>	<u>\$14,980,216</u>	<u>\$ 1,878,591</u>	<u>\$ 4,358,043</u>	<u>\$ -</u>

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.	\$ 1,338,714

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin Local Government Investment Pool of \$7,125,033 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. At December 31, 2019, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

B. RESTRICTED ASSETS

Restricted assets on December 31, 2019 totaled \$4,301,475 and consisted of cash and investments held for the following purposes:

<u>Funds</u>	<u>Amount</u>	<u>Purpose</u>
Debt Service Fund		
Debt retirement	<u>\$ 2,555,768</u>	Resources available for debt retirement
Special Revenue Funds		
Development loans	<u>813,474</u>	Resources available for economic development loans
Enterprise Funds		
Water Utility		To reserve additional funds for debt retirement;
Revenue bond reserve fund	<u>212,233</u>	to be used if sufficient funds are not available
Wastewater Utility		
Debt retirement	<u>150,000</u>	To reserve additional funds for debt retirement
Total Enterprise Funds	<u>362,233</u>	
Total	<u><u>\$ 3,731,475</u></u>	

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 \$1,037,251 as of December 31, 2019 as summarized below.

<u>Year Ended</u>			
<u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 108,622	\$ 51,863	\$ 160,485
2021	114,054	46,431	160,485
2022	119,756	40,729	160,485
2023	125,744	34,741	160,485
2024	132,031	28,454	160,485
2025 - 2027	437,044	44,411	481,455
	<u><u>\$ 1,037,251</u></u>	<u><u>\$ 246,629</u></u>	<u><u>\$ 1,283,880</u></u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

D. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 9,354,236	\$ -	\$ -	\$ 9,354,236
Construction in progress	93,084	206,754	93,084	206,754
Total capital assets, nondepreciable	<u>9,447,320</u>	<u>206,754</u>	<u>93,084</u>	<u>9,560,990</u>
Capital assets, depreciable:				
Land improvements	6,139,432	709,891	461,630	6,387,693
Buildings and improvements	12,580,177	319,956	436,568	12,463,565
Machinery and equipment	10,646,632	1,307,100	602,165	11,351,567
Infrastructure	78,472,623	2,909,150	-	81,381,773
Subtotals	<u>107,838,864</u>	<u>5,246,097</u>	<u>1,500,363</u>	<u>111,584,598</u>
Less accumulated depreciation for:				
Land improvements	2,674,340	114,052	461,630	2,326,762
Buildings and improvements	7,711,326	354,745	377,427	7,688,644
Machinery and equipment	7,338,395	651,933	125,230	7,865,098
Infrastructure	31,977,065	1,975,457	476,935	33,475,587
Subtotals	<u>49,701,126</u>	<u>3,096,187</u>	<u>1,441,222</u>	<u>51,356,091</u>
Total capital assets, depreciable, net	<u>58,137,738</u>	<u>2,149,910</u>	<u>59,141</u>	<u>60,228,507</u>
Governmental activities capital assets, net	<u>\$ 67,585,058</u>	<u>\$ 2,356,664</u>	<u>\$ 152,225</u>	<u>69,789,497</u>
Less: Capital related debt				35,806,121
Less: Debt premium				1,633,465
Less: Capital related accounts payable				(1,079,003)
Net investment in capital assets				<u>\$ 31,270,908</u>
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 53,207	\$ -	\$ -	\$ 53,207
Construction in progress	622,667	219,349	622,667	219,349
Total capital assets, nondepreciable	<u>675,874</u>	<u>219,349</u>	<u>622,667</u>	<u>272,556</u>
Capital assets, depreciable:				
Buildings and improvements	892,181	-	-	892,181
Machinery and equipment	6,449,253	173,252	12,881	6,609,624
Infrastructure	73,571,300	5,666,151	549,167	78,688,284
Subtotals	<u>80,912,734</u>	<u>5,839,403</u>	<u>562,048</u>	<u>86,190,089</u>
Less accumulated depreciation	<u>25,751,975</u>	<u>1,967,721</u>	<u>552,164</u>	<u>27,167,532</u>
Total capital assets, depreciable, net	<u>55,160,759</u>	<u>3,871,682</u>	<u>9,884</u>	<u>59,022,557</u>
Business-type activities capital assets, net	<u>\$ 55,836,633</u>	<u>\$ 4,091,031</u>	<u>\$ 632,551</u>	<u>59,295,113</u>
Less: Capital related debt				3,035,000
Less: Debt premium				83,372
Net investment in capital assets				<u>\$ 56,176,741</u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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

Governmental activities	
General government	\$ 78,260
Public safety	383,028
Public works	2,315,777
Culture and recreation	319,122
Total depreciation expense - governmental activities	<u>\$ 3,096,187</u>
Business-type activities	
Water utility	\$ 720,178
Wastewater utility	748,035
Stormwater utility	499,508
Total depreciation expense - business-type activities	<u>\$ 1,967,721</u>

E. 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, 2019 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Temporary cash advances to finance operating cash deficits		
Governmental Funds		
General	\$ 5,486,362	\$ -
Cable Access	-	93,791
TID No. 7	-	1,137,379
TID No. 9	-	485,385
Proprietary Fund		
Water Utility	-	3,769,807
Subtotal	<u>5,486,362</u>	<u>5,486,362</u>
Long-term advances		
General Fund	27,821	-
Internal Service Funds		
Health Self Insurance	-	17,821
Dental Self Insurance	-	10,000
Subtotal	<u>27,821</u>	<u>27,821</u>
Totals	<u>\$ 5,514,183</u>	<u>\$ 5,514,183</u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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

Funds	Transfer In	Transfer Out
General	\$ 1,830,077	\$ 30,333
Wastewater Utility	-	256,610
Water Utility	-	512,067
Public Improvements	-	375,000
Capital Equipment	570,000	800,000
TID No. 5	-	366,010
TID No. 6	-	1,588,285
TID No. 7	-	447,782
TID No. 8	-	370,095
TID No. 9	-	157,452
TID No. 10	-	401,534
TID No. 11	-	36,449
TID No. 12	-	22,590
TID No. 13	-	105,923
Cable Access	30,333	-
Debt Service	3,609,720	570,000
	<u>\$ 6,040,130</u>	<u>\$ 6,040,130</u>

Interfund transfers were made for the following purposes:

Transfer to debt service for debt payments	\$ 3,609,720
Transfer to general fund for equipment purchases	1,311,400
Transfer levy to fund capital projects	570,000
Transfer to general fund for payment in lieu of taxes	518,677
Transfer to cable access for deficit	30,333
	<u>\$ 6,040,130</u>

F. 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, 2019 was as follows:

	Outstanding 1/1/19	Issued	Retired	Outstanding 12/31/19
Note	\$ 570,000	\$ 400,000	\$ 570,000	\$ 400,000

Short-term notes payable at December 31, 2019 of \$400,000 consist of the following promissory notes:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
Note	12/27/19	2/27/20	3.50%	\$ 400,000	\$ 400,000

Total interest paid for the year on short-term debt totaled \$XXX.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

G. LONG-TERM OBLIGATIONS

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

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
Governmental activities:					
General Obligation Debt					
Bonds	\$10,230,000	\$ -	\$3,110,000	\$ 7,120,000	\$1,130,000
Taxable bonds	4,455,000	-	1,660,000	2,795,000	420,000
Community development bonds	5,545,000	-	220,000	5,325,000	150,000
Notes	13,160,000	8,715,000	2,410,000	19,465,000	3,290,000
Taxable notes	720,000	880,000	90,000	1,510,000	95,000
Total General Obligation Debt	34,110,000	9,595,000	7,490,000	36,215,000	5,085,000
Debt premium	1,135,708	636,905	139,148	1,633,465	193,128
Capital leases	96,140	126,239	65,998	156,381	90,980
Compensated absences	1,771,995	-	28,743	1,743,252	-
Governmental activities Long-term obligations	<u>\$37,113,843</u>	<u>\$10,358,144</u>	<u>\$7,723,889</u>	<u>\$39,748,098</u>	<u>\$5,369,108</u>
Business-type activities:					
General Obligation Debt					
Notes	\$ 2,775,000	\$ -	\$ 470,000	\$ 2,305,000	\$ 475,000
Revenue bonds	1,075,000	-	345,000	730,000	360,000
Debt premium	98,924	-	15,552	83,372	15,552
Compensated absences	247,964	-	9,975	237,989	-
Business-type activities Long-term obligations	<u>\$ 4,196,888</u>	<u>\$ -</u>	<u>\$ 840,527</u>	<u>\$ 3,356,361</u>	<u>\$ 850,552</u>

Total interest paid during the year on long-term debt totaled \$1,098,479.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
General obligation bonds:					
2011A	08/15/11	2025	1.75-3.45%	\$ 2,245,000	\$ 995,000
2012A	09/20/12	2027	0.90-2.40%	2,980,000	1,340,000
2013A	08/13/13	2028	3.00-3.625%	5,650,000	2,170,000
2014A	11/20/14	2029	2.00-3.00%	1,075,000	750,000
2014B	11/20/14	2023	2.00-3.00%	2,530,000	310,000
2017B	10/18/17	2027	2.75%	1,700,000	1,555,000
General obligation taxable bonds:					
2012B	09/20/12	2031	1.30-3.90%	2,850,000	2,105,000
2013B	08/13/13	2023	2.00-3.50%	2,530,000	690,000
General obligation community development bonds:					
2018B	09/20/18	2033	3.25-5.00%	5,545,000	5,325,000
General obligation notes:					
2010	10/28/10	2020	1.50-3.00%	2,985,000	210,000
2011B	08/15/11	2020	2.00-2.70%	1,565,000	80,000
2015A	09/24/15	2025	2.00-3.00%	8,285,000	3,595,000
2016A	10/19/16	2026	1.00-2.00%	7,915,000	5,430,000
2017A	10/18/17	2027	2.00-2.25%	2,015,000	1,440,000
2018A	09/20/18	2028	3.00-5.00%	2,600,000	2,300,000
2019A	10/21/19	2029	3.00-4.00%	8,715,000	8,715,000
General obligation taxable notes:					
2016B	10/19/16	2026	2.00-2.25%	890,000	630,000
2019B	10/21/19	2029	2.25-2.70%	880,000	880,000
Total Outstanding General Obligation Debt					<u>\$38,520,000</u>

Annual principal and interest maturities of the outstanding general obligation debt of \$38,520,000 on December 31, 2019 are detailed below:

Year Ended December 31,	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 5,085,000	\$ 1,036,764	\$ 475,000	\$ 48,838	\$ 5,560,000	\$ 1,085,602
2021	3,930,000	938,846	490,000	38,000	4,420,000	976,846
2022	3,825,000	833,584	500,000	26,800	4,325,000	860,384
2023	3,785,000	724,394	205,000	16,800	3,990,000	741,194
2024	3,740,000	615,234	210,000	12,700	3,950,000	627,934
2025 - 2029	13,615,000	1,471,537	425,000	12,800	14,040,000	1,484,337
2030 - 2033	2,235,000	174,115	-	-	2,235,000	174,115
	<u>\$ 36,215,000</u>	<u>\$ 5,794,474</u>	<u>\$ 2,305,000</u>	<u>\$ 155,938</u>	<u>\$ 38,520,000</u>	<u>\$ 5,950,412</u>

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2019 was \$74,526,538 as follows:

Equalized valuation of the City		\$2,209,815,400
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		<u>110,490,770</u>
Total outstanding general obligation debt applicable to debt limitation	38,520,000	
Less: Amounts available for financing general obligation debt		
Debt service fund	<u>2,555,768</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>35,964,232</u>
Legal margin for new debt		<u><u>\$ 74,526,538</u></u>

Revenue Bonds

Revenue bonds outstanding on December 31, 2019 totaled \$730,000 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19
Water utility revenue bond	03/07/07	2021	3.81%	\$ 4,395,000	<u>\$ 730,000</u>

Annual principal and interest maturities of the outstanding revenue bonds of \$730,000 on December 31, 2019 are detailed below:

Year Ended December 31,	Business-type Activities		
	Principal	Interest	Total
2020	\$ 360,000	\$ 27,813	\$ 387,813
2021	370,000	14,097	384,097
	<u>\$ 730,000</u>	<u>\$ 41,910</u>	<u>\$ 771,910</u>

Utility Revenues Pledged

The City has pledged future water customer revenues, net of specified operating expenses, to repay the water revenue bonds. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used with the systems. The bonds are payable solely from water customer net revenues and are payable through 2021. The total principal and interest remaining to be paid on the bonds is \$771,910. Principal and interest paid for the current year and total customer net revenues were \$385,958 and \$638,462, respectively.

Capital Lease

The City is obligated under various leases accounted for as capital leases that were used to finance the acquisition of capital assets. The cost of the capital assets under the capital leases are \$286,000 and the related accumulated depreciation is \$44,133 as of December 31, 2019.

The following is a schedule of the minimum lease payments under the lease agreements and the present values of the minimum lease payments at December 31, 2019:

Year Ending	Governmental Activities
2020	\$ 102,407
2021	<u>70,306</u>
Subtotal	172,713
Less: Amount representing interest	<u>16,332</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 156,381</u></u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

H. CONDUIT DEBT OBLIGATIONS

From time to time, the City has issued Industrial Revenue Bonds to provide financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. Neither the City, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2019, there were two series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$269,230.

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

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

Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and 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.

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.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

2. Post-Retirement Adjustments

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

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, 2019, the WRS recognized \$1,006,862 in contributions from the City.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.7%	6.7%
Protective with Social Security	6.7%	10.7%
Protective without Social Security	6.7%	14.9%

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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

At December 31, 2019, the City reported a liability of \$3,312,315 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2018, the City's proportion was 0.09310308%, which was an increase of 0.00217974% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$2,235,365.

At December 31, 2019, 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	\$ 2,579,792	\$ 4,560,145
Net differences between projected and actual earnings on pension plan investments	4,837,410	-
Changes in assumptions	558,335	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,597	33,650
Employer contributions subsequent to the measurement date	1,006,863	-
Total	<u>\$ 8,986,997</u>	<u>\$ 4,593,795</u>

\$1,006,863 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, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31,	Expense
2020	\$ 1,226,715
2021	300,753
2022	535,833
2023	1,323,038
Total	<u>\$ 3,386,339</u>

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

5. Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial valuation date:	December 31, 2017
Measurement date of net pension liability (asset):	December 31, 2018
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Value
Long-term expected rate of return:	7.0%
Discount rate:	7.0%
Salary increases:	
Inflation	3.0%
Seniority/Merit	0.1%-5.6%
Mortality	Wisconsin 2018 Mortality Table
Post-retirement adjustments*	1.9%

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

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

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

	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	49%	8.1%	5.5%
Fixed income	24.5%	4.0%	1.5%
Inflation sensitive assets	15.5%	3.8%	1.3%
Real estate	9%	6.5%	3.9%
Private equity/debt	8%	9.4%	6.7%
Multi-asset	4%	6.7%	4.1%
Total Core Fund	110%	7.3%	4.7%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.6%	5.0%
International equities	30%	8.5%	5.9%
Total Variable Fund	100%	8.0%	5.4%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.50%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations.

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

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 13,163,489	\$ 3,312,315	\$ (4,012,796)

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

J. OTHER POSTEMPLOYMENT BENEFITS

The City reports OPEB related balances at December 31, 2019 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Single-employer defined OPEB plan	\$ 234,098	\$ -	\$ 158,195	\$ 18,495
Local Retiree Life Insurance Fund (LRLIF)	957,635	145,313	256,157	100,513
Total	<u>\$ 1,191,733</u>	<u>\$ 145,313</u>	<u>\$ 414,352</u>	<u>\$ 119,008</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, 2019, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	5
Active employees	<u>116</u>
	<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.

Total OPEB Liability

The City's total OPEB liability was determined by an actuarial valuation as of December 31, 2018 and rolled forward to December 31, 2019.

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

Inflation:	2.50%
Salary increases:	3.00%
Investment rate of return:	2.75%
Medical care cost trend rates:	7.5% decreasing by 0.50% per year down to 6.5%, then by 0.10% per year down to 5.0%, and level thereafter.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Mortality rates are the same as those used in the Wisconsin 2018 Mortality Table.

The actuarial assumptions used in the December 31, 2018 valuation were based on the "Wisconsin Retirement System 2014 – 2017 Experience Study" conducted in 2018.

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 (2.75%) as of the measurement date. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2018.

Discount Rate. The discount rate used to measure the total OPEB liability was based on the 20-year AA municipal bond note.

Changes in the Total OPEB Liability

	<u>Increase (Decrease)</u>
	<u>Total OPEB</u>
	<u>Liability</u>
Balance at December 31, 2018	\$ 375,030
Changes for the year:	
Service cost	20,928
Interest	15,145
Differences between expected and actual experience	(157,218)
Changes of assumptions	(6,038)
Benefit payments	(13,749)
Net changes	(140,932)
Balance at December 31, 2018	\$ 234,098

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 (1.75%) or 1-percentage-point higher (3.75%) than the current rate:

	<u>1% Decrease to</u>	<u>Current</u>	<u>1% Increase to</u>
	<u>Discount Rate</u>	<u>Discount Rate</u>	<u>Discount Rate</u>
	<u>(1.75%)</u>	<u>(2.75%)</u>	<u>(3.75%)</u>
Total OPEB liability	\$ 254,287	\$ 234,098	\$ 215,427

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 (6.5% decreasing to 4.0%) or 1-percentage-point higher (8.5% decreasing to 6.0%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost</u>	<u>1% Increase</u>
	<u>(6.5% decreasing</u>	<u>Trend Rates</u>	<u>(8.5% decreasing</u>
	<u>to 4.0%)</u>	<u>(7.5% decreasing</u>	<u>to 6.0%)</u>
	<u>to 4.0%)</u>	<u>to 5.0%)</u>	<u>to 6.0%)</u>
Total OPEB liability	\$ 207,110	\$ 234,098	\$ 265,880

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

OPEB Expense and Deferred Inflows of Resources Related to OPEB

For the year ended December 31, 2019, the City recognized OPEB expense of \$18,495. At December 31, 2019, the City reported deferred inflows of resources related to OPEB from the following sources:

	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 141,496
Changes in assumptions	16,699
Total	<u>\$ 158,195</u>

The amounts above reported as deferred inflows of resources related to OPEB will be recognized in other postemployment benefit expense as follows:

Year Ended December 31,	Expense
2020	\$ (17,578)
2021	(17,578)
2022	(17,578)
2023	(17,578)
2024	(17,578)
Thereafter	(70,305)
Total	<u>\$ (158,195)</u>

Plan Financial Report

The Plan does not prepare a separate standalone financial report.

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.

OPEB Plan Fiduciary Net Position

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

Benefits Provided

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

Contributions

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2019 are listed below:

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

During the year ended December 31, 2019, the LRLIF recognized \$6,915 in contributions from the employer.

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

At December 31, 2019, the City reported a liability of \$957,635 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to December 31, 2018. No material changes in assumptions or 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, 2018, the City's proportion was 0.371128%, which was an increase of 0.005596% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2018, the City recognized OPEB expense of \$100,513.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

At December 31, 2019, the City reported deferred outflows of resources and 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	\$ -	\$ 48,580
Net differences between projected and actual earnings on OPEB plan investments	22,886	-
Changes in assumptions	91,373	207,577
Changes in proportion and differences between employer contributions and proportionate share of contributions	31,054	-
Total	<u>\$ 145,313</u>	<u>\$ 256,157</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>
2020	\$ (13,470)
2021	(13,470)
2022	(13,470)
2023	(16,684)
2024	(19,995)
Thereafter	(33,755)
Total	<u>\$ (110,844)</u>

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

Actuarial valuation date:	January 1, 2018
Measurement date of net OPEB liability (asset):	December 31, 2018
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	4.10%
Long-term expected rate of return:	5.00%
Discount rate:	4.22%
Salary increases:	
Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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.

Asset Class	Index	Target Allocation	Long-term Expected Geometric Real Rate of Return %
U.S. Government Bonds	Barclays Government	1%	1.44%
U.S. Credit Bonds	Barclays Credit	40%	2.69%
U.S. Long Credit Bonds	Barclays Long Credit	4%	3.01%
U.S. Mortgages	Barclays MBS	54%	2.25%
U.S. Municipal Bonds	Bloomberg Barclays Mur	1%	1.68%
Inflation			2.30%
Long-term expected rate of return			5.00%

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

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

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
City's proportionate share of the net OPEB liability (asset)	\$ 1,362,300	\$ 957,635	\$ 645,529

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

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Payable to the OPEB Plan

At December 31, 2019, the City reported no payable for the outstanding amount of contribution to the Plan required for the year ended December 31, 2019.

K. 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, 2019, nonspendable fund balance was as follows:

General Fund

Nonspendable

Inventories and prepaid items	\$ 172,072
Special assessments	36,515
Advances to other funds	27,821

Total Nonspendable Fund Balance	<u>\$ 236,408</u>
---------------------------------	-------------------

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, 2019, restricted fund balance was as follows:

General Fund

Restricted for

Property tax relief and economic development	\$ 599,676
Fire UTV Fund	859
Recreation scholarship	26,154
Total General Fund Restricted Fund Balance	<u>626,689</u>

Debt Service Fund	<u>2,555,768</u>
-------------------	------------------

Special Revenue Funds

Restricted for

Development loans	1,049,020
Public Land Acquisition	104,156
	<u>1,153,176</u>

Capital Projects Funds

Restricted for

Tax incremental financing district expenditures	
TID No. 5	836,194
TID No. 6	212,189
TID No. 8	820,714
TID No. 10	387,061
TID No. 11	69,066
TID No. 12	830,904
TID No. 13	632,715
TID No. 14	434,106

Total Tax incremental financing district expenditures	<u>4,222,949</u>
---	------------------

Total Restricted Fund Balance	<u>\$ 8,558,582</u>
-------------------------------	---------------------

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2019, General Fund balance was committed as follows:

General Fund

Committed for

Non-lapsing funds	\$ 327,396
-------------------	------------

Special Revenue Funds

Committed for

Riverwalk pier	231,406
Dog park	12,090
Park equipment	28,813
Total Special Revenue Fund Committed Fund Balance	<u>272,309</u>

Capital Project Funds

Committed for

Capital equipment	628,467
Community center	7,935
Police/fire expansion	2,932
Capital outlay	98,514
Total Capital Project Funds	<u>737,848</u>

Total Committed Fund Balance

\$ <u>1,337,553</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 2020 General Fund Expenditures	\$ 18,159,452
Minimum Fund Balance %	(x) 25%
Minimum Fund Balance Amount	<u>\$ 4,539,863</u>

The City's unassigned general fund balance of \$6,648,634 is above the minimum fund balance amount.

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

Net Position

The City reports restricted net position at December 31, 2019 as follows:

Governmental Activities

Restricted for	
Debt service	\$ 2,311,554
Property tax relief and economic development	599,676
Development loans	1,406,694
Recreation scholarship	26,154
Fire UTV fund	859
Park land acquisition	104,156
Total Governmental Activities Restricted Net Position	<u>4,449,093</u>

Business-type Activities

Restricted for	
Debt service	<u>205,626</u>

Total Restricted Net Position	<u><u>\$ 4,654,719</u></u>
-------------------------------	----------------------------

NOTE 4: OTHER INFORMATION

A. TAX INCREMENTAL FINANCING

The City has established separate capital projects funds for six 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, 2019, the City can recover \$14,338,909 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. 5	TID No. 6	TID No. 7	TID No. 8	TID No. 9
Creation date	8/27/1996	3/3/1998	10/17/2006	8/21/2007	8/7/2012
Termination date	8/27/2023	3/3/2021	10/17/2033	8/21/2027	8/7/2039
Tax increment property tax revenues for 2019	\$ 757,571	\$ 1,793,690	\$ 135,823	\$ 293,367	\$ 35,056
Net unreimbursed project costs due City	\$ 1,980,421	\$ (2,504,856)	\$ 4,083,923	\$ 1,494,195	\$ 921,884

	TID No. 10	TID No. 11	TID No. 12	TID No. 13	TID No. 14
Creation date	8/7/2012	9/1/2015	9/1/2015	7/18/2017	9/19/2018
Termination date	8/7/2032	9/1/2035	9/1/2035	7/18/2037	12/31/2038
Tax increment property tax revenues for 2019	\$ 200,385	\$ 40,691	\$ -	\$ -	\$ -
Net unreimbursed project costs due City	\$ 3,413,275	\$ 1,105,935	\$ (395,903)	\$ 2,472,285	\$ 445,894

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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, 2019, the fund had a balance of \$1,899,821.

The claims liability of \$63,154 reported in the fund at December 31, 2019 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
2019	\$ 252,363	\$ 858,449	\$ 1,047,658	\$ 63,154
2018	171,090	1,759,689	1,678,416	252,363

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, 2019, the fund had a balance of \$27,826.

The claims liability of \$3,911 reported in the fund at December 31, 2019, 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
2019	\$ 4,894	\$ 136,532	\$ 137,515	\$ 3,911
2018	4,387	147,331	145,731	4,894

City of De Pere, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2019

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 2019 the City paid the Authority \$3,853,004 in accordance with the water purchase contract.

E. UPCOMING ACCOUNTING PRONOUNCEMENTS

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The Statement establishes criteria for identifying fiduciary activities and addresses financial reporting for these activities. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* made this statement effective for reporting periods beginning after December 15, 2019. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

In June 2017, the GASB issued Statement No. 87, *Leases*. The Statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* made this statement effective for reporting periods beginning after June 15, 2021. The City is currently evaluating the impact this standard will have on the financial statements when adopted.

F. SUBSEQUENT EVENT

Subsequent to year end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Specific to the City, COVID-19 may impact various parts of its 2020 operations and financial results including, but not limited to, costs for emergency preparedness and shortages of personnel. Management believes the City is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

On September __, 2020, the City issued \$8,340,000 of General Obligation Promissory Notes, Series 2020A to finance capital improvements. Principal payments of \$XXX,000 to \$XXX,000 are due annually from 202X to 20XX. The notes bear interest at X.XX%

On September __, 2020, the City issued \$2,657,000 Taxable General Obligation Promissory Notes, Series 2020B to finance capital improvements. Principal payments of \$XXX,000 to \$XXX,000 are due annually from 202X to 20XX. The notes bear interest at X.XX%

City of De Pere, Wisconsin

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET) WISCONSIN RETIREMENT SYSTEM LAST 10 FISCAL YEARS

Plan Year Ending	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Covered Payroll (plan year)	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%

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	-	10,029,997	9.74%
12/31/19	1,006,862	1,006,862	-	10,457,330	9.63%

See notes to required supplementary information.

City of De Pere, Wisconsin

SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS LAST 10 FISCAL YEARS *

	2019	2018	2017
Total OPEB liability			
Service cost	\$ 20,928	\$ 22,795	\$ 22,795
Interest	15,145	13,298	12,862
Differences between expected and actual experience	(157,218)	-	
Changes of assumptions	(6,038)	(13,769)	(5,254)
Benefit payments	(13,749)	(31,655)	(14,784)
Net change in total OPEB liability	(140,932)	(9,331)	15,619
Total OPEB liability - beginning	375,030	384,361	368,742
Total OPEB liability - ending	<u>\$ 234,098</u>	<u>\$ 375,030</u>	<u>\$ 384,361</u>
Covered-employee payroll	\$ 9,732,159	\$ 7,447,066	\$ 7,447,066
District's total OPEB liability as a percentage of covered-employee payroll	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 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 FISCAL YEARS

<u>Plan Fiscal Year Ending</u>	<u>Proportion of the Net OPEB Liability (Asset)</u>	<u>Proportionate Share of the Net OPEB Liability (Asset)</u>	<u>Covered-employee Payroll</u>	<u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u>
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%

SCHEDULE OF CONTRIBUTIONS LOCAL RETIREE LIFE INSURANCE FUND LAST 10 FISCAL YEARS

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered-employee Payroll</u>	<u>Contributions as a Percentage of Covered-employee Payroll</u>
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%

See notes to required supplementary information.

City of De Pere, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2019

A. WISCONSIN RETIREMENT SYSTEM

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

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

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.

B. 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 (2.75%) for the measurement date of December 31, 2019. All other assumptions and methods remained unchanged from the valuation performed as of December 31, 2018. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

Local Retiree Life Insurance Fund (LRLIF)

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

City of De Pere, Wisconsin

GENERAL FUND

DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES

FOR THE YEAR ENDED DECEMBER 31, 2019

WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	Budget			Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual		
Taxes					
General property	\$ 8,202,547	\$ 8,202,547	\$ 8,202,551	\$ 4	\$ 8,173,457
Mobile home	7,000	7,000	4,535	(2,465)	7,077
Excess stadium district sales tax	120	120	8,167	8,047	22,145
Room tax	7,900	7,900	8,719	819	9,428
Payments in lieu of taxes	1,700	1,700	1,409	(291)	1,692
Housing authority	30,000	30,000	30,047	47	29,593
Interest and penalties					
Taxes	1,200	1,200	498	(702)	1,478
Special assessments	20,000	20,000	15,788	(4,212)	14,511
Total taxes	8,270,467	8,270,467	8,271,714	1,247	8,259,381
Intergovernmental					
Law enforcement training	85,719	85,719	95,753	10,034	11,363
State shared taxes	1,459,334	1,459,334	1,468,450	9,116	1,496,278
Exempt computer aid	76,012	76,012	77,852	1,840	76,012
Fire insurance	84,732	84,732	93,294	8,562	84,732
Rescue squad	7,000	7,000	7,848	848	6,756
Transportation	1,081,534	1,081,534	1,081,038	(496)	1,035,430
Mass transit	294,790	294,790	294,790	-	294,790
Public health	57,929	57,929	77,783	19,854	75,600
Recycling	97,568	97,568	97,611	43	97,568
Other	-	-	9,000	9,000	2,000
Total intergovernmental	3,244,618	3,244,618	3,303,419	58,801	3,180,529
Licenses and permits					
Licenses					
Liquor and malt beverage	35,000	35,000	34,555	(445)	36,315
Operators	12,200	12,200	15,186	2,986	31,171
Cigarette	2,100	2,100	2,025	(75)	2,100
Food and beverage	-	-	79,821	79,821	65,193
DATCP licensing	72,022	72,022	(1,313)	(73,335)	6,179
Cable television	145,000	145,000	146,681	1,681	142,734
Trailer park	100	100	100	-	100
Dog	4,200	4,200	3,540	(660)	3,617
Bicycle	-	-	-	-	6
Other licenses/permits	11,500	11,500	7,303	(4,197)	10,255
Permits					
Electrical and plumbing	155,000	155,000	146,855	(8,145)	144,355
Sanitary sewer	5,250	5,250	11,025	5,775	6,925
Zoning	203,000	203,000	247,118	44,118	184,053
Total licenses and permits	645,372	645,372	692,896	47,524	633,003

City of De Pere, Wisconsin

**GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL REVENUES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget			Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual		
Fines and forfeits					
Court forfeitures and costs	350,000	350,000	390,739	40,739	363,178
Parking violations	40,000	40,000	34,899	(5,101)	40,837
Total fines and forfeits	390,000	390,000	425,638	35,638	404,015
Public charges for services					
General government	35,000	35,000	44,115	9,115	33,135
Police	2,750	2,750	1,425	(1,325)	2,162
Alarm monitoring fees	10,000	10,000	4,976	(5,024)	8,177
Ambulance	805,835	805,835	833,139	27,304	747,157
Streets	87,942	87,942	58,647	(29,295)	48,497
Snow removal	6,600	6,600	8,747	2,147	2,497
Weed cutting	10,000	10,000	6,682	(3,318)	6,232
Recycling	15,300	15,300	2,296	(13,004)	2,810
Public health	6,000	6,000	2,318	(3,682)	1,261
Community center	35,260	35,260	40,314	5,054	35,697
Swimming pools	84,556	84,556	91,824	7,268	122,114
Parks	10,150	10,150	16,266	6,116	9,981
Recreation	344,399	344,399	442,928	98,529	432,020
Concession sales	12,757	12,757	11,558	(1,199)	17,581
Total public charges for services	1,466,549	1,466,549	1,565,235	98,686	1,469,321
Intergovernmental charges for services					
General government	184,100	184,100	185,492	1,392	173,421
Public safety	467,000	467,000	409,987	(57,013)	357,248
Public works	729,000	729,000	728,848	(152)	728,008
Total intergovernmental charges for services	1,380,100	1,380,100	1,324,327	(55,773)	1,258,677
Miscellaneous					
Investment income	262,000	262,000	656,096	394,096	225,115
Donations	2,500	2,500	30,563	28,063	9,534
Sale of City property	66,500	66,500	26,022	(40,478)	4,333
Salvage products	5,000	5,000	-	(5,000)	787
Rental income	97,480	97,480	39,805	(57,675)	47,567
Department revenue	-	-	9,390	9,390	4,221
Other	550	550	1,275	725	44
Total miscellaneous	434,030	434,030	763,151	329,121	291,601
Total Revenues	\$ 15,831,136	\$ 15,831,136	\$ 16,346,380	\$ 515,244	\$ 15,496,527

City of De Pere, Wisconsin

**GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget			Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual		
General government					
Council	\$ 75,919	\$ 75,919	\$ 76,885	\$ (966)	\$ 82,288
Council outlay	7,200	7,200	7,556	(356)	4,740
Municipal court	108,007	108,007	105,017	2,990	103,673
Municipal court outlay	2,000	2,000	1,990	10	1,470
Mayor	42,729	42,729	44,422	(1,693)	37,800
Administrator	167,189	167,189	139,949	27,240	118,523
Administrator outlay	100	100	600	(500)	439
Clerk/treasurer	210,780	210,780	214,165	(3,385)	202,126
Clerk/treasurer outlay	-	-	-	-	185
Elections	22,850	22,850	14,676	8,174	60,685
Elections outlay	14,284	14,284	13,760	524	-
Assessment of property	58,895	58,895	61,249	(2,354)	66,383
Accounting and finance	132,086	132,086	131,191	895	130,548
Accounting and finance outlay	-	-	-	-	3,562
Data processing	127,897	127,897	112,554	15,343	109,856
Data processing outlay	36,750	36,750	30,670	6,080	30,736
Personnel and insurance	349,341	349,341	344,268	5,073	322,350
Personnel and insurance outlay	-	-	-	-	680
Legal	261,684	261,684	260,669	1,015	195,554
Legal outlay	350	350	-	350	340
City hall	123,490	123,490	112,390	11,100	113,492
City hall outlay	19,915	19,915	17,659	2,256	9,253
Other general government	313,231	313,231	265,972	47,259	278,682
Total general government	2,074,697	2,074,697	1,955,999	118,698	1,873,365
Public safety					
Police department	5,095,701	5,095,701	4,743,269	352,432	4,684,461
Police department outlay	66,250	66,250	301,684	(235,434)	260,096
Traffic control	96,008	96,008	87,131	8,877	86,509
Fire/ambulance department	4,080,948	4,080,948	4,078,059	2,889	3,792,937
Fire/ambulance department outlay	40,000	40,000	33,662	6,338	56,940
Building and electrical	264,482	264,482	278,216	(13,734)	295,285
Building and electrical outlay	4,500	4,500	3,076	1,424	-
Jail	9,000	9,000	7,101	1,899	8,400
Total public safety	9,656,889	9,656,889	9,532,198	124,691	9,184,628
Public works					
Street machinery repair	108,286	108,286	87,610	20,676	76,794
Street machinery repair outlay	4,168	4,168	5,801	(1,633)	6,710
Municipal service center	111,489	111,489	111,453	36	110,487
Municipal service center outlay	13,750	13,750	11,071	2,679	4,911
Mechanics	138,562	138,562	138,480	82	117,926
Administration	112,087	112,087	128,586	(16,499)	119,577
Engineer	206,818	206,818	216,042	(9,224)	215,575
Engineer outlay	10,000	10,000	7,893	2,107	2,497
Street maintenance	129,265	129,265	142,425	(13,160)	131,956

City of De Pere, Wisconsin

**GENERAL FUND
DETAILED COMPARISON OF BUDGETED AND ACTUAL EXPENDITURES
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budget			Variance Final Budget - Positive (Negative)	2018 Actual
	Original	Final	Actual		
Public works					
Street maintenance outlay	-	-	19,099	(19,099)	-
Brush pickup	93,884	93,884	101,467	(7,583)	81,287
Weed cutting	9,011	9,011	13,124	(4,113)	7,592
Snow and ice control	240,013	240,013	355,625	(115,612)	187,382
Traffic signs and markings	132,360	132,360	126,122	6,238	108,321
Traffic signs and markings outlay	-	-	-	-	1,133
Traffic lights	39,000	39,000	41,987	(2,987)	40,154
Traffic lights outlay	20,000	20,000	-	20,000	2,428
Street lighting	409,830	409,830	439,180	(29,350)	411,157
Street lighting outlay	25,000	25,000	31,555	(6,555)	-
Transit systems	435,510	435,510	420,367	15,143	399,113
Total public works	<u>2,239,033</u>	<u>2,239,033</u>	<u>2,397,887</u>	<u>(158,854)</u>	<u>2,025,000</u>
Sanitation					
Garbage and refuse collection	293,207	293,207	318,625	(25,418)	333,254
Landfill waste disposal	245,000	245,000	315,074	(70,074)	304,865
Recycling	89,426	89,426	96,043	(6,617)	94,890
Total sanitation	<u>627,633</u>	<u>627,633</u>	<u>729,742</u>	<u>(102,109)</u>	<u>733,009</u>
Health and human services					
Nurse	545,337	545,337	500,355	44,982	487,081
Board of health	1,722	1,722	1,330	392	1,537
Total health and human services	<u>547,059</u>	<u>547,059</u>	<u>501,685</u>	<u>45,374</u>	<u>488,618</u>
Culture and recreation					
Community center	341,744	341,744	346,379	(4,635)	346,232
Community center outlay	10,000	10,000	5,042	4,958	15,343
Special events and celebrations	11,616	11,616	199	11,417	229
Park and recreation administration	278,620	278,620	267,165	11,455	245,201
Recreation	532,375	532,375	447,364	85,011	427,277
Swimming pools	203,590	203,590	174,779	28,811	259,115
Swimming pools outlay	-	-	278,028	(278,028)	16,748
Parks - general	430,337	430,337	469,363	(39,026)	431,826
Parks outlay	48,000	48,000	127,098	(79,098)	485,063
Parks equipment maintenance	87,154	87,154	112,012	(24,858)	103,407
Parks equipment outlay	-	-	-	-	1,800
Boat ramps	20,687	20,687	22,181	(1,494)	22,790
Forestry	258,304	258,304	238,510	19,794	224,871
Forestry outlay	-	-	20,000	(20,000)	95
Historical society	10,110	10,110	6,095	4,015	6,490
Total culture and recreation	<u>2,232,537</u>	<u>2,232,537</u>	<u>2,515,160</u>	<u>(282,623)</u>	<u>2,586,487</u>
Conservation and development					
Economic development	<u>328,688</u>	<u>328,688</u>	<u>348,822</u>	<u>(20,134)</u>	<u>452,951</u>
Total Expenditures	<u>\$ 17,706,536</u>	<u>\$ 17,706,536</u>	<u>\$ 17,981,493</u>	<u>\$ (274,957)</u>	<u>\$ 17,344,058</u>

City of De Pere, Wisconsin

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Special Revenue			
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access
ASSETS				
Cash and investments	\$ 235,546	\$ 104,156	\$ 231,406	\$ -
Restricted cash and investments	813,474	-	-	-
Receivables				
Taxes and special charges	-	-	-	-
Accounts	-	-	-	24,029
Loans	357,674	-	-	-
	<u>357,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 1,406,694</u>	<u>\$ 104,156</u>	<u>\$ 231,406</u>	<u>\$ 24,029</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ -	\$ 5,281
Accrued and other current liabilities	-	-	-	1,460
Due to other funds	-	-	-	93,791
	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,791</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,532</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	-	-	-	-
Loans receivable	357,674	-	-	-
	<u>357,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>357,674</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Restricted	1,049,020	104,156	-	-
Committed	-	-	231,406	-
Unassigned (deficit)	-	-	-	(76,503)
	<u>1,049,020</u>	<u>104,156</u>	<u>231,406</u>	<u>(76,503)</u>
Total fund balances	<u>1,049,020</u>	<u>104,156</u>	<u>231,406</u>	<u>(76,503)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 1,406,694</u>	<u>\$ 104,156</u>	<u>\$ 231,406</u>	<u>\$ 24,029</u>

Capital Projects						
Dog Park	Southwest Park Equipment	Capital Equipment	Community Center	Police/Fire Expansion	TID No. 5	TID No. 6
\$ 12,090	\$ 28,813	\$ 928,740	\$ 7,935	\$ 2,932	\$ 836,404	\$ 215,560
-	-	-	-	-	-	-
-	-	800,000	-	-	742,515	1,880,932
-	-	151,797	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 12,090</u>	<u>\$ 28,813</u>	<u>\$ 1,880,537</u>	<u>\$ 7,935</u>	<u>\$ 2,932</u>	<u>\$ 1,578,919</u>	<u>\$ 2,096,492</u>
\$ -	\$ -	\$ 452,070	\$ -	\$ -	\$ 140	\$ 3,287
-	-	-	-	-	70	84
-	-	-	-	-	-	-
-	-	452,070	-	-	210	3,371
-	-	800,000	-	-	742,515	1,880,932
-	-	-	-	-	-	-
-	-	800,000	-	-	742,515	1,880,932
-	-	-	-	-	836,194	212,189
12,090	28,813	628,467	7,935	2,932	-	-
-	-	-	-	-	-	-
<u>12,090</u>	<u>28,813</u>	<u>628,467</u>	<u>7,935</u>	<u>2,932</u>	<u>836,194</u>	<u>212,189</u>
<u>\$ 12,090</u>	<u>\$ 28,813</u>	<u>\$ 1,880,537</u>	<u>\$ 7,935</u>	<u>\$ 2,932</u>	<u>\$ 1,578,919</u>	<u>\$ 2,096,492</u>

City of De Pere, Wisconsin

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Capital Projects			
	TID No. 7	TID No. 8	TID No. 9	TID No. 10
ASSETS				
Cash and investments	\$ -	\$ 820,956	\$ -	\$ 387,370
Restricted cash and investments	-	-	-	-
Receivables				
Taxes and special charges	129,085	305,352	40,812	207,928
Accounts	-	-	-	-
Loans	-	-	-	-
Total assets	<u>\$ 129,085</u>	<u>\$ 1,126,308</u>	<u>\$ 40,812</u>	<u>\$ 595,298</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 158	\$ 158	\$ 192	\$ 192
Accrued and other current liabilities	84	84	117	117
Due to other funds	1,137,379	-	485,385	-
Total liabilities	<u>1,137,621</u>	<u>242</u>	<u>485,694</u>	<u>309</u>
Deferred inflows of resources				
Property taxes levied for subsequent year	129,085	305,352	40,812	207,928
Loans receivable	-	-	-	-
Total deferred inflows of resources	<u>129,085</u>	<u>305,352</u>	<u>40,812</u>	<u>207,928</u>
Fund balances				
Restricted	-	820,714	-	387,061
Committed	-	-	-	-
Unassigned (deficit)	(1,137,621)	-	(485,694)	-
Total fund balances	<u>(1,137,621)</u>	<u>820,714</u>	<u>(485,694)</u>	<u>387,061</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 129,085</u>	<u>\$ 1,126,308</u>	<u>\$ 40,812</u>	<u>\$ 595,298</u>

				Totals	
TID No. 11	TID No. 12	TID No. 13	TID No. 14	2019	2018
\$ 69,340	\$ 832,687	\$ 632,715	\$ 434,136	\$ 5,780,786	\$ 3,696,988
-	-	-	-	813,474	811,041
137,742	-	22,364	-	4,266,730	3,256,582
-	-	-	-	175,826	24,591
-	-	-	-	357,674	467,629
<u>\$ 207,082</u>	<u>\$ 832,687</u>	<u>\$ 655,079</u>	<u>\$ 434,136</u>	<u>\$ 11,394,490</u>	<u>\$ 8,256,831</u>
\$ 175	\$ 1,699	\$ -	\$ 30	\$ 463,382	\$ 94,975
99	84	-	-	2,199	2,950
-	-	-	-	1,716,555	1,490,562
274	1,783	-	30	2,182,136	1,588,487
137,742	-	22,364	-	4,266,730	3,256,582
-	-	-	-	357,674	467,629
137,742	-	22,364	-	4,624,404	3,724,211
69,066	830,904	632,715	434,106	5,376,125	4,222,575
-	-	-	-	911,643	192,491
-	-	-	-	(1,699,818)	(1,470,933)
69,066	830,904	632,715	434,106	4,587,950	2,944,133
<u>\$ 207,082</u>	<u>\$ 832,687</u>	<u>\$ 655,079</u>	<u>\$ 434,136</u>	<u>\$ 11,394,490</u>	<u>\$ 8,256,831</u>

City of De Pere, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Special Revenue			
	Development Loan Program	Public Land Acquisition	Riverwalk Pier	Cable Access
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Licenses and permits	-	-	-	90,430
Public charges for services	-	32,939	-	-
Miscellaneous	117,852	-	230,234	264
Total revenues	117,852	32,939	230,234	90,694
EXPENDITURES				
Current				
Culture and recreation	-	-	-	130,604
Conservation and development	-	-	-	4,967
Debt service				
Interest and fiscal charges	-	-	-	-
Capital outlay	-	270	-	31,626
Total expenditures	-	270	-	167,197
Excess of revenues over (under) expenditures	117,852	32,669	230,234	(76,503)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	-
Premium on debt issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	30,333
Transfers out	-	-	-	-
Total other financing sources (uses)	-	-	-	30,333
Net change in fund balances	117,852	32,669	230,234	(46,170)
Fund balances (deficit) - January 1	931,168	71,487	1,172	(30,333)
Fund balances (deficit) - December 31	<u>\$ 1,049,020</u>	<u>\$ 104,156</u>	<u>\$ 231,406</u>	<u>\$ (76,503)</u>

Capital Projects							
Dog Park	Southwest Park Equipment	Capital Equipment	Community Center	Police/Fire Expansion	TID No. 5	TID No. 6	TID No. 7
\$ -	\$ -	\$ 800,000	\$ -	\$ -	\$ 757,571	\$ 1,793,690	\$ 135,823
-	-	361,797	-	-	15,732	36,883	2,847
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	19,424	-	559	-	-	925	-
-	19,424	1,161,797	559	-	773,303	1,831,498	138,670
403	5,128	-	-	-	-	-	-
-	-	-	-	-	34,193	24,610	143,537
-	-	-	-	-	-	-	1,386
-	-	2,002,944	-	-	-	15,666	51,108
403	5,128	2,002,944	-	-	34,193	40,276	196,031
(403)	14,296	(841,147)	559	-	739,110	1,791,222	(57,361)
-	-	1,545,613	-	-	-	-	100,000
-	-	-	-	-	-	-	7,253
-	-	-	-	-	-	-	-
-	-	570,000	-	-	-	-	-
-	-	(800,000)	-	-	(366,010)	(1,588,285)	(447,782)
-	-	1,315,613	-	-	(366,010)	(1,588,285)	(340,529)
(403)	14,296	474,466	559	-	373,100	202,937	(397,890)
12,493	14,517	154,001	7,376	2,932	463,094	9,252	(739,731)
\$ 12,090	\$ 28,813	\$ 628,467	\$ 7,935	\$ 2,932	\$ 836,194	\$ 212,189	\$(1,137,621)

City of De Pere, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018

	Capital Projects			
	TID No. 8	TID No. 9	TID No. 10	TID No. 11
REVENUES				
Taxes	\$ 293,367	\$ 35,056	\$ 200,385	\$ 40,691
Intergovernmental	231,873	3,536	5,216	155
Licenses and permits	-	-	-	-
Public charges for services	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	525,240	38,592	205,601	40,846
EXPENDITURES				
Current				
Culture and recreation	-	-	-	-
Conservation and development	31,372	77,339	34,944	50,886
Debt service				
Interest and fiscal charges	-	2,564	23,419	12,472
Capital outlay	-	91,936	1,665,848	536,545
Total expenditures	31,372	171,839	1,724,211	599,903
Excess of revenues over (under) expenditures	493,868	(133,247)	(1,518,610)	(559,057)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	185,000	1,690,000	900,000
Premium on debt issued	-	13,418	122,578	65,278
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(370,095)	(157,452)	(401,534)	(36,449)
Total other financing sources (uses)	(370,095)	40,966	1,411,044	928,829
Net change in fund balances	123,773	(92,281)	(107,566)	369,772
Fund balances (deficit) - January 1	696,941	(393,413)	494,627	(300,706)
Fund balances (deficit) - December 31	\$ 820,714	\$ (485,694)	\$ 387,061	\$ 69,066

			Totals	
TID No. 12	TID No. 13	TID No. 14	2019	2018
\$ -	\$ -	\$ -	\$ 4,056,583	\$ 3,523,211
5	-	-	658,044	254,320
-	-	-	90,430	95,156
-	-	-	32,939	5,400
-	-	-	369,258	128,162
5	-	-	5,207,254	4,006,249
-	-	-	136,135	122,147
49,378	14,354	421,070	886,650	685,530
3,464	-	18,074	61,379	58,263
164,816	-	-	4,560,759	4,473,274
217,658	14,354	439,144	5,644,923	5,339,214
(217,653)	(14,354)	(439,144)	(437,669)	(1,332,965)
250,000	-	880,000	5,550,613	6,502,895
18,133	-	-	226,660	322,354
-	-	-	-	713,800
-	-	-	600,333	167,118
(22,590)	(105,923)	-	(4,296,120)	(4,188,394)
245,543	(105,923)	880,000	2,081,486	3,517,773
27,890	(120,277)	440,856	1,643,817	2,184,808
803,014	752,992	(6,750)	2,944,133	759,325
<u>\$ 830,904</u>	<u>\$ 632,715</u>	<u>\$ 434,106</u>	<u>\$ 4,587,950</u>	<u>\$ 2,944,133</u>

City of De Pere, Wisconsin

COMBINING STATEMENT OF NET POSITION INTERNAL SERVICE FUNDS DECEMBER 31, 2019 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	Health Self Insurance	Dental Self Insurance	Totals	
			2019	2018
ASSETS				
Current assets				
Cash and investments	\$ 1,980,796	\$ 41,737	\$ 2,022,533	\$ 1,085,458
LIABILITIES				
Current liabilities				
Accounts and claims payable	63,154	3,911	67,065	257,257
Advance from other funds	17,821	10,000	27,821	27,821
Total liabilities	80,975	13,911	94,886	285,078
NET POSITION				
Unrestricted	\$ 1,899,821	\$ 27,826	\$ 1,927,647	\$ 800,380

City of De Pere, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Health Self Insurance	Dental Self Insurance	Totals	
			2019	2018
OPERATING REVENUES				
Charges for services	\$ 2,467,820	\$ 159,336	\$ 2,627,156	\$ 2,636,225
OPERATING EXPENSES				
Claims and administrative fees	1,359,571	143,407	1,502,978	2,354,045
Operating income	1,108,249	15,929	1,124,178	282,180
NONOPERATING REVENUES				
Interest income	3,089	-	3,089	2,554
Change in net position	1,111,338	15,929	1,127,267	284,734
Net position - January 1	788,483	11,897	800,380	515,646
Net position - December 31	<u>\$ 1,899,821</u>	<u>\$ 27,826</u>	<u>\$ 1,927,647</u>	<u>\$ 800,380</u>

City of De Pere, Wisconsin

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2018**

	Health Self Insurance	Dental Self Insurance	Totals	
			2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from interfund services	\$ 2,467,820	\$ 159,336	\$ 2,627,156	\$ 2,636,225
Cash paid to suppliers	(1,548,780)	(144,390)	(1,693,170)	(2,272,265)
Net cash provided by operating activities	919,040	14,946	933,986	363,960
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	3,089	-	3,089	2,554
Change in cash and cash equivalents	922,129	14,946	937,075	366,514
Cash and cash equivalents - January 1	1,058,667	26,791	1,085,458	718,944
Cash and cash equivalents - December 31	<u>\$ 1,980,796</u>	<u>\$ 41,737</u>	<u>\$ 2,022,533</u>	<u>\$ 1,085,458</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating income	\$ 1,108,249	\$ 15,929	\$ 1,124,178	\$ 282,180
Change in operating assets and liabilities				
Accounts and claims payable	(189,209)	(983)	(190,192)	81,780
Net cash provided by operating activities	<u>\$ 919,040</u>	<u>\$ 14,946</u>	<u>\$ 933,986</u>	<u>\$ 363,960</u>
Noncash capital and related financing activities				
None				

City of De Pere, Wisconsin

SCHEDULE OF WATER UTILITY OPERATING REVENUES AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2019 WITH COMPARATIVE AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2018

	2019	2018
OPERATING REVENUES		
Charges for services		
Residential	\$ 2,655,519	\$ 2,709,460
Commercial	1,001,503	1,000,689
Industrial	502,037	564,277
Public authority	191,880	197,100
Private fire protection	126,264	124,499
Public fire protection	1,285,899	1,266,269
Total charges for services	<u>5,763,102</u>	<u>5,862,294</u>
Other revenues		
Forfeited discounts	20,020	38,934
Other water revenues	279,254	309,590
Total other revenues	<u>299,274</u>	<u>348,524</u>
Total operating revenues	<u>6,062,376</u>	<u>6,210,818</u>
OPERATING EXPENSES		
Operation and maintenance		
Source of supply	3,853,288	3,877,466
Pumping	112,777	60,581
Water treatment	35,604	34,980
Transmission and distribution	598,835	509,668
Customer accounts	318,680	276,838
Administrative and general	457,474	421,479
Total operation and maintenance	<u>5,376,658</u>	<u>5,181,012</u>
Depreciation	720,178	648,497
Taxes	49,095	46,224
Total operating expenses	<u>6,145,931</u>	<u>5,875,733</u>
Operating income	<u>\$ (83,555)</u>	<u>\$ 335,085</u>



Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* and the *Department of Health Services Audit Guide*

To the 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 and the *Department of Health Service Audit Guide*, issued by the State of Wisconsin, 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, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated REPORT DATE.

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) to determine the 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 did identify 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 entity'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 2019-002 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 deficiency described in the accompanying schedule of findings and responses as item 2019-001 to be a significant deficiency.

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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards or the *Department of Health Services Audit Guide*.

CITY OF DE PERE, WISCONSIN'S RESPONSE TO FINDINGS

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The City's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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* and the *Department of Health Services Audit Guide* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
REPORT DATE

City of De Pere, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency
U.S. DEPARTMENT OF INTERIOR		
Natural Resource Damage Assessment, Restoration and Implementation	15.658	WI Department of Natural Resources
U.S. DEPARTMENT OF TRANSPORTATION		
Highway Safety Cluster		
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	City of Green Bay
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
Public Health Emergency Preparedness	93.069	WI Department of Human Services
Public Health Emergency Preparedness	93.069	WI Department of Human Services
Total Public Health Emergency Preparedness		
Immunization Cooperative Agreements	93.268	WI Department of Human Services
Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure	93.539	WI Department of Human Services
Preventive Health and Health Services Block Grant	93.758	WI Department of Human Services
Preventive Health and Health Services Block Grant	93.991	WI Department of Human Services
Total Preventative Health and Health Services Block Grant		
Maternal and Child Health Services Block Grant to the States	93.994	WI Department of Human Services
Total U.S. Department of Health and Human Services		
TOTAL FEDERAL AWARDS		

The notes to the schedule of expenditures of federal awards are an integral part of this schedule.

Pass-Through Entity Identifying Number	(Accrued) Deferred Revenue 1/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/19	Total Expenditures	Subrecipient Payments
Unknown	\$ -	\$ 210,000	\$ -	\$ 210,000	\$ -
Unknown	-	5,120	-	5,120	-
155050	-	11,475	-	11,475	-
155015	(8,633)	44,651	11,183	47,201	-
	(8,633)	56,126	11,183	58,676	-
155020	-	7,210	129	7,339	-
155020	(1,487)	1,487	-	-	-
159220	(433)	433	-	-	-
159220	-	4,880	795	5,675	-
	(433)	5,313	795	5,675	-
159320	-	10,517	1,705	12,222	-
	(10,553)	80,653	13,812	83,912	-
	<u>\$ (10,553)</u>	<u>\$ 295,773</u>	<u>\$ 13,812</u>	<u>\$ 299,032</u>	<u>\$ -</u>

City of De Pere, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	Pass-Through Entity Identifying Number
DEPARTMENT OF NATURAL RESOURCES			
Boating Projects	370.573	Direct Program	Unknown
Recycling Grant	370.670	Direct Program	Unknown
Total Department of Natural Resources			
DEPARTMENT OF HEALTH SERVICES			
Consolidated Contracts - Childhood Lead	435.157720	Direct Program	157720
Communicable Disease Control & Prevention	435.1558	Direct Program	155800
Total Department of Health Services			
TOTAL STATE PROGRAMS			

The notes to the schedule of expenditures of state awards are an integral part of this schedule.

<u>(Accrued) Deferred Revenue 1/1/19</u>	<u>Cash Received (Refunded)</u>	<u>Accrued (Deferred) Revenue 12/31/19</u>	<u>Total Expenditures</u>	<u>Subrecipient Payments</u>
\$ -	\$ -	\$ 151,797	\$ 151,797	\$ -
-	97,611	-	97,611	-
-	97,611	151,797	249,408	-
-	1,724	-	1,724	-
-	3,827	535	4,362	-
-	5,551	535	6,086	-
<u>\$ -</u>	<u>\$ 103,162</u>	<u>\$ 152,332</u>	<u>\$ 255,494</u>	<u>\$ -</u>

City of De Pere, Wisconsin

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2019

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards include the federal and state grant activity of the City of De Pere, Wisconsin and are presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the *Department of Health Services Audit Guide*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenditures in the schedules are presented in accordance with the modified accrual basis of accounting and are generally in agreement with revenues and expenditures reported in the City's 2019 fund financial statements. Accrued revenue at year-end consists of federal and state program expenditures scheduled for reimbursement to the City in the succeeding year while unearned revenue represents advances for federal and state programs that exceed recorded City expenditures. Because of subsequent program adjustments, these amounts may differ from the prior year's ending balances.

The City has not elected to charge a de minimis indirect cost rate of 10% allowed under the Uniform Guidance.

NOTE 3: STATE OF WISCONSIN REPORTING SYSTEMS

The Wisconsin Department of Health Services (DHS) utilize the Community Aids Reporting System (CARS) for reimbursing the City for various federal and state program expenditures. The expenditures reported on the Schedule of Expenditures of Federal Awards and the Schedule of State Financial Assistance for various DHS programs agree with the expenditures reported on the December, 2019 CARS.

City of De Pere, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION I - SUMMARY OF AUDITORS' RESULTS

BASIC FINANCIAL STATEMENTS

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 - FINANCIAL STATEMENT FINDINGS

Finding No.	Internal Control Deficiencies
2019-001	Preparation of Annual Financial Report Repeat of Finding 2018-001
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 formats, and note disclosures to assist in the preparation of the annual financial report in an efficient manner.
Context:	While performing audit procedures, it was noted that management does not have internal controls in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.
Criteria:	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.
Context:	While performing audit procedures, it was noted that management does not have internal controls in place to provide reasonable assurance that financial statements are prepared in accordance with U.S. GAAP.
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.

City of De Pere, Wisconsin

SCHEDULE OF FINDINGS AND RESPONSES FOR THE YEAR ENDED DECEMBER 31, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS (Continued)

Finding No.	Internal Control Deficiencies
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. 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.
Management Response:	Management agrees it may not be cost effective to train additional staff to completely prepare the report, but will more thoroughly review the information to gain an increased understanding in hopes of assisting with the annual report preparation in 2020.
2019-002	Adjustments to the City's Financial Records Repeat of Finding 2018-002
Condition:	As part of our 2019 audit, we proposed adjusting journal entries that were material to the City's financial statements.
Context:	While performing audit procedures, it was noted that management does not have sufficient controls in place related to year end closing procedures.
Criteria:	Material adjusting journal entries proposed by the auditors are considered to be an internal control deficiency.
Context:	While performing audit procedures, it was noted that management does not have sufficient controls in place related to year end closing procedures.
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 Finance Director work to prepare the adjusting and closing entries necessary, prior to the audit, to reduce the risk of material misstatement to the financial statements.
Management Response:	The City intends to have all enterprise fund capital asset and debt related entries completed before the 2020 final audit work is commenced.



CliftonLarsonAllen LLP
CLAconnect.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

David Maccoux, CPA
Principal

Scott Sternhagen, CPA
Manager

City of De Pere, Wisconsin
EXECUTIVE AUDIT SUMMARY AND
BOARD COMMUNICATIONS

DECEMBER 31, 2019

DRAFT

CITY OF DE PERE, WISCONSIN
TABLE OF CONTENTS
DECEMBER 31, 2019

EXECUTIVE AUDIT SUMMARY	1
I. FORMAL REQUIRED COMMUNICATIONS	2
II. INTERNAL CONTROL LETTER	5
APPENDIX A	
FINANCIAL TRENDS OF YOUR DISTRICT	7
APPENDIX B	
TECHNICAL UPDATE	15

DRAFT

EXECUTIVE AUDIT SUMMARY FOR
CITY OF DE PERE, WISCONSIN
YEAR ENDED DECEMBER 31, 2019

We prepared this Executive Audit Summary in conjunction with our audit of the City's financial statements for the year ended December 31, 2019.

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 2019-001 Preparation of Annual Financial Report

Material Weaknesses

- Finding 2019-002 Material Adjusting Journal Entries

In addition, there were no deficiencies in internal control over compliance reported.

Compliance Findings

There were no separate compliance findings reported.

Summary Financial Information

See page 7 through 14 for information related to fund balances, revenues and expenditures.



FORMAL REQUIRED COMMUNICATIONS

To the 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 (the City) as of and for the year ended December 31, 2019, and have issued our report thereon dated REPORT DATE. 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. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

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 the City are described in Note 1 to the financial statements.

We noted no transactions entered into by the City 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:

- Useful lives of depreciable capital assets
- Accumulated sick leave
- Net pension (WRS) and related deferred outflows and inflows of resources
- OPEB liability and related deferred outflows and inflows of resources

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 has corrected all such misstatements. Copies of the audit adjustments are available from management.

Corrected Misstatements

The following material misstatements detected as a result of audit procedures were corrected by management:

- ▶ Recorded depreciation expense, additions from expenses, and current year disposals for Stormwater Utility
- ▶ Reclassify interest income on loan receivable in the Wastewater Treatment Plan Utility
- ▶ Recorded correction of principal payments on short-term note
- ▶ Recorded reclassification of debt proceeds and refinancing payments for 2019A Notes
- ▶ Reclassified expenses and cash of \$979,905 from an inactive fund to decrease expenses in the Wastewater Utility.

Disagreements with Management

For purposes of this letter, a disagreement with management is 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.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated REPORT DATE.

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 City'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 City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our engagement.

City Council
City of De Pere

Other Information in Documents Containing Audited Financial Statements

We applied certain limited procedures to the management's discussion and analysis and the schedules relating to pensions and other postemployment benefits, which are required supplementary information (RSI) that supplements the basic financial statements. 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.

With respect to 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 REPORT DATE.

Our auditors' opinion, the audited financial statements, and the notes to financial statements should only be used in their entirety. Inclusion of the audited financial statements in a document you prepare, such as an annual report, should be done only with our prior approval and review of the document.

* * *

This communication is intended solely for the information and use of the City Council and management of the City and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
REPORT DATE



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 (the City) as of and for the year ended December 31, 2019, 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 Weaknesses

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 2019-002 Adjustments to the City's Financial Records

Significant deficiencies

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 2019-001 Preparation of Annual Financial Report

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.

CliftonLarsonAllen LLP

Green Bay, Wisconsin
REPORT DATE

DRAFT

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 8 through 14 were obtained from current and prior year audit reports.

DRAFT

CITY GOVERNMENTAL FUND BALANCES

A comparative summary of the City's fund balances as shown on December 31, 2019 and 2018 follows:

	<u>12/31/19</u>	<u>12/31/18</u>
General Fund		
Nonspendable for		
Inventories and prepaid items	\$ 172,072	\$ 166,996
Special assessments held by County	36,515	56,892
Advances to other funds	27,821	27,821
Restricted for		
Recreation scholarship	26,154	24,655
Fire UTV fund	859	630
Property tax relief and economic development	599,676	832,862
Committed for		
Non-lapsing funds	327,396	232,405
Unassigned	6,648,634	6,205,996
Total General Fund Balance	<u>7,839,127</u>	<u>7,548,257</u>
Debt Service Fund		
Restricted for debt service	<u>2,555,768</u>	<u>1,506,754</u>
Special Revenue Funds		
Restricted for		
Loans	1,049,020	931,168
Park land acquisition	104,156	71,487
Committed for Subsequent years' expenditures		
Dog Park	12,090	12,493
Riverwalk pier	231,406	1,172
Southwest Park equipment	28,813	14,517
Unassigned (Deficit)		
Cable Access	(76,503)	(30,333)
Total Special Revenue Funds	<u>1,348,982</u>	<u>1,000,504</u>
Capital Projects Funds		
Restricted for		
TID No. 5	836,194	463,094
TID No. 6	212,189	9,252
TID No. 8	820,714	696,941
TID No. 10	387,061	494,627
TID No. 11	69,066	-
TID No. 12	830,904	803,014
TID No. 13	632,715	752,992
TID No. 14	434,106	-
Committed for Subsequent years' expenditures		
Public Improvements	98,514	76,882
Capital Equipment	628,467	154,001
Community Center	7,935	7,376
Police/Fire Expansion	2,932	2,932
Unassigned		
TID No. 7	(1,137,621)	(739,731)
TID No. 9	(485,694)	(393,413)
TID No. 11	-	(300,706)
TID No. 14	-	(6,750)
Total Capital Projects Funds	<u>3,337,482</u>	<u>2,020,511</u>
Total Governmental Fund Balances	<u>\$ 15,081,359</u>	<u>\$ 12,076,026</u>

Additional information on the fund balances is presented below:

General Fund

In total the City's general fund increased \$290,870 in 2019. Overall, the City's general fund balance continues to remain in stable financial condition entering the 2020 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, 2019, the City's unassigned general fund balance totaled \$6,648,634 and was higher than 25% of the 2020 budgeted expenditures which totaled \$4,539,863. 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 2019 budgeted expenditures amounted to \$6,355,808.

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, 2019 is presented below:

	TID 5	TID 6	TID 7	TID 8	TID 9
Date created	8/27/1996	3/3/1998	10/17/2006	8/21/2007	8/7/2012
Latest termination year	2023	2021	2033	2027	2039
		West Side Industrial Park	East Downtown Business District	West Side Commercial Development	West Downtown Business District
Location	West Side Downtown Recipient	West Side Industrial Park Donor	East Downtown Business District	West Side Commercial Development	West Downtown Business District
Status	Recipient	Donor	-	-	-
Fund balance at year end	\$ 836,194	\$ 212,189	\$ (1,137,621)	\$ 820,714	\$ (485,694)
Net unreimbursed cost	1,980,421	(2,504,856)	4,083,923	1,494,195	921,884
2019 Tax increment	757,571	1,793,690	135,823	293,367	35,056
2020 Tax increment	742,515	1,880,932	129,085	305,352	40,812
Outstanding debt due	120,000	2,700,245	1,117,000	2,316,000	805,000
Advances from (to) City	2,696,615	(4,992,912)	1,829,302	(1,091)	(368,810)
	TID 10	TID 11	TID 12	TID 13	TID 14
Date created	8/7/2012	9/1/2015	9/1/2015	7/18/2017	9/19/2018
Latest termination year	2032	2035	2035	2037	2038
	East Side Industrial Park	West Side Industrial Park	West Side Industrial Park	West Side Main Avenue	Irwin School
Location	East Side Industrial Park	West Side Industrial Park	West Side Industrial Park	West Side Main Avenue	Irwin School
Status	-	-	-	-	-
Fund balance at year end	\$ 387,061	\$ 69,066	\$ 830,904	\$ 632,715	\$ 434,106
Net unreimbursed cost	3,413,275	1,105,934	(395,904)	2,472,285	445,894
2019 Tax increment	200,385	40,691	-	-	-
2020 Tax increment	207,928	137,742	-	22,364	-
Outstanding debt due	4,175,000	1,175,000	435,000	3,105,000	880,000
Advances from (to) City	(374,664)	-	-	-	-

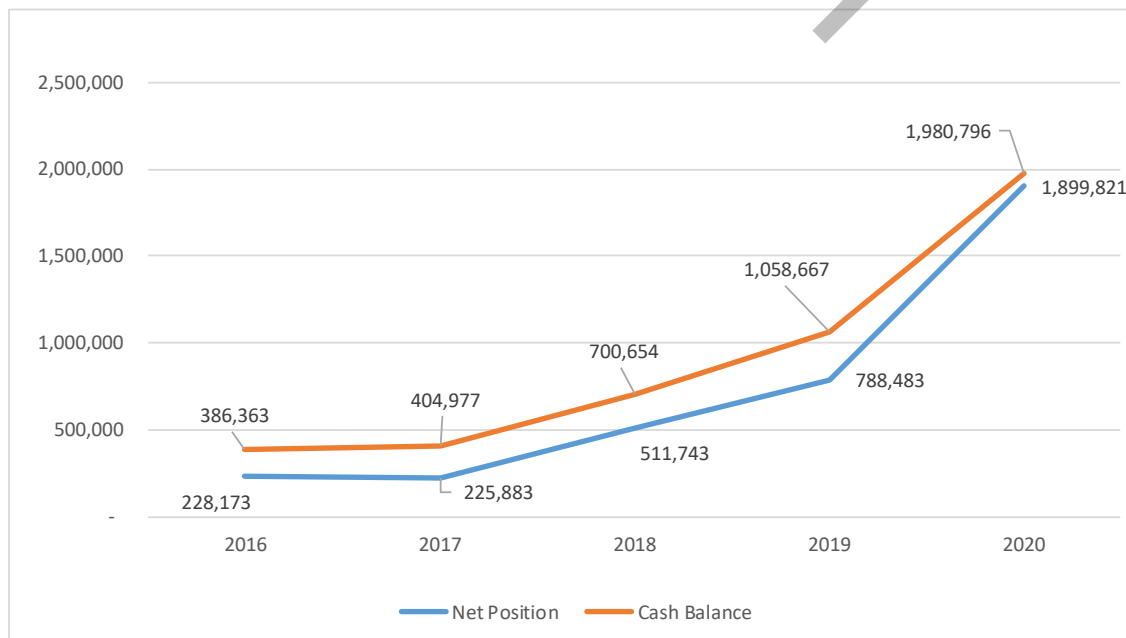
Employees Medical Self-Insurance Funds

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 2019 and in prior years the monthly health insurance premiums were generally financed at 85% by the City with City employees contributing the remaining 15%. Presented below is a summary of each fund's financial transactions for 2019 including comparative totals of the health and dental funds for 2018.

	Health Self-Insurance		Dental Self-Insurance	
	2019	2018	2019	2018
Revenues				
Charges for employees medical and dental insurance premiums	\$ 2,467,820	\$ 2,473,024	\$ 159,336	\$ 163,201
Expenses				
Employees health and dental claims	945,794	1,759,689	136,532	144,684
Administrative fees	413,777	439,149	6,875	10,523
Total Expenses	1,359,571	2,198,838	143,407	155,207
Operating Income (Loss)	1,108,249	274,186	15,929	7,994
Nonoperating Revenues				
Interest revenue	3,089	2,554	-	-
Change in Net Position	1,111,338	276,740	15,929	7,994
Net Position - January 1	788,483	511,743	11,897	3,903
Net Position - December 31	\$ 1,899,821	\$ 788,483	\$ 27,826	\$ 11,897

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 201% of health claims for 2019, which is above the range of the recommended amount for self-insurance funds

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 \$295,212 and an operating loss of \$83,555 for the year ended December 31, 2019.

	2019	2018
Operating Revenues		
Metered sales	\$ 4,368,967	\$ 4,471,526
Fire protection	1,394,135	1,390,768
Other	299,274	348,524
Total Operating Revenues	<u>6,062,376</u>	<u>6,210,818</u>
Operating Expenses		
Operation and maintenance	5,376,225	5,180,589
Depreciation	720,178	648,497
Taxes	49,528	46,647
Total Operating Expenses	<u>6,145,931</u>	<u>5,875,733</u>
Operating Income	<u>(83,555)</u>	<u>335,085</u>
Nonoperating Revenues (Expenses)		
Interest revenue	1,839	1,681
Interest and fiscal charges	<u>(51,156)</u>	<u>(64,910)</u>
Total Nonoperating Revenues (Expenses)	<u>(49,317)</u>	<u>(63,229)</u>
Income before Contributions and Transfers	<u>(132,872)</u>	<u>271,856</u>
Capital contributions	940,151	1,010,345
Transfers out	<u>(512,067)</u>	<u>(467,616)</u>
Change in Net Position	<u>\$ 295,212</u>	<u>\$ 814,585</u>

The City has submitted a rate case with the Wisconsin PSC to request a rate increase which occur in late 2020 or early 2021.

WASTEWATER UTILITY

A comparative summary of the Wastewater Utility's change in net position for the years ended December 31, 2019 and 2018 appears below:

	2019	2018
Operating Revenues		
Measured sales	\$ 6,877,480	\$ 7,030,726
Other	2,298,342	3,024,268
Total Operating Revenues	<u>9,175,822</u>	<u>10,054,994</u>
Operating Expenses		
Operation and maintenance	7,459,792	7,813,024
Depreciation	748,035	716,763
Total Operating Expenses	<u>8,207,827</u>	<u>8,529,787</u>
Operating Income (Loss)	967,995	1,525,207
Nonoperating Expenses		
Interest and fiscal charges	<u>(29,742)</u>	<u>(37,050)</u>
Income before Contributions and Transfers	938,253	1,488,157
Capital contributions	648,787	147,857
Transfers out	<u>(256,610)</u>	<u>(269,253)</u>
Change in Net Position	<u>\$ 1,330,430</u>	<u>\$ 1,366,761</u>

Below is a summarized cash flow for the year ended December 31, 2019 for the Wastewater Utility with a comparative to 2018:

	2019	2018
Cash Flows from Operating Activities	<u>\$ 1,117,382</u>	<u>\$ 2,677,277</u>
Transfer in (out) from the general fund	<u>(256,610)</u>	<u>(269,253)</u>
Cash Flows from Capital and Related Financing Activities		
Acquisition of capital assets	(855,431)	(1,619,949)
Principal payments on long-term debt	(372,500)	(365,000)
Interest payments on long-term debt	(45,669)	(52,018)
Net Cash Flows from Capital and Related Financing Activities	<u>(1,273,600)</u>	<u>(2,036,967)</u>
Net Change in Cash for Year Ended December 31	<u>\$ (412,828)</u>	<u>\$ 371,057</u>

The City used cash on hand to fund capital assets during 2019.

STORMWATER UTILITY

A comparative summary of the Stormwater Utility's change in net position for the years ended December 31, 2019 and 2018 appears below:

	2019	2018
Operating Revenues		
Charges for services	\$ 1,726,712	\$ 1,624,661
Operating Expenses		
Operation and maintenance	943,272	861,522
Depreciation	499,508	457,957
Total Operating Expenses	1,442,780	1,319,479
Operating Income	283,932	305,182
Nonoperating Revenue		
Nonoperating grants	-	94,612
Capital contributions	950,353	382,590
Change in Net Position	\$ 1,234,285	\$ 782,384

In 2019, the Stormwater Utility had an operating income of \$283,932 in 2019 compared to an operating income of \$305,182 in 2018. At year end, available cash of the Stormwater Utility totaled \$1,049,549.

COMMENTS AND OBSERVATIONS*Approval of Journal Entries*

Currently when a journal entry is needed the Finance Director will prepare an entry and have another individual post the entry into the City's accounting system. There is not a formal review process for entries created by the Finance Director that are entered into the accounting system. Furthermore, the Finance Director can post the entry into the accounting system if another employee is unavailable to do so.

We recommend that the City develop a formal procedure for reviewing and posting of journal entries.

DRAFT

APPENDIX B

TECHNICAL UPDATE

The GASB standards have been issued but are not yet effective.

GASB Statement No. 84 – Fiduciary Activities

GASB Statement No. 84 establishes criteria for identifying fiduciary activities for state and local governments, focusing on (1) whether the government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. Governments with activities meeting the criteria should present a statement of fiduciary net position and a statement of changes in fiduciary net position. An exception is provided for a business-type activity that normally expects to hold custodial assets for three months or less. Different criteria are included for fiduciary component units and postemployment benefit arrangements.

The main changes of this statement:

1. Governments may find additional activities that need to be reported as fiduciary that were not reported in the past.
2. Some activities treated as fiduciary may no longer be reported as fiduciary.
3. Agency funds will now be called custodial funds.
4. A statement of changes in fiduciary net position will be required for custodial funds.
5. Liabilities will be reported when an event has occurred that compels the government to disburse fiduciary resources.
6. Single purpose business-type activities will be required to report fiduciary activities unless the above exception applies.

The statement was effective for the City beginning in the 2020 fiscal year.

GASB Statement No. 87 – Leases

GASB Statement No. 87 requires recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. Specifically, this statement:

1. Establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.
2. Defines the “lease term” and clarifies when lessees and lessors should reassess the lease term due to lease modifications or terminations.
3. Defines and establishes recognition criteria for short-term leases.
4. Amends accounting and financial reporting requirements for contracts with multiple components, contract combinations, subleases, and leaseback transactions.

The statement is effective for the City beginning in the 2022 fiscal year.

Steps that can be taken now:

- 1) **Gather leases and contracts.** Depending on the number of leases your organization has, this may be a bigger challenge than anticipated. Keep in mind that not all leases are written “lease” agreements. Some contracts also include embedded leases that were previously treated as expenses, so you may be surprised to find more operating leases than you realized. Checking accounts payable for recurring payments may help you locate agreements that you’ll need to analyze.
- 2) **Analyze all contracts to determine which are leases under the new standard.** GASB 87 defines a lease as a “contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset), as specified in the contract, for a period of time in an exchange or exchange-like transaction.” Here are some of the agreements that can be excluded:
 - Short-term leases that are one year or less in duration.
 - Intangibles, such as investment assets, software licenses, and patents.

- 3) **Financed purchases, where ownership of the asset transfers at the end of the lease without an additional payment. Review leases for multiple components.** Some leases include service agreements that will need to be split off from the entire lease. Many agreements (like service agreements and supply contracts) may qualify as leases under GASB 87. Some examples of service contracts that may have embedded leases can include cafeteria equipment, soda fountains, water coolers, coffee machines, etc. where the government may get to use a particular piece of equipment for free in return for the exclusive use of the provider's products.
- 4) **Determine appropriate materiality thresholds for capitalization.** Work with your auditor to determine what this should be. Be aware that items that are well below that threshold individually may be material in the aggregate.
- 5) **Select a technology solution such as leasing software to help manage your leases.** Unless your organization only has a few leases, the calculations for journal entries and footnote disclosures will most likely be beyond the capabilities of Excel. When choosing a software solution, keep in mind that tracking this information from leases will be an ongoing project, so look for one that's easy to use and provides your organization with all the information you'll need. Make sure to consider document storage as part of the capabilities. Entities with greater than 10-20 identified leases may wish to seriously consider a lease software solution and not rely on spreadsheets. Keep in mind that if a government has many similar leases, it may choose to amortize the lease assets as a group rather than individually. Composite depreciation is applied to groups of dissimilar assets, but should not be applied across classes of assets, such as buildings, equipment, furniture, and vehicles.
- 6) **Consider the City's bond covenants, loan covenants, and debt limitations to determine impact.** While a recent update from GASB (GASB 88) specifies that lease liabilities are excluded from the definition of debt for the purposes of financial statement disclosures, it's not clear whether banks, credit rating agencies or other stakeholders will take a similar stance.

Adding liabilities for operating leases to the balance sheet may mean that covenants for bond contracts and loan agreements will be violated. If this is the case, you may need to renegotiate those agreements. Contacting these stakeholders and other interested parties early on is crucial.

Adding to the complexity, the rules and statutes governing debt limitations vary across states, counties, and municipalities. You may need to consult with an attorney to determine whether lease liabilities count as debt for those limitations.

- 7) **Develop new City policies and procedures as necessary.** Unlike many other financial controls, you'll need to work as a team with people outside of accounting, including procurement, IT, and legal, to make sure all leases and contracts go through accounting. You may need to educate others about the balance sheet impacts of leases.
- 8) **Do your initial calculations and run the results past your auditor.** Because the calculations are different from the previous treatment of leases, some advisors are recommending performing a trial calculation on a subset of your leases. Then, ask us as your auditors to check your numbers before you do the entire population of leases.
- 9) **Begin the process early.** Early adopters report that they need two or three hours per lease to analyze and extract the data. Adding to the challenge, many government finance professionals wear many hats, and dealing with financial matters may be only a small part of their responsibilities. Be sure to keep the resulting information very organized and accessible and also keep in mind the new information that will be required for footnote disclosures.
- 10) **Start learning and keep learning.** Understanding the new standards is a steep learning curve. You'll need to dedicate time and resources for your team to get up to speed.



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Attorney

FROM: Judith Schmidt-Lehman

SUBJECT: Review and Discussion of Community Equity and Inclusion Survey Results (Request of Ald. Raasch).

ATTACHMENTS:

- Disparity Analysis 2020 De Pere (PDF)
- Polco Overview 2020 De Pere (PDF)

City of De Pere, WI Community Equity and Inclusion Survey Disparity Analysis

September 15, 2020



polco.us

n-r-c.com

Background

In response to recent national calls for racial justice, inclusivity and equity for historically oppressed and marginalized peoples, Polco developed a Community Equity and Inclusion Survey. The survey results can be used to help local governments assess their community for inclusion. It also empowers underrepresented residents to improve their community by helping shape local policies. The questionnaire includes questions about issues such as safety, fairness, respect and how welcome residents feel inside of their communities. Polco/NRC hope that local governments will use the survey results not only to shape internal policy, but also to partner with the community to bring results to life.

The City of De Pere posted the survey on their Polco platform (an online civic engagement platform) on July 26, 2020 and received responses through August 25, 2020. A total of 279 responses were gathered during that time. The overall results can be viewed on the platform. However, to encourage communities to post the questionnaire and gather responses, Polco offered an additional “disparity analysis” to those jurisdictions who published the survey.

This document displays the results of the disparity analysis for De Pere. One of the questions on the survey asked respondents how welcoming they felt the community was to a variety of groups of people, such as those of lower income, those who had served in the military, those of various racial/ethnic backgrounds, etc. The chart on the next page shows the percent of people who said they believed the De Pere community was “**very welcoming**” to each group. In the green box in the upper left-hand corner is shown the groups to which more than 70% of respondents felt the community was very welcoming. Going clockwise, the next green box shows the groups to which fewer than 70% of respondents but more than half believed the community was very welcoming. In the lower right hand corner are the groups to which 40% to 49% of respondents considered the community very welcoming, while in the lower left hand corner are the groups to which fewer than 40% of respondents thought the community was very welcoming.

The charts on pages 3 to 10 show the percent of respondents of various demographic subpopulations who considered the community **very or moderately welcoming** to the groups displayed. The demographic breakdown shown is related to the groups of interest; for example, on page 7, it can be observed that respondents with lower incomes were less likely to feel the community was welcoming to people with lower incomes compared to respondents with middle and higher incomes. Some of the demographic subpopulations included fewer than 50 respondents, these are marked with an asterisk (*) on the following pages. For two of the groups, whether English was the respondent’s first language or not, or whether the respondent’s country of origin was the USA or not, there were too few respondents in one of the groups to create breakdowns. For others, multiple categories were combined into an “other” category to allow comparisons to be made.

Welcoming Communities

How welcoming, if at all, do you think your community is for . . .

Men (81%)

People who are White (81%)

People of Christian faith (76%)

People who are veterans or military personnel (75%)

People who are older (71%)

Women (67%)

People who are conservative (61%)

People who are younger (57%)

People who are American Indian or Alaskan Native (52%)

People who are Asian, Asian Indian or Pacific Islander (51%)

People with disabilities (50%)

People who are Arabic or Middle Eastern (39%)

People whose first language is not English (39%)

People who identify as transgender (37%)

People who are of lower income (36%)

People who are not U.S. citizens (36%)

People of Islamic faith (34%)

People who are liberal (49%)

People who are agnostic or atheist (47%)

People who are Black or African American (47%)

People who are Hispanic (46%)

People of other faiths (45%)

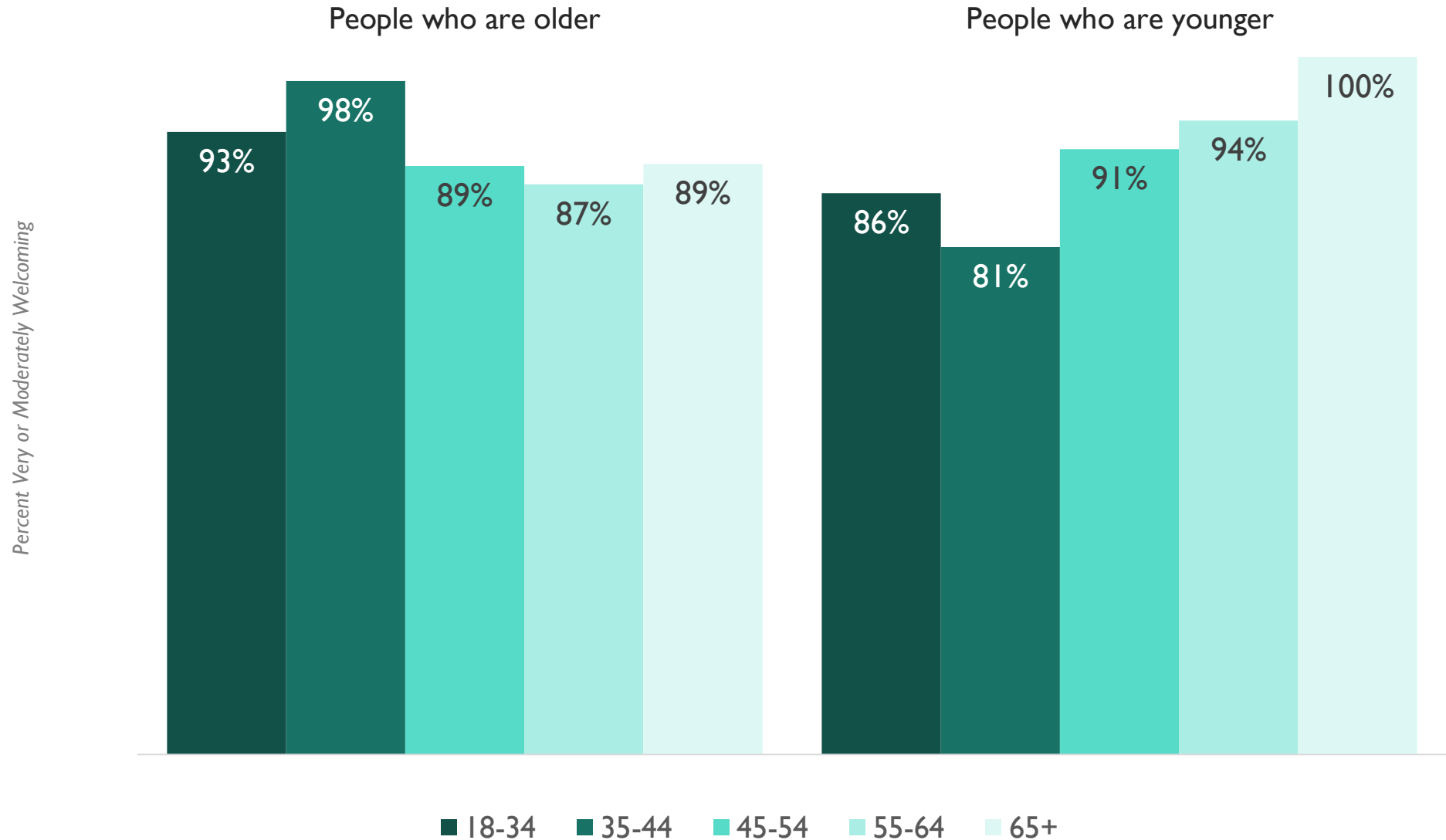
People of Jewish faith (44%)

People who identify as lesbian, gay, bisexual, or other non-straight sexual identities (43%)

Percent "Very Welcoming"

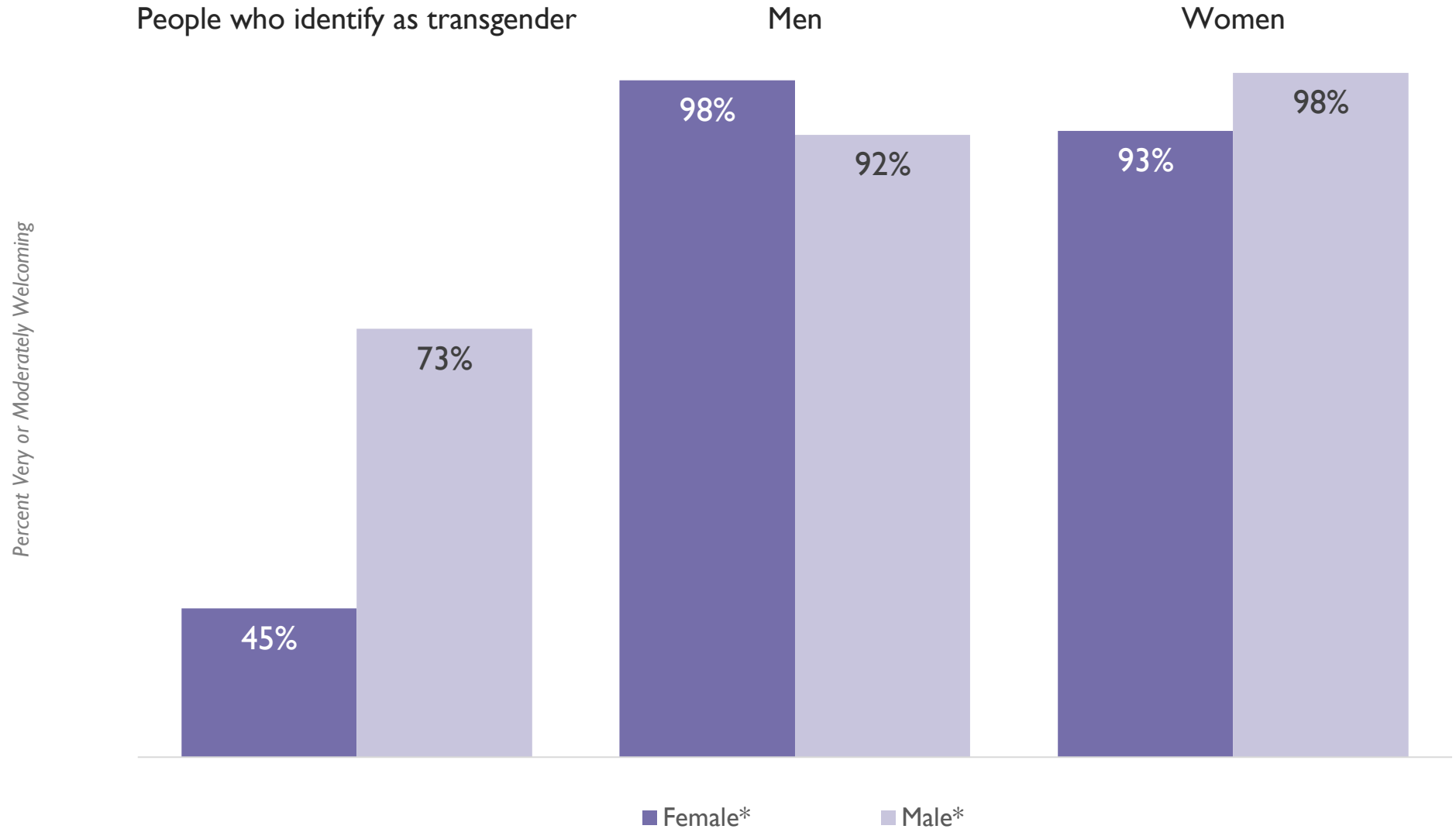
Disparity Analysis by Age of Respondent

How welcoming, if at all, do you think your community is for . . .



Disparity Analysis by Gender of Respondent

How welcoming, if at all, do you think your community is for . . .

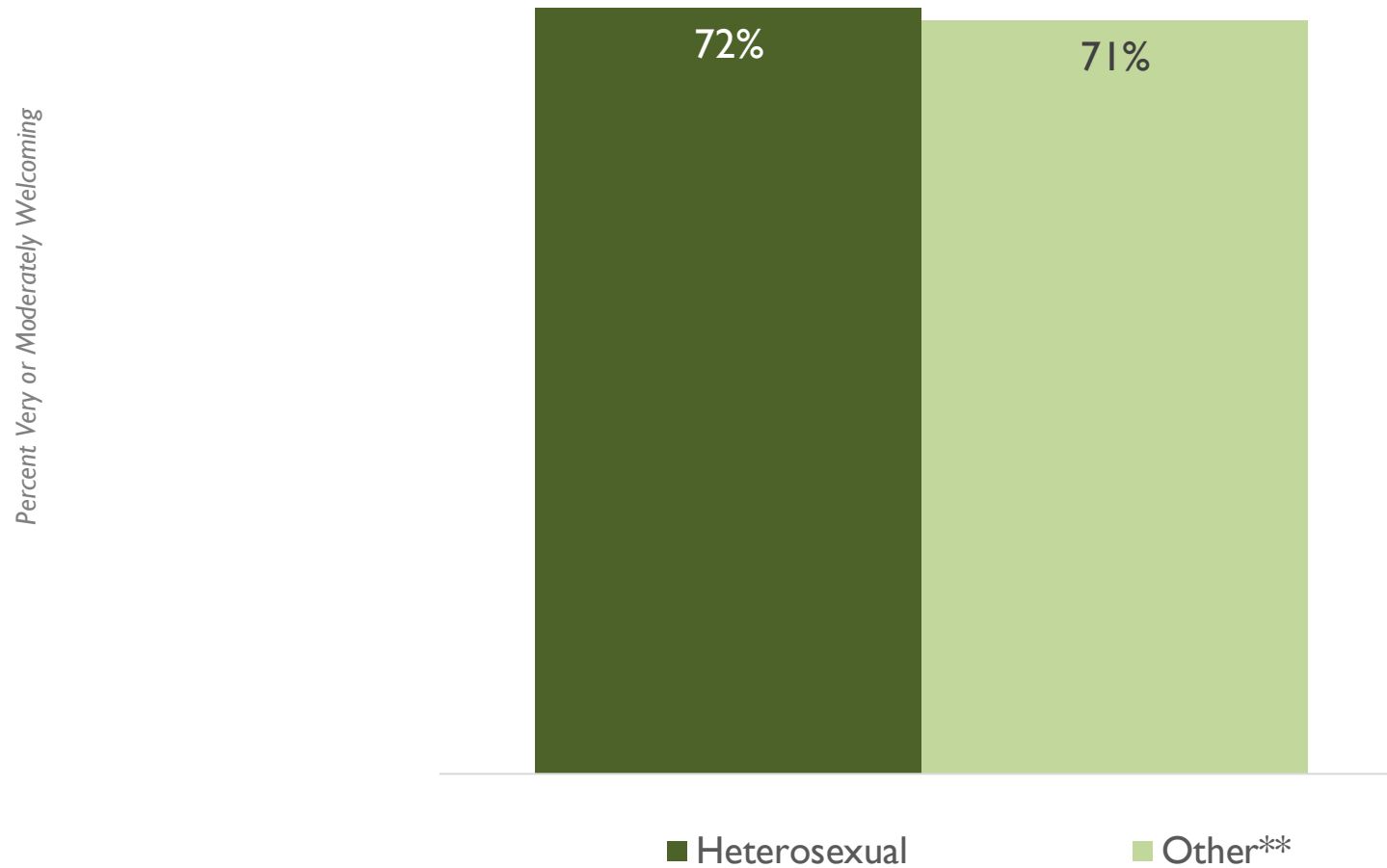


**As very few respondents identified another way, their responses are not shown*

Disparity Analysis by Sexual Orientation

How welcoming, if at all, do you think your community is for . . .

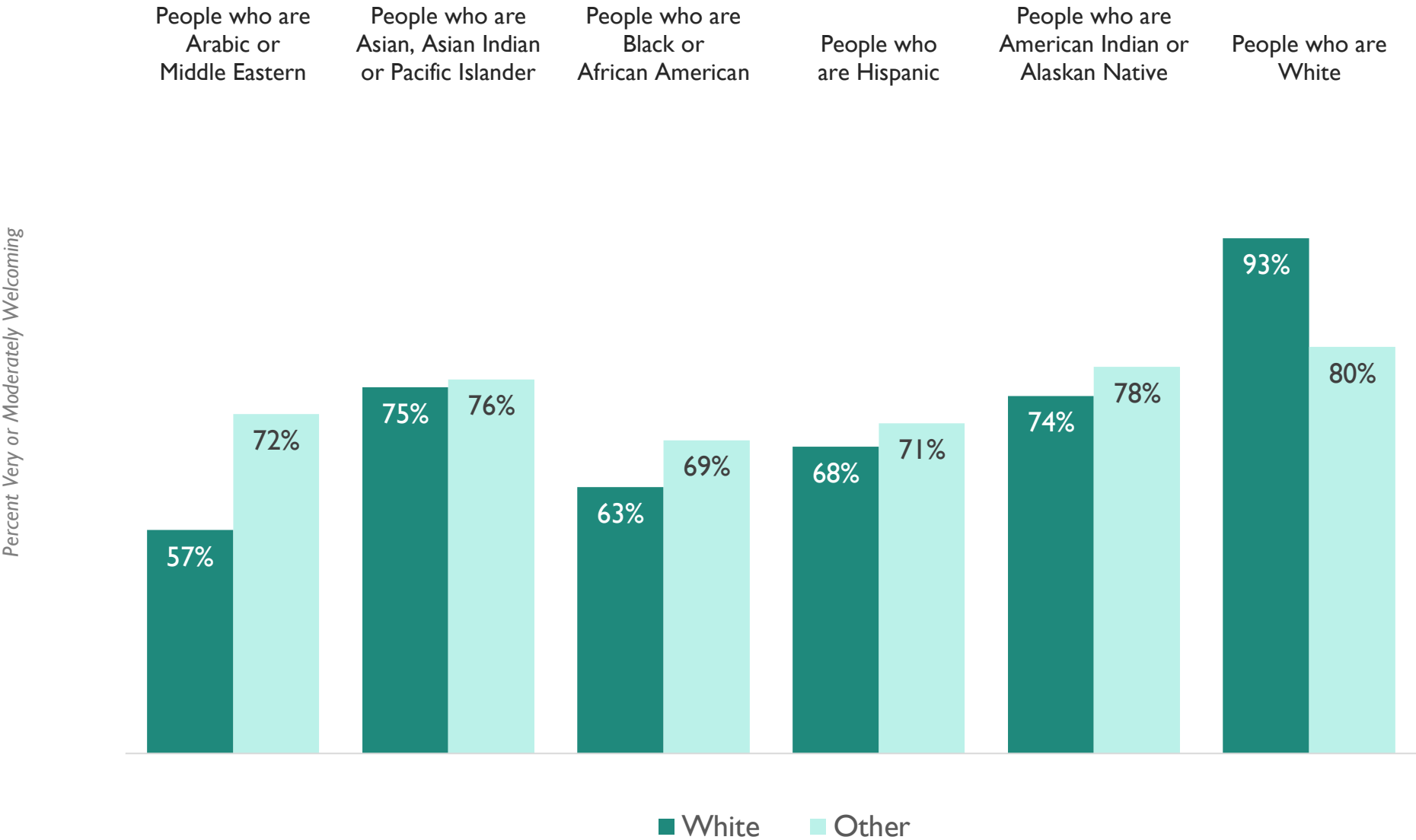
People who identify as lesbian, gay, bisexual, or other non-straight sexual identities



***Other included asexual, bisexual, gay, lesbian, queer, questioning, prefer to identify another way*

Disparity Analysis by Respondent Race/Ethnicity

How welcoming, if at all, do you think your community is for . . .

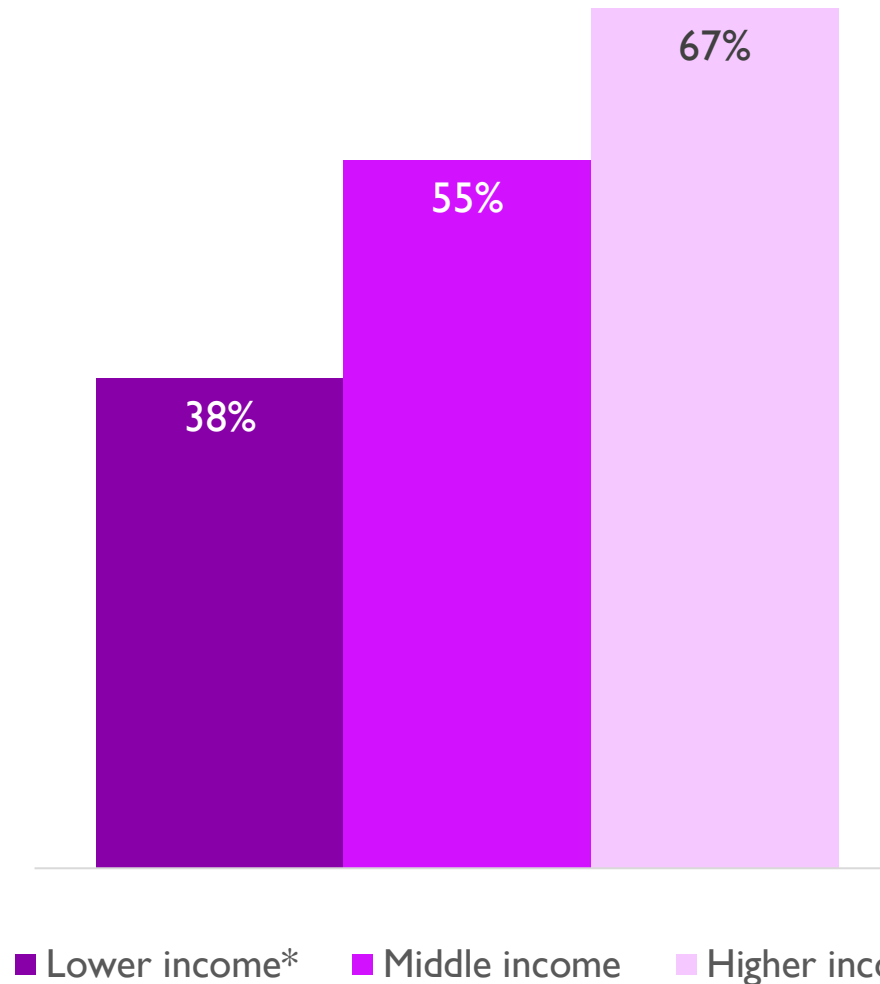


Disparity Analysis by Respondent Annual Income

How welcoming, if at all, do you think your community is for . . .

People who are of lower income

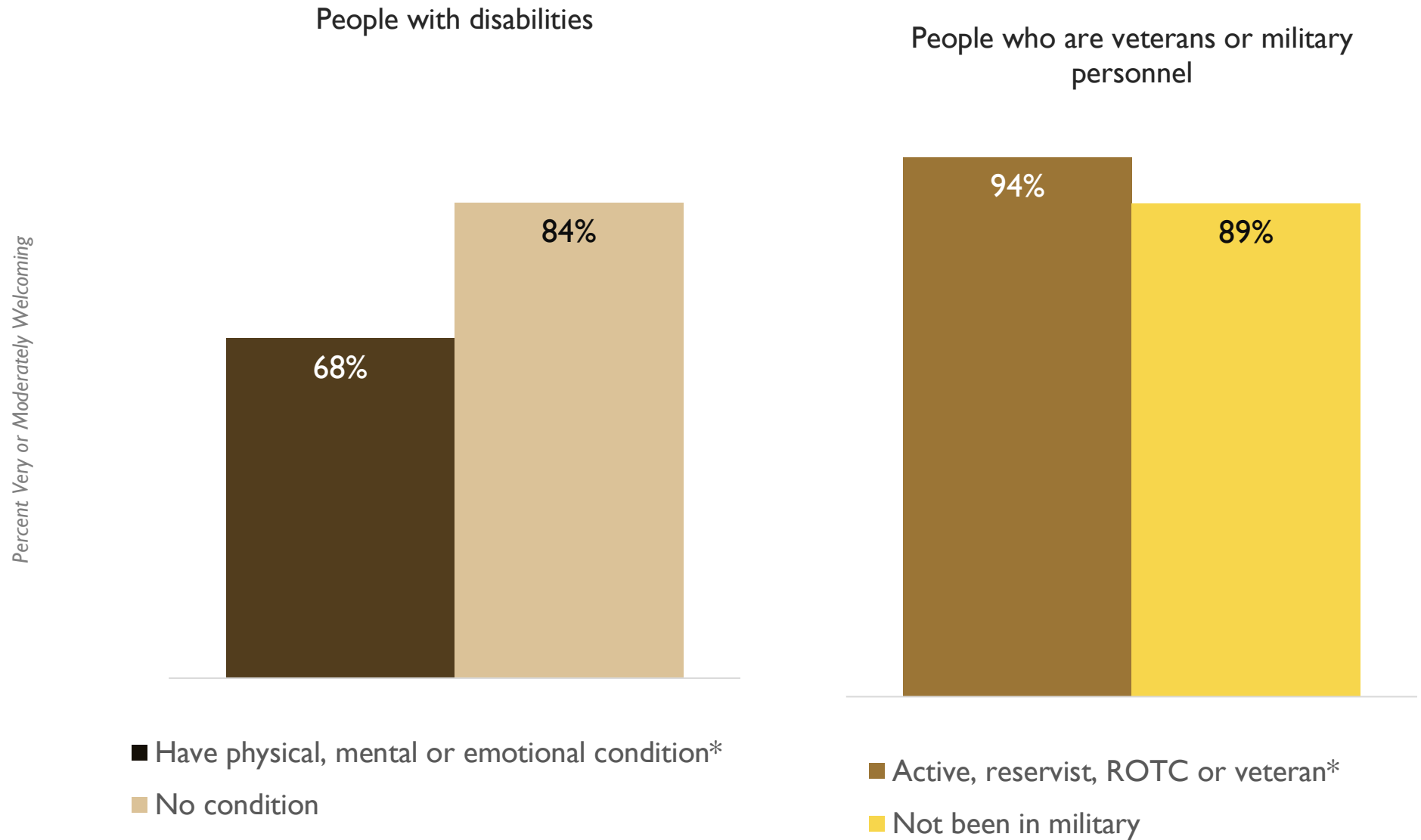
Percent Very or Moderately Welcoming



**Only 30 or 32 respondents were in these categories*

Disparity Analysis by Disability and Veteran Status

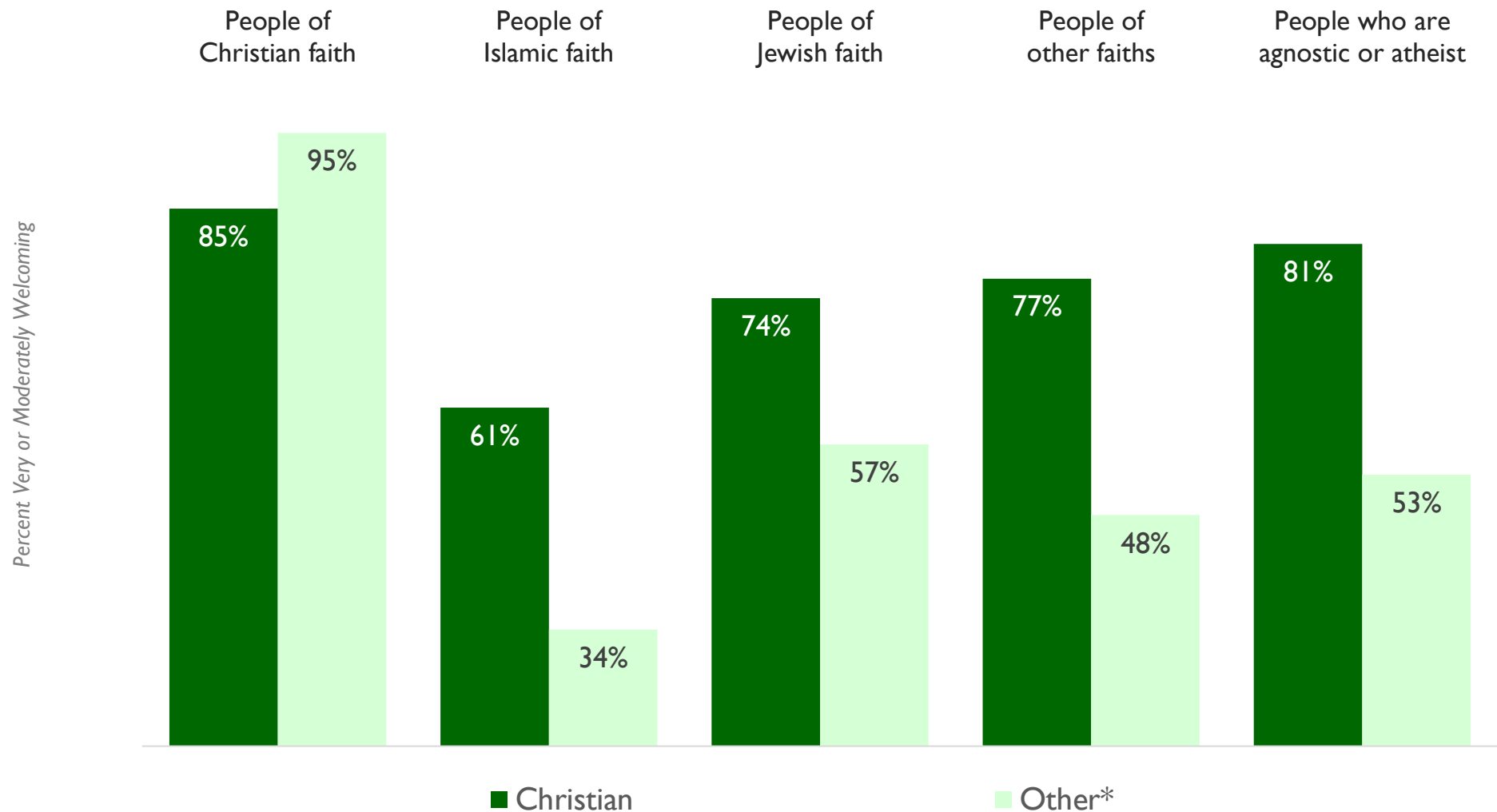
How welcoming, if at all, do you think your community is for . . .



*Fewer than 50 respondents were in these categories

Disparity Analysis by Religious/Spiritual Identity

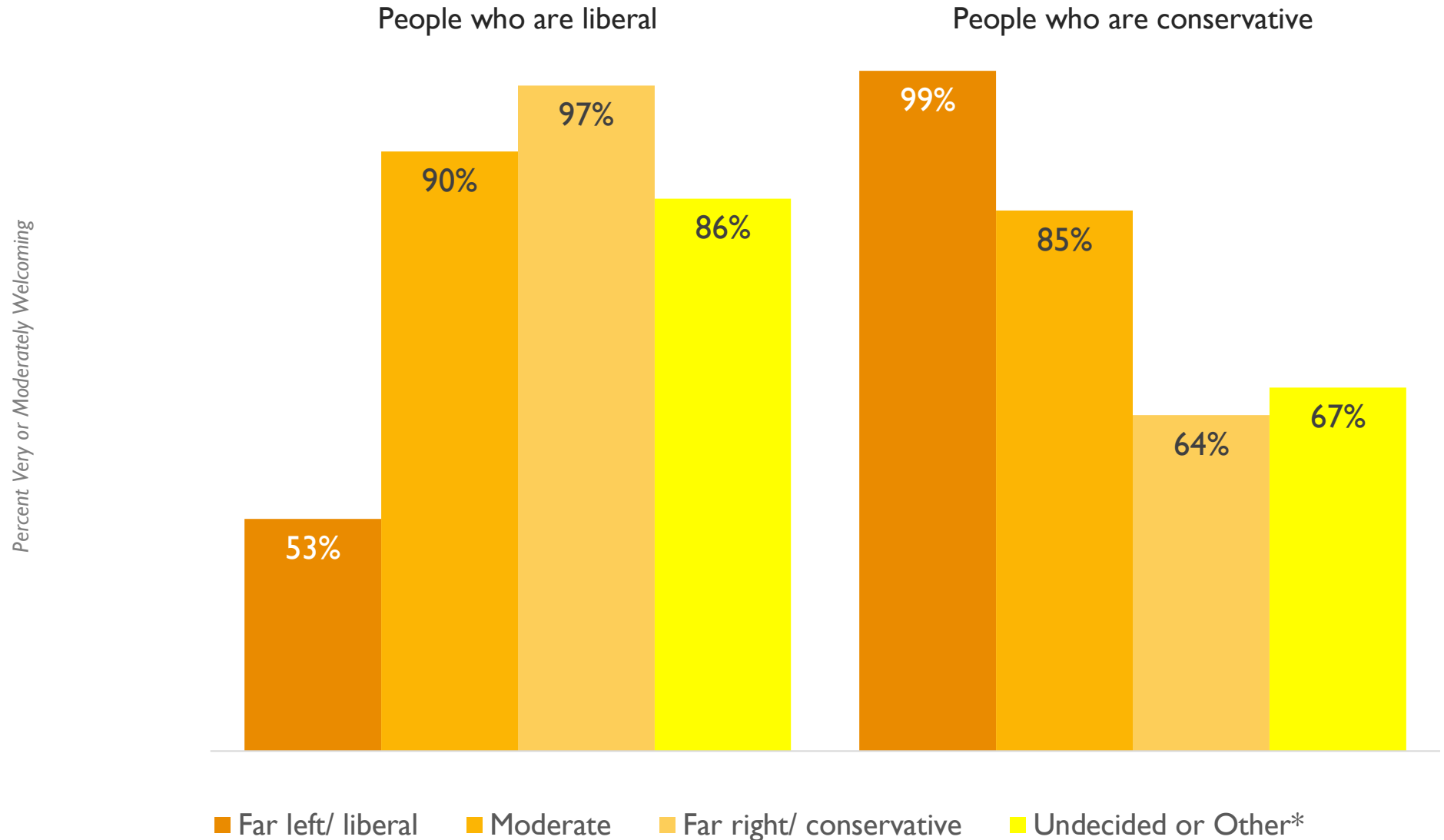
How welcoming, if at all, do you think your community is for . . .



* The other category included Buddhist, Hindu, Jewish, Muslim, Sikh, Other, agnostic/atheist, no affiliation and spiritual but not religious

Disparity Analysis by Political Identity

How welcoming, if at all, do you think your community is for . . .



*Only 34 respondents were in this category



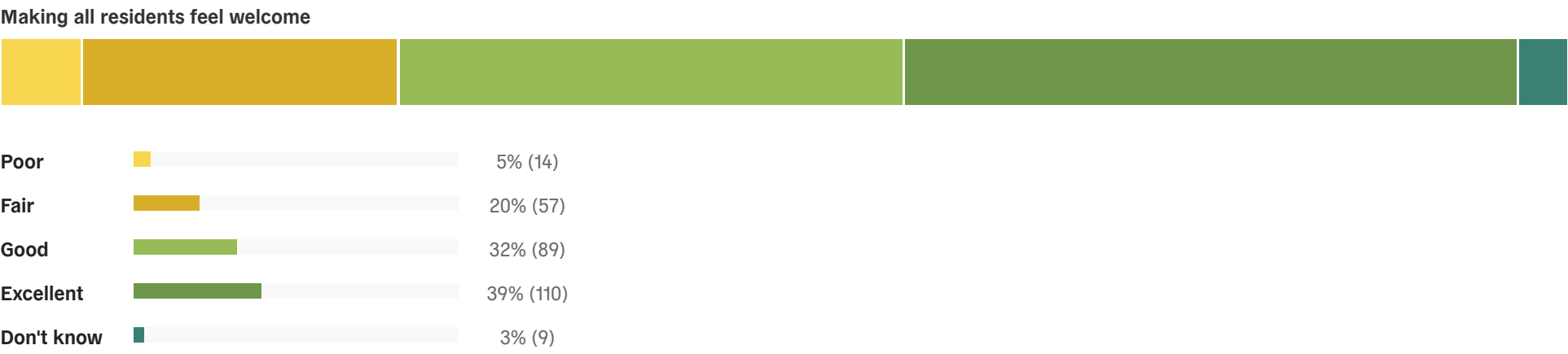
Community Equity and Inclusion

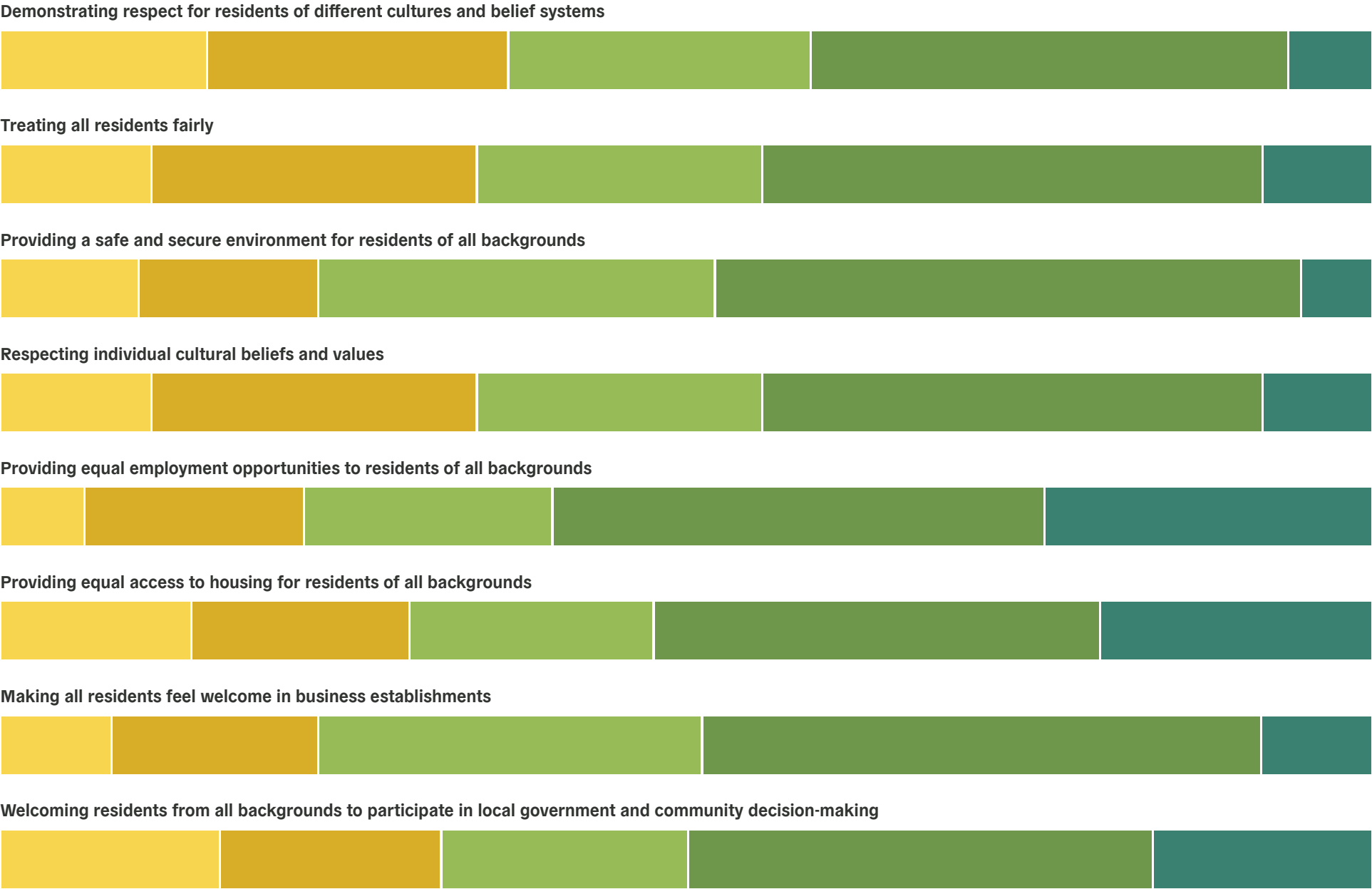
Survey Results
FINAL

09/08/2020

Please rate your community on each of the following:

Question	Poor	Fair	Good	Excellent	Don't know
Making all residents feel welcome	5%	20%	32%	39%	3%
Helping new residents feel connected and integrated	8%	27%	27%	29%	9%
Attracting people from diverse backgrounds	26%	21%	18%	27%	8%
Valuing residents from diverse backgrounds	17%	21%	22%	32%	8%
Demonstrating respect for residents of different cultures and belief systems	15%	22%	22%	35%	6%
Treating all residents fairly	11%	24%	21%	37%	8%
Providing a safe and secure environment for residents of all backgrounds	10%	13%	29%	43%	5%
Respecting individual cultural beliefs and values	11%	24%	21%	37%	8%
Providing equal employment opportunities to residents of all backgrounds	6%	16%	18%	36%	24%
Providing equal access to housing for residents of all backgrounds	14%	16%	18%	33%	20%
Making all residents feel welcome in business establishments	8%	15%	28%	41%	8%
Welcoming residents from all backgrounds to participate in local government and community decision-making	16%	16%	18%	34%	16%

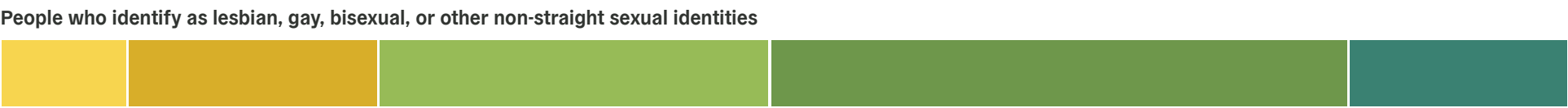
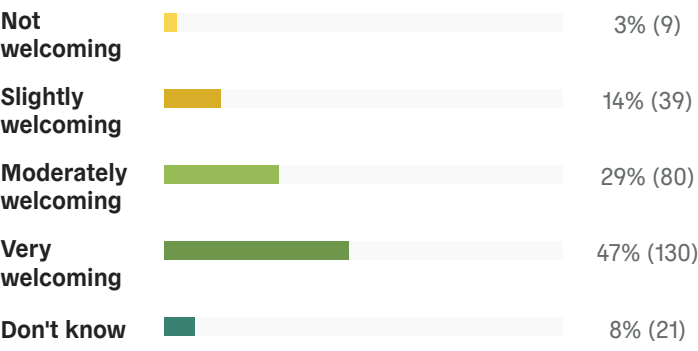




How welcoming, if at all, do you think your community is for:

Question	Not welcoming	Slightly welcoming	Moderately welcoming	Very welcoming	Don't know
People with disabilities	3%	14%	29%	47%	8%
People who identify as lesbian, gay, bisexual, or other non-straight sexual identities	8%	16%	25%	37%	14%
People who identify as transgender	18%	13%	15%	27%	27%
Men	4%	2%	12%	77%	6%
Women	0%	4%	27%	65%	4%
People who are Arabic or Middle Eastern	16%	16%	16%	31%	21%
People who are Asian, Asian Indian or Pacific Islander	8%	14%	20%	43%	15%
People who are Black or African American	15%	17%	15%	42%	10%
People who are Hispanic	13%	15%	19%	41%	11%
People who are American Indian or Alaskan Native	7%	15%	19%	45%	14%
People who are White	4%	5%	9%	78%	4%

Question	Not welcoming	Slightly welcoming	Moderately welcoming	Very welcoming	Don't know
People whose first language is not English	15%	22%	17%	34%	12%
People who are not U.S. citizens	20%	15%	12%	27%	26%
People of Christian faith	6%	5%	11%	72%	5%
People of Islamic faith	23%	14%	12%	26%	25%
People of Jewish faith	9%	17%	18%	34%	21%
People of other faiths	9%	16%	15%	33%	26%
People who are agnostic or atheist	9%	13%	16%	34%	27%
People who are liberal	4%	13%	29%	45%	8%
People who are conservative	10%	9%	18%	57%	7%
People who are veterans or military personnel	2%	4%	18%	71%	6%
People who are older	2%	5%	19%	67%	6%
People who are younger	3%	9%	30%	55%	4%
People who are of lower income	20%	22%	17%	33%	8%



People who are Black or African American



People who are Hispanic



People who are American Indian or Alaskan Native



People who are White



People whose first language is not English



People who are not U.S. citizens



People of Christian faith



People of Islamic faith



People of Jewish faith



People of other faiths



People who are agnostic or atheist



People who are liberal



People who are conservative



People who are veterans or military personnel



People who are older



People who are younger

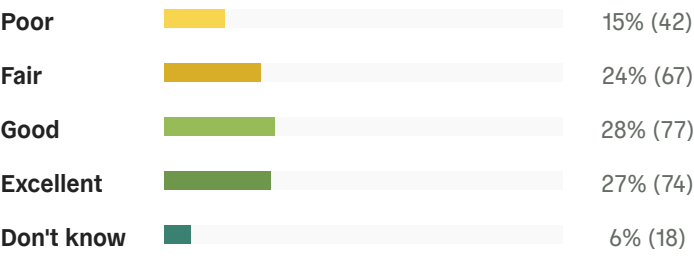


People who are of lower income



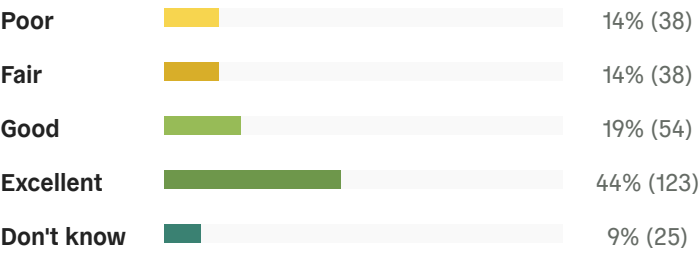
Please rate your LOCAL GOVERNMENT on each of the following:

Question	Poor	Fair	Good	Excellent	Don't know
Creating a community welcoming to residents of all backgrounds	15%	24%	28%	27%	6%
Treating all residents with respect	12%	23%	33%	29%	4%
Treating all residents fairly	10%	25%	31%	27%	7%



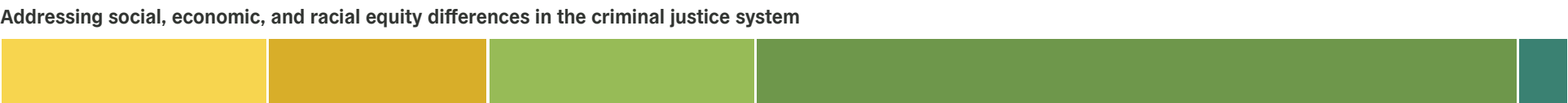
Please rate your LOCAL LAW ENFORCEMENT on each of the following:

Question	Poor	Fair	Good	Excellent	Don't know
Creating a community welcoming to residents of all backgrounds	14%	14%	19%	44%	9%
Treating all residents with respect	10%	15%	24%	44%	6%
Treating all residents fairly	12%	15%	22%	45%	7%



How much of a priority, if at all, should it be for your LOCAL GOVERNMENT to focus on the following?

Question	Not a priority	Low priority	Moderate priority	High priority	Don't know
Creating a diverse, inclusive, and fair community	13%	17%	27%	41%	1%
Addressing social, economic, and racial equity differences in jobs and housing	17%	13%	24%	44%	2%
Addressing social, economic, and racial equity differences in health and education	15%	15%	23%	46%	2%
Addressing social, economic, and racial equity differences in the criminal justice system	17%	14%	17%	49%	3%
Hiring more diverse staff	20%	19%	26%	32%	4%
Recruiting diverse people into positions of local government leadership	23%	17%	22%	36%	3%



To what extent, if at all, have YOU personally experienced discrimination based on each of the following in your local community in the past 12 months?

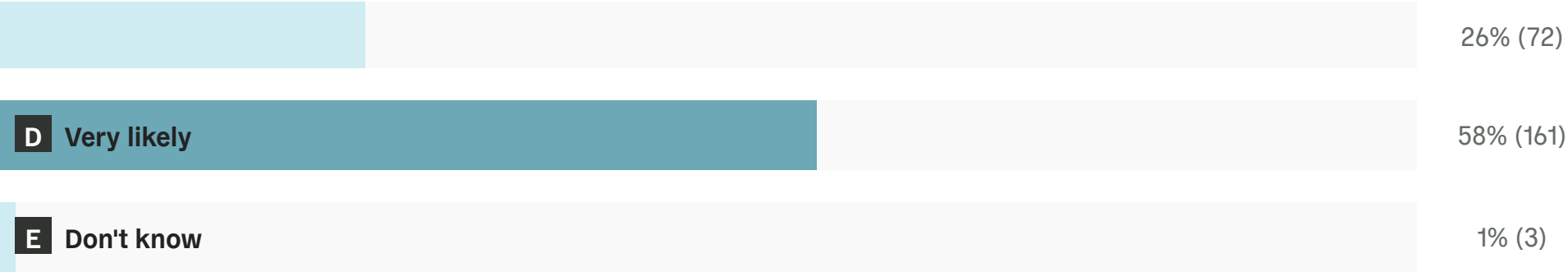
Question	Never	Rarely	Some of the time	Most of the time
Age	67%	20%	11%	1%

Question	Never	Rarely	Some of the time	Most of the time
Gender	58%	22%	15%	4%
Race(s)	73%	14%	9%	4%
National origin (birth country)	88%	6%	4%	2%
Religion	65%	19%	10%	6%
Political affiliation	31%	20%	32%	16%
Disability	85%	9%	5%	1%
Sexual orientation or gender identity	87%	6%	5%	2%



How likely or unlikely are you to recommend living in your community to a friend or family member who asks?

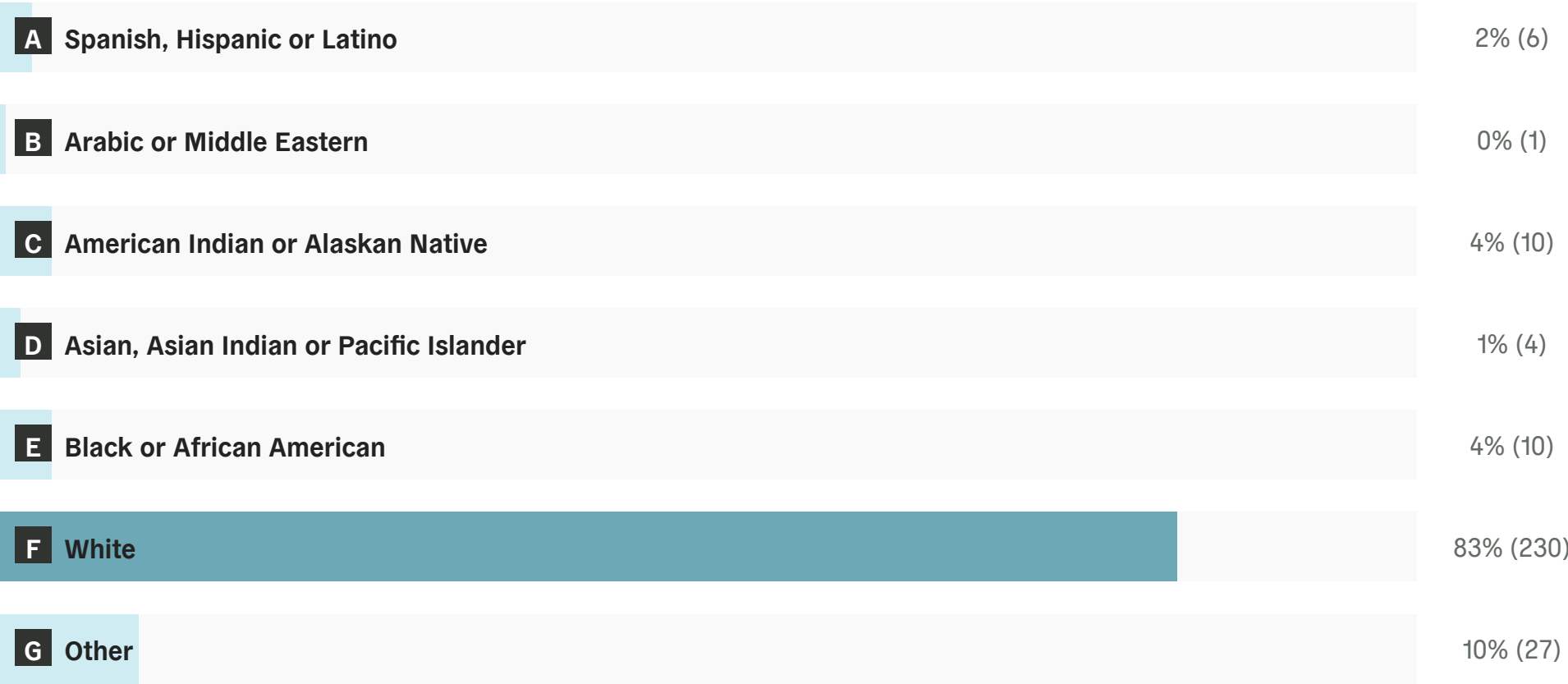




In which category is your age?



What is your race and/or ethnicity? (Mark one or more races/ethnicities to indicate which you consider yourself to be.)



Is English your first language?



E

No

3% (7)

Which best describes your country of origin, regardless of current nationality?

A

My country of origin is the USA

98% (273)

B

I am originally from another country

2% (6)

What is your gender?

A

Female

51% (143)

B

Male

47% (131)

C

Identify in another way

2% (5)

Which term best describes your sexual orientation?

A

Asexual

8% (22)

B

Bisexual

4% (10)

C

Gay

1% (4)

D

Heterosexual

81% (219)

E

Lesbian

2% (5)

F

Queer

0%

G

Questioning

1% (2)

H

I prefer to self identify

5% (13)

Are/were you a member of the U.S. armed forces?

A

I have not been in the military

90% (249)

B

Active military

0%

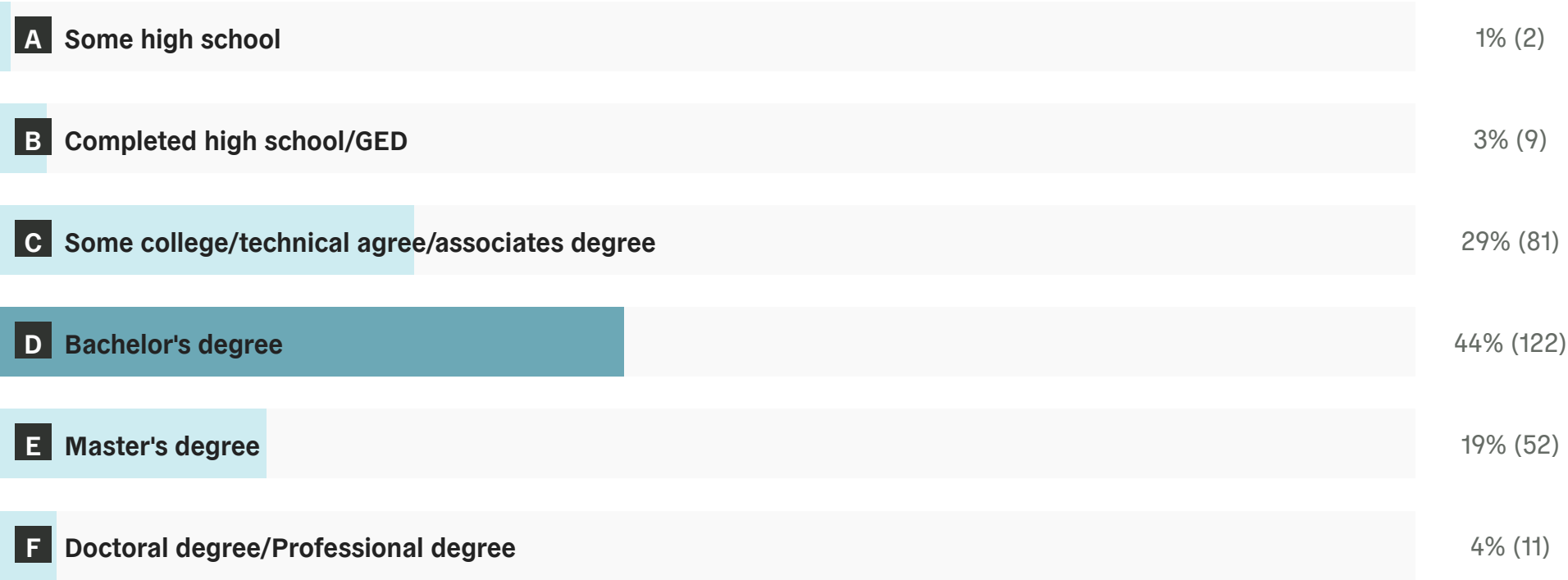
C

Reservist

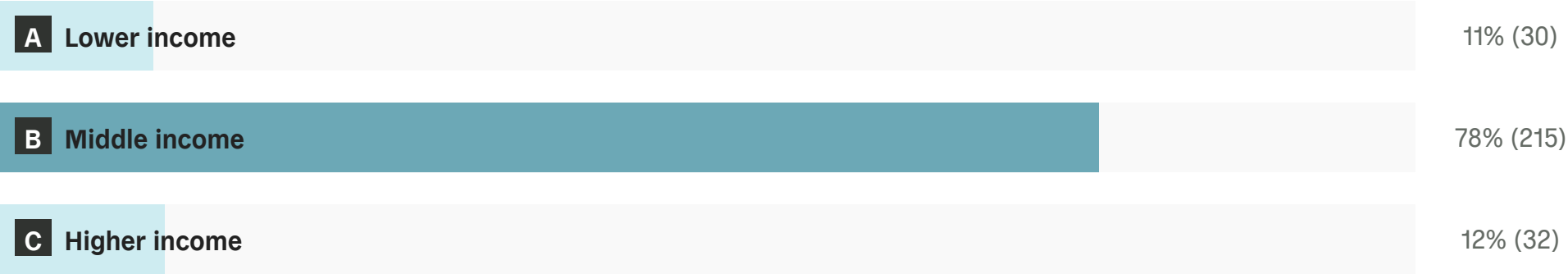
0%



What is your highest completed level of education?



How would you describe your household income?



Do you have a physical, mental, or emotional condition that limits and/or shapes your participation in work and society?



How would you characterize your political views?



E	Far Right	1% (2)
F	Undecided	7% (18)
G	Other	6% (16)

What is your religious or spiritual identity?

A	Agnostic / Atheist	15% (40)
B	Buddhist	0% (1)
C	Christian	65% (178)
D	Hindu	0% (1)
E	Jewish	1% (2)
F	Muslim	1% (2)
G	Sikh	0%
H	Spiritual, but no religious affiliation	14% (38)
I	No affiliation	5% (13)
J	Other	2% (6)



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: October 20, 2020

DEPARTMENT: City Clerk

FROM: Carey Danen

SUBJECT: Voucher approval.

ATTACHMENTS:

- 10-20-2020 VOUCHERS (PDF)

10/15/2020 9:15 AM A / P CHECK REGISTER
 PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20
 VENDOR SET: 01 **** CHECK LISTING ****
 BANK : AP ASSOCIATED

PAGE: 1

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0001	A1 ELEVATOR CORP							
	I-16602	A1 ELEVATOR CORP	R	10/20/2020		138.00CR	093641	
	I-16603	A1 ELEVATOR CORP	R	10/20/2020		175.50CR	093641	313.50
7583	ADVANCE AUTO PARTS							
	I-6339-291920	ADVANCE AUTO PARTS	R	10/20/2020		3.14CR	093642	
	I-6339-292001	ADVANCE AUTO PARTS	R	10/20/2020		109.61CR	093642	112.75
6802	ADVANCED DISPOSAL							
	I-B80000722600	ADVANCED DISPOSAL	R	10/20/2020		581.46CR	093643	581.46
0302	AIRGAS USA LLC							
	I-9105703498	AIRGAS USA LLC	R	10/20/2020		225.24CR	093644	
	I-9973787347	AIRGAS USA LLC	R	10/20/2020		586.00CR	093644	811.24
0007	AMBROSIUS SALES & SERVICE							
	I-29209	AMBROSIUS SALES & SERVICE	R	10/20/2020		32.32CR	093645	
	I-29210	AMBROSIUS SALES & SERVICE	R	10/20/2020		257.65CR	093645	
	I-29378	AMBROSIUS SALES & SERVICE	R	10/20/2020		170.91CR	093645	460.88
1380	AUTOHOE II INC							
	I-18831	AUTOHOE II INC	R	10/20/2020		30.00CR	093646	30.00
0442	BADGER LABORATORIES INC							
	I-20-50026056	BADGER LABORATORIES INC	R	10/20/2020		620.00CR	093647	620.00
0020	BADGERLAND PRINTING INC							
	I-35604	BADGERLAND PRINTING INC	R	10/20/2020		115.00CR	093648	
	I-35614	BADGERLAND PRINTING INC	R	10/20/2020		592.00CR	093648	
	I-35629	BADGERLAND PRINTING INC	R	10/20/2020		1,975.00CR	093648	2,682.00
0027	BAY TOWEL INC							
	I-4037996	BAY TOWEL INC	R	10/20/2020		194.71CR	093649	
	I-4037997	BAY TOWEL INC	R	10/20/2020		95.82CR	093649	290.53
0025	BAYCOM INC							
	I-EQUIPINV_028985	BAYCOM INC	R	10/20/2020		210.00CR	093650	210.00
8248	TERRY BIES							
	I-202010141114	TERRY BIES	R	10/20/2020		130.20CR	093651	130.20
8249	JESSICA BLAVAT							
	I-202010141115	JESSICA BLAVAT	R	10/20/2020		130.88CR	093652	130.88

10/15/2020 9:15 AM A / P CHECK REGISTER
 PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20
 VENDOR SET: 01 **** CHECK LISTING ****
 BANK : AP ASSOCIATED

PAGE: 2

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
6673	BLUEMEL'S MAINTENANCE SERVICE, INC.							
	I-20-12 (1) FINAL	BLUEMEL'S MAINTENANCE SERVICE,	R	10/20/2020		47,946.40CR	093653	47,946.40
3008	BOUND TREE MEDICAL LLC							
	I-83785163	BOUND TREE MEDICAL LLC	R	10/20/2020		151.99CR	093654	
	I-83793851	BOUND TREE MEDICAL LLC	R	10/20/2020		1,541.64CR	093654	
	I-83798790	BOUND TREE MEDICAL LLC	R	10/20/2020		206.92CR	093654	1,900.55
0038	BROADWAY AUTOMOTIVE INC							
	I-1004496P	BROADWAY AUTOMOTIVE INC	R	10/20/2020		141.73CR	093655	
	I-1004995P	BROADWAY AUTOMOTIVE INC	R	10/20/2020		197.21CR	093655	
	I-510287P	BROADWAY AUTOMOTIVE INC	R	10/20/2020		52.59CR	093655	
	I-92612	BROADWAY AUTOMOTIVE INC	R	10/20/2020		279.43CR	093655	670.96
2944	BROWN COUNTY JAIL							
	I-202010141108	BROWN COUNTY JAIL	R	10/20/2020		520.00CR	093656	520.00
0046	BROWN COUNTY PORT SOLID WASTE DEPT							
	I-44852	BROWN COUNTY PORT SOLID WASTE	R	10/20/2020		32,229.70CR	093657	32,229.70
0044	BROWN COUNTY REGISTER OF DEEDS							
	I-202010141109	BROWN COUNTY REGISTER OF DEEDS	R	10/20/2020		33.00CR	093658	33.00
0536	CDW GOVERNMENT INC							
	C-2006464	CDW GOVERNMENT INC	R	10/20/2020		102.08	093659	
	I-2080050	CDW GOVERNMENT INC	R	10/20/2020		1,279.50CR	093659	
	I-2129819	CDW GOVERNMENT INC	R	10/20/2020		4,149.90CR	093659	
	I-2129866	CDW GOVERNMENT INC	R	10/20/2020		8,299.80CR	093659	
	I-2270031	CDW GOVERNMENT INC	R	10/20/2020		8.46CR	093659	
	I-2277332	CDW GOVERNMENT INC	R	10/20/2020		934.80CR	093659	
	I-2277333	CDW GOVERNMENT INC	R	10/20/2020		467.40CR	093659	
	I-2327428	CDW GOVERNMENT INC	R	10/20/2020		100.53CR	093659	
	I-2398688	CDW GOVERNMENT INC	R	10/20/2020		1,192.00CR	093659	
	I-2430509	CDW GOVERNMENT INC	R	10/20/2020		10.65CR	093659	
	I-2432249	CDW GOVERNMENT INC	R	10/20/2020		11.17CR	093659	
	I-2566704	CDW GOVERNMENT INC	R	10/20/2020		683.25CR	093659	
	I-2567699	CDW GOVERNMENT INC	R	10/20/2020		90.00CR	093659	
	I-2569175	CDW GOVERNMENT INC	R	10/20/2020		52.80CR	093659	17,178.18
VOID	VOID CHECK		V	10/20/2020			093660	**VOID**
2708	CLEANING SOLUTION SERVICES INC							
	I-20832	CLEANING SOLUTION SERVICES INC	R	10/20/2020		1,408.76CR	093661	
	I-20833	CLEANING SOLUTION SERVICES INC	R	10/20/2020		2,354.44CR	093661	
	I-20836	CLEANING SOLUTION SERVICES INC	R	10/20/2020		1,403.72CR	093661	
	I-20874	CLEANING SOLUTION SERVICES INC	R	10/20/2020		687.30CR	093661	5,854.22

10/15/2020 9:15 AM

A / P CHECK REGISTER

PAGE: 3

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01

**** CHECK LISTING ****

BANK : AP ASSOCIATED

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
7997	COMPLETE OFFICE							
	I-AR22080	COMPLETE OFFICE	R	10/20/2020		45.12CR	093662	
	I-AR22081	COMPLETE OFFICE	R	10/20/2020		100.30CR	093662	
	I-AR22082	COMPLETE OFFICE	R	10/20/2020		25.38CR	093662	
	I-AR22083	COMPLETE OFFICE	R	10/20/2020		25.87CR	093662	196.67
7639	CORE & MAIN LP							
	I-N093825	CORE & MAIN LP	R	10/20/2020		3,100.00CR	093663	
	I-N103144	CORE & MAIN LP	R	10/20/2020		312.00CR	093663	
	I-N132252	CORE & MAIN LP	R	10/20/2020		392.50CR	093663	
	I-N145074	CORE & MAIN LP	R	10/20/2020		770.15CR	093663	4,574.65
1626	DE PERE YOUTH HOCKEY							
	I-202010141110	DE PERE YOUTH HOCKEY	R	10/20/2020		670.00CR	093664	670.00
0075	DIGGERS HOTLINE INC							
	I-200 9 36401	DIGGERS HOTLINE INC	R	10/20/2020		888.44CR	093665	888.44
8012	ENERGY SOLUTION PARTNERS LLC							
	I-81051	ENERGY SOLUTION PARTNERS LLC	R	10/20/2020		13,415.60CR	093666	13,415.60
0086	ERC INC							
	I-ERC-0920-0220	ERC INC	R	10/20/2020		429.00CR	093667	429.00
7422	EXCEL UNDERGROUND LLC							
	I-8343	EXCEL UNDERGROUND LLC	R	10/20/2020		8,406.57CR	093668	8,406.57
0331	FERGUSON WATERWORKS #1476 INC							
	I-314701	FERGUSON WATERWORKS #1476 INC	R	10/20/2020		2,912.00CR	093669	
	I-314911	FERGUSON WATERWORKS #1476 INC	R	10/20/2020		7,200.00CR	093669	10,112.00
0096	FIRE APPARATUS & EQUIPMENT INC							
	I-21512	FIRE APPARATUS & EQUIPMENT INC	R	10/20/2020		461.58CR	093670	461.58
8008	FOX CITIES SIGN & LIGHTING							
	I-23666	FOX CITIES SIGN & LIGHTING	R	10/20/2020		21,828.29CR	093671	21,828.29
4176	FRANK'S RADIO SERVICE INC							
	I-117174	FRANK'S RADIO SERVICE INC	R	10/20/2020		883.20CR	093672	883.20
7767	FREEDOM OVERHEAD DOORS							
	I-39671	FREEDOM OVERHEAD DOORS	R	10/20/2020		798.00CR	093673	
	I-39808	FREEDOM OVERHEAD DOORS	R	10/20/2020		150.00CR	093673	948.00

10/15/2020 9:15 AM A / P CHECK REGISTER

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01 **** CHECK LISTING ****

BANK : AP ASSOCIATED

PAGE: 4

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1791	GERBER LEISURE PRODUCTS INC I-7158	GERBER LEISURE PRODUCTS INC	R	10/20/2020		7,639.00CR	093674	7,639.00
7553	GLENN'S 24 HR TOWING INC I-20-22709	GLENN'S 24 HR TOWING INC	R	10/20/2020		150.00CR	093675	150.00
7635	GOLDEN WEST INDUSTRIAL SUPPLY I-2105548	GOLDEN WEST INDUSTRIAL SUPPLY	R	10/20/2020		1,597.90CR	093676	1,597.90
5830	GRAEF INC I-111216 I-111623	GRAEF INC GRAEF INC	R R	10/20/2020 10/20/2020		21,039.70CR 11,476.20CR	093677 093677	 32,515.90
0116	GRAINGER INC I-9669210982 I-9669210990 I-9671021732	GRAINGER INC GRAINGER INC GRAINGER INC	R R R	10/20/2020 10/20/2020 10/20/2020		56.76CR 266.80CR 18.64CR	093678 093678 093678	 342.20
7764	GREAT AMERICA FINANCIAL SVCS I-27919964	GREAT AMERICA FINANCIAL SVCS	R	10/20/2020		1,595.00CR	093679	1,595.00
0122	GREEN BAY REBUILDERS LLC I-55515	GREEN BAY REBUILDERS LLC	R	10/20/2020		260.00CR	093680	260.00
7675	GREEN BAY TENNIS CENTER INC I-202010141111	GREEN BAY TENNIS CENTER INC	R	10/20/2020		2,660.00CR	093681	2,660.00
7245	GREEN BAY WATER UTILITY I-6659	GREEN BAY WATER UTILITY	R	10/20/2020		16,515.00CR	093682	16,515.00
1244	HOWARD IMMEL INC I-20-18 (3)	HOWARD IMMEL INC	R	10/20/2020		904,018.52CR	093683	904,018.52
8147	HYDRO-KLEAN LLC I-20-03 (2) FINAL	HYDRO-KLEAN LLC	R	10/20/2020		134,741.38CR	093684	134,741.38
5484	HYDROCORP INC I-58320-IN I-59149-IN I-59226-IN	HYDROCORP INC HYDROCORP INC HYDROCORP INC	R R R	10/20/2020 10/20/2020 10/20/2020		2,648.00CR 2,648.00CR 2,565.00CR	093685 093685 093685	 7,861.00
6932	IMAGETREND INC. I-124294	IMAGETREND INC.	R	10/20/2020		1,912.28CR	093686	1,912.28

10/15/2020 9:15 AM A / P CHECK REGISTER

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01 ***** CHECK LISTING *****

BANK : AP ASSOCIATED

PAGE: 5

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
1399	INDOFF INC							
	C-3408639	INDOFF INC	R	10/20/2020		13.14	093687	
	I-3401192	INDOFF INC	R	10/20/2020		102.55CR	093687	
	I-3407136	INDOFF INC	R	10/20/2020		34.75CR	093687	
	I-3407978	INDOFF INC	R	10/20/2020		9.90CR	093687	
	I-3408384	INDOFF INC	R	10/20/2020		74.85CR	093687	
	I-3408849	INDOFF INC	R	10/20/2020		98.46CR	093687	
	I-3409774	INDOFF INC	R	10/20/2020		13.62CR	093687	
	I-3411798	INDOFF INC	R	10/20/2020		51.42CR	093687	372.41
0567	INDUSTRIAL MARKETING CORP							
	I-43370	INDUSTRIAL MARKETING CORP	R	10/20/2020		315.12CR	093688	315.12
1276	JX ENTERPRISES INC							
	I-14127316P	JX ENTERPRISES INC	R	10/20/2020		22.90CR	093689	
	I-14130474P	JX ENTERPRISES INC	R	10/20/2020		95.12CR	093689	
	I-14130475P	JX ENTERPRISES INC	R	10/20/2020		26.04CR	093689	
	I-14131620P	JX ENTERPRISES INC	R	10/20/2020		57.66CR	093689	
	I-14142763P	JX ENTERPRISES INC	R	10/20/2020		118.05CR	093689	
	I-14143389P	JX ENTERPRISES INC	R	10/20/2020		318.96CR	093689	
	I-14143804P	JX ENTERPRISES INC	R	10/20/2020		7.29CR	093689	646.02
8242	KIMLEY-HORN AND ASSOC INC							
	I-17442939	KIMLEY-HORN AND ASSOC INC	R	10/20/2020		5,578.20CR	093690	5,578.20
3140	KUNDINGER FLUID POWER INC							
	I-50610746	KUNDINGER FLUID POWER INC	R	10/20/2020		252.82CR	093691	
	I-50610747	KUNDINGER FLUID POWER INC	R	10/20/2020		540.22CR	093691	793.04
0153	LAFORCE INC							
	I-1142036	LAFORCE INC	R	10/20/2020		98.70CR	093692	98.70
6577	LAKELAND LAWN CARE							
	I-94688	LAKELAND LAWN CARE	R	10/20/2020		1,458.00CR	093693	
	I-94689	LAKELAND LAWN CARE	R	10/20/2020		1,969.20CR	093693	3,427.20
8250	MARY LOTTO							
	I-202010141116	MARY LOTTO	R	10/20/2020		230.00CR	093694	230.00
0903	THE MAIL HAUS INC							
	I-166525	THE MAIL HAUS INC	R	10/20/2020		2,974.28CR	093695	2,974.28

10/15/2020 9:15 AM

A / P CHECK REGISTER

PAGE: 6

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01

**** CHECK LISTING ****

BANK : AP ASSOCIATED

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
7730	MCKESSON MEDICAL SURGICAL							
	I-11130293	MCKESSON MEDICAL SURGICAL	R	10/20/2020		3.31CR	093696	3.31
0173	MENARDS INC							
	C-73132	MENARDS INC	R	10/20/2020		39.76	093697	
	I-72197	MENARDS INC	R	10/20/2020		79.48CR	093697	
	I-72600	MENARDS INC	R	10/20/2020		43.32CR	093697	
	I-72608	MENARDS INC	R	10/20/2020		56.64CR	093697	
	I-72737	MENARDS INC	R	10/20/2020		13.97CR	093697	
	I-72772	MENARDS INC	R	10/20/2020		9.97CR	093697	
	I-72793	MENARDS INC	R	10/20/2020		119.99CR	093697	
	I-72837	MENARDS INC	R	10/20/2020		49.90CR	093697	
	I-72840	MENARDS INC	R	10/20/2020		24.66CR	093697	
	I-72877B	MENARDS INC	R	10/20/2020		85.42CR	093697	
	I-72944	MENARDS INC	R	10/20/2020		56.94CR	093697	
	I-73021	MENARDS INC	R	10/20/2020		34.76CR	093697	
	I-73073	MENARDS INC	R	10/20/2020		29.18CR	093697	
	I-73083	MENARDS INC	R	10/20/2020		273.09CR	093697	
	I-73084	MENARDS INC	R	10/20/2020		38.14CR	093697	
	I-73129	MENARDS INC	R	10/20/2020		99.74CR	093697	
	I-73133	MENARDS INC	R	10/20/2020		13.96CR	093697	
	I-73141	MENARDS INC	R	10/20/2020		139.98CR	093697	
	I-73190	MENARDS INC	R	10/20/2020		47.76CR	093697	
	I-73203	MENARDS INC	R	10/20/2020		117.87CR	093697	
	I-73204	MENARDS INC	R	10/20/2020		84.65CR	093697	
	I-73235	MENARDS INC	R	10/20/2020		36.75CR	093697	
	I-73278	MENARDS INC	R	10/20/2020		39.87CR	093697	
	I-73347	MENARDS INC	R	10/20/2020		236.44CR	093697	
	I-73369	MENARDS INC	R	10/20/2020		79.94CR	093697	1,772.66
VOID	VOID CHECK		V	10/20/2020			093698	**VOID**
6958	NATHAN MRSTIK							
	I-202010141112	NATHAN MRSTIK	R	10/20/2020		29.61CR	093699	29.61
1475	MUNICODE							
	I-349019	MUNICODE	R	10/20/2020		900.00CR	093700	900.00
0531	NORTHEAST AUTO PARTS INC							
	I-351239	NORTHEAST AUTO PARTS INC	R	10/20/2020		11.98CR	093701	
	I-351286	NORTHEAST AUTO PARTS INC	R	10/20/2020		392.00CR	093701	
	I-351332	NORTHEAST AUTO PARTS INC	R	10/20/2020		55.01CR	093701	
	I-351345	NORTHEAST AUTO PARTS INC	R	10/20/2020		142.54CR	093701	
	I-351363	NORTHEAST AUTO PARTS INC	R	10/20/2020		17.20CR	093701	
	I-351383	NORTHEAST AUTO PARTS INC	R	10/20/2020		29.89CR	093701	
	I-351420	NORTHEAST AUTO PARTS INC	R	10/20/2020		5.97CR	093701	
	I-351435	NORTHEAST AUTO PARTS INC	R	10/20/2020		108.37CR	093701	
	I-351470	NORTHEAST AUTO PARTS INC	R	10/20/2020		19.26CR	093701	782.22

10/15/2020 9:15 AM A / P CHECK REGISTER

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01 **** CHECK LISTING ****

BANK : AP ASSOCIATED

PAGE: 7

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
5222	P J KORTENS & CO INC							
	I-10022467	P J KORTENS & CO INC	R	10/20/2020		1,300.00CR	093702	1,300.00
0197	PACKER CITY INTL TRUCKS INC							
	I-R101039376:01	PACKER CITY INTL TRUCKS INC	R	10/20/2020		475.94CR	093703	
	I-X101131936:01	PACKER CITY INTL TRUCKS INC	R	10/20/2020		103.08CR	093703	
	I-X101132033:01	PACKER CITY INTL TRUCKS INC	R	10/20/2020		1,395.52CR	093703	
	I-X101132108:01	PACKER CITY INTL TRUCKS INC	R	10/20/2020		68.72CR	093703	
	I-X101132132:01	PACKER CITY INTL TRUCKS INC	R	10/20/2020		209.85CR	093703	2,253.11
1331	PACKER FASTENER & SUPPLY INC							
	I-503926	PACKER FASTENER & SUPPLY INC	R	10/20/2020		77.39CR	093704	
	I-513007	PACKER FASTENER & SUPPLY INC	R	10/20/2020		59.06CR	093704	
	I-513228	PACKER FASTENER & SUPPLY INC	R	10/20/2020		194.78CR	093704	
	I-519657	PACKER FASTENER & SUPPLY INC	R	10/20/2020		9.79CR	093704	
	I-519681	PACKER FASTENER & SUPPLY INC	R	10/20/2020		320.33CR	093704	
	I-544314	PACKER FASTENER & SUPPLY INC	R	10/20/2020		30.08CR	093704	691.43
0208	POMP'S TIRE SERVICE INC							
	I-90067419	POMP'S TIRE SERVICE INC	R	10/20/2020		334.00CR	093705	334.00
1246	PREVEA HEALTH							
	I-129167	PREVEA HEALTH	R	10/20/2020		388.50CR	093706	388.50
0467	PUBLIC SERVICE COMMISSION OF WI							
	I-2008-I-01610	PUBLIC SERVICE COMMISSION OF W	R	10/20/2020		772.00CR	093707	
	I-RA21-I-01610	PUBLIC SERVICE COMMISSION OF W	R	10/20/2020		6,413.27CR	093707	7,185.27
7923	QUEST DIAGNOSTICS							
	I-T 1356836	QUEST DIAGNOSTICS	R	10/20/2020		109.62CR	093708	109.62
7584	R LEWIS TECHNOLOGIES INC							
	I-10655	R LEWIS TECHNOLOGIES INC	R	10/20/2020		494.25CR	093709	494.25
0225	RED D MIX CONCRETE INC							
	I-78212	RED D MIX CONCRETE INC	R	10/20/2020		135.60CR	093710	135.60
0227	REINDERS INC							
	I-1852064-00	REINDERS INC	R	10/20/2020		84.71CR	093711	84.71
0228	RENT A FLASH OF WISCONSIN INC							
	I-72829	RENT A FLASH OF WISCONSIN INC	R	10/20/2020		415.52CR	093712	415.52

10/15/2020 9:15 AM

A / P CHECK REGISTER

PAGE: 8

PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20

VENDOR SET: 01

**** CHECK LISTING ****

BANK : AP ASSOCIATED

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0158	ROBERT E LEE & ASSOCIATES INC							
	I-78235	ROBERT E LEE & ASSOCIATES INC	R	10/20/2020		1,246.46CR	093713	
	I-78236	ROBERT E LEE & ASSOCIATES INC	R	10/20/2020		2,220.40CR	093713	3,466.86
6380	ROCK OIL REFINING INC							
	I-291526	ROCK OIL REFINING INC	R	10/20/2020		166.00CR	093714	166.00
0501	SAINT MARY'S HOSPITAL							
	I-24061	SAINT MARY'S HOSPITAL	R	10/20/2020		36.70CR	093715	36.70
8251	EDITH SANTOS							
	I-202010141117	EDITH SANTOS	R	10/20/2020		290.00CR	093716	290.00
7604	SELNER TREE & SHRUB CARE INC							
	I-5499	SELNER TREE & SHRUB CARE INC	R	10/20/2020		1,732.50CR	093717	1,732.50
8202	SHERWIN WILLIAMS CO							
	I-0665-2	SHERWIN WILLIAMS CO	R	10/20/2020		97.15CR	093718	
	I-9237-1	SHERWIN WILLIAMS CO	R	10/20/2020		37.79CR	093718	134.94
0252	SOUTHSIDE TIRE CO INC							
	I-3089974	SOUTHSIDE TIRE CO INC	R	10/20/2020		168.00CR	093719	
	I-3092593	SOUTHSIDE TIRE CO INC	R	10/20/2020		98.00CR	093719	266.00
6483	SPRINKLER CO INC, THE							
	I-82568	SPRINKLER CO INC, THE	R	10/20/2020		230.67CR	093720	
	I-82569	SPRINKLER CO INC, THE	R	10/20/2020		116.86CR	093720	347.53
4094	STATE BAR OF WISCONSIN							
	I-5082175	STATE BAR OF WISCONSIN	R	10/20/2020		108.00CR	093721	
	I-5082394	STATE BAR OF WISCONSIN	R	10/20/2020		32.40CR	093721	140.40
8149	SUPERIOR SEWER AND WATER INC							
	I-20-01A (5)	SUPERIOR SEWER AND WATER INC	R	10/20/2020		242,540.89CR	093722	242,540.89
1301	TRACE ANALYTICS INC							
	I-20-17906	TRACE ANALYTICS INC	R	10/20/2020		371.00CR	093723	371.00
0267	TRAFFIC & PARKING CONTROL INC							
	I-I679858	TRAFFIC & PARKING CONTROL INC	R	10/20/2020		475.00CR	093724	
	I-I680109	TRAFFIC & PARKING CONTROL INC	R	10/20/2020		712.50CR	093724	1,187.50

10/15/2020 9:15 AM A / P CHECK REGISTER
 PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20
 VENDOR SET: 01 **** CHECK LISTING ****
 BANK : AP ASSOCIATED

PAGE: 9

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
0268	TRUCK EQUIPMENT INC							
	I-905178-00	TRUCK EQUIPMENT INC	R	10/20/2020		33.61CR	093725	
	I-915408-00	TRUCK EQUIPMENT INC	R	10/20/2020		945.00CR	093725	
	I-920593-00	TRUCK EQUIPMENT INC	R	10/20/2020		54.98CR	093725	1,033.59
6900	TURRIFF PLUMBING INC.							
	I-10161	TURRIFF PLUMBING INC.	R	10/20/2020		75,000.00CR	093726	75,000.00
0272	UNIFORM SHOPPE INC							
	I-302841	UNIFORM SHOPPE INC	R	10/20/2020		39.50CR	093727	
	I-303576	UNIFORM SHOPPE INC	R	10/20/2020		329.75CR	093727	
	I-303877	UNIFORM SHOPPE INC	R	10/20/2020		424.65CR	093727	
	I-33610	UNIFORM SHOPPE INC	R	10/20/2020		66.90CR	093727	860.80
0277	VAN'S FIRE & SAFETY INC							
	I-4140077	VAN'S FIRE & SAFETY INC	R	10/20/2020		276.60CR	093728	
	I-4140078	VAN'S FIRE & SAFETY INC	R	10/20/2020		122.77CR	093728	
	I-4140080	VAN'S FIRE & SAFETY INC	R	10/20/2020		639.25CR	093728	1,038.62
7210	VANDEN PLAS PORTABLE SOLUTIONS LLC							
	I-3108	VANDEN PLAS PORTABLE SOLUTIONS	R	10/20/2020		551.00CR	093729	551.00
3707	VIKING ELECTRIC SUPPLY							
	I-S003997891.001	VIKING ELECTRIC SUPPLY	R	10/20/2020		452.48CR	093730	
	I-S004052123.001	VIKING ELECTRIC SUPPLY	R	10/20/2020		110.73CR	093730	563.21
3311	VINTON CONSTRUCTION CORP							
	I-20-06 (3)	VINTON CONSTRUCTION CORP	R	10/20/2020		52,308.50CR	093731	52,308.50
8252	ABBY WALLENDAL							
	I-202010141118	ABBY WALLENDAL	R	10/20/2020		140.24CR	093732	140.24
2645	WI DEPT OF JUSTICE							
	I-202010141113	WI DEPT OF JUSTICE	R	10/20/2020		21.00CR	093733	21.00
7527	WI DEPT OF JUSTICE							
	I-455TIME-0000009495	WI DEPT OF JUSTICE	R	10/20/2020		300.00CR	093734	300.00
7350	WI MEDIA							
	I-3499511	WI MEDIA	R	10/20/2020		481.49CR	093735	
	I-3539420	WI MEDIA	R	10/20/2020		1,301.09CR	093735	1,782.58

10/15/2020 9:15 AM A / P CHECK REGISTER
 PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20
 VENDOR SET: 01 **** CHECK LISTING ****
 BANK : AP ASSOCIATED

PAGE: 10

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
--------	-------------	------	---------------	---------------	----------	--------	--------------	-----------------

* * T O T A L S * *	NO#	DISCOUNTS	CHECK AMT	TOTAL APPLIED
REGULAR CHECKS:	93	0.00	1,702,923.27	1,702,923.27
HANDWRITTEN CHECKS:	0	0.00	0.00	0.00
PRE-WRITE CHECKS:	0	0.00	0.00	0.00
DRAFTS:	0	0.00	0.00	0.00
VOID CHECKS:	2	0.00	0.00	0.00
NON CHECKS:	0	0.00	0.00	0.00
CORRECTIONS:	0	0.00	0.00	0.00
REGISTER TOTALS:	95	0.00	1,702,923.27	1,702,923.27

TOTAL ERRORS: 0 TOTAL WARNINGS: 0

10/15/2020 9:15 AM A / P CHECK REGISTER
 PACKET: 06403 OCT 2020 COUNCIL - 2 10-20-20
 VENDOR SET: 01 **** CHECK LISTING ****
 BANK : AP ASSOCIATED

PAGE: 11

VENDOR	NAME / I.D.	DESC	CHECK TYPE	CHECK DATE	DISCOUNT	AMOUNT	CHECK NO#	CHECK AMOUNT
--------	-------------	------	---------------	---------------	----------	--------	--------------	-----------------

** POSTING PERIOD RECAP **

FUND	PERIOD	AMOUNT
100	10/2020	241,661.20CR
201	10/2020	11,404.91CR
208	10/2020	88.38CR
260	10/2020	2,789.10CR
285	10/2020	2,789.10CR
290	10/2020	3,466.86CR
291	10/2020	0.50CR
296	10/2020	30.00CR
405	10/2020	1,381,555.69CR
415	10/2020	7,639.00CR
601	10/2020	45,205.26CR
650	10/2020	6,293.27CR
=====		
ALL		1,702,923.27CR



City of De Pere, Wisconsin

Request For Common Council Action

MEETING DATE: **October 20, 2020**

DEPARTMENT: **City Clerk**

FROM: **Carey Danen**

SUBJECT: **Future agenda items.**
