Finance/Personnel Committee

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

Regular Meeting

Agenda

Tuesday, October 13, 2020 **7:30 PM**

Pursuant to Wisconsin Statutes 19.84, Notice is hereby given to the public that a meeting of the **Finance/Personnel Committee** of the City of De Pere will be held on **October 13, 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
United States: +1 (312) 757-3117
Access Code: 154-883-285

THIS MEETING WILL NOT BE HELD IN PERSON.

This meeting may also be rebroadcast on Spectrum Cable Channel 4 and AT&T U-verse Channel 99 throughout the week and available on demand at www.depere.tv.

Call to Order

1. Roll Call
2. Approval of the Minutes of the September 8, 2020 Regular Meeting of the Finance/Personnel Committee.
3. Fire Department Overtime and LifeQuest Services Billing Reports for September, 2020.
4. Consideration and Approval of the September 2020 Police Overtime Report
5. Consider and Approve Police Records Management Agreement with Brown County.*
6. Request of the City Clerk's Office to consider approval of Continuity of Elections Operations Plan Memorandum of Understanding.*
7. Consideration and Possible Action of 2021 Benefit Renewal and Plan Design Changes*
8. Consideration and Possible Action to set Mayor and Council Salaries for 2022 and 2023*
9. Review of the proposed Public Service Commission (PSC) De Pere Water Rate Increase Exhibit.
10. Review and possible action on City of De Pre Investments and Cash Detail report for Aug. 2020.
11. Presentation of 2019 Preliminary Audit Management Letter and Financial Statements.*
12. Future agenda items.
13. Adjournment

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

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

Agenda Sent To:
Alderpersons
City Administrator
Mayor
Department Heads
TV, Newspapers & Radio Stations
Kress Family Library
De Pere Chamber of Commerce

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**City Attorney**
FROM:	**Angela Zills**
SUBJECT:	**Approval of the Minutes of the September 8, 2020 Regular Meeting of the Finance/Personnel Committee.**

ATTACHMENTS:

- September 8, 2020 Minutes-DRAFT (PDF)

DE PERE

Finance/Personnel Committee

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

Regular Meeting

Draft Minutes

Tuesday, September 8, 2020 7:30 PM

1. Call to Order. Mayor Boyd called the Finance/Personnel Committee meeting to order at 7:30 PM, at the De Pere City Hall Council Chambers, 335 South Broadway Street, De Pere, Wisconsin 54115.

Attendee Name	Title	Status	Arrived
James Boyd	Mayor	Present	
Mike Eserkaln	Alderperson	Remote	
Amy Chandik Kundinger	Alderperson	Remote	
Casey Nelson	Alderperson	Remote	
Kelly Ruh	Alderperson	Remote	

Also Present: City Administrator Lawrence Delo, City Attorney Judith Schmidt-Lehman, Finance Director/Treasurer Joe Zegers, Fire Chief Alan Matzke; Remote: City Clerk Carey Danen, Police Chief Derek Beiderwieden, Human Resources Director Shannon Metzler and HR Generalist Tracy Hood.

2. Approval of the Minutes of the August 11, 2020 Regular Meeting of the Finance/Personnel Committee.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Casey Nelson, Alderperson
SECONDER:	Kelly Ruh, Alderperson
AYES:	Boyd, Eserkaln, Kundinger, Nelson, Ruh

3. Fire Department Overtime and LifeQuest Services Billing Reports for August, 2020.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	James Boyd, Mayor
SECONDER:	Casey Nelson, Alderperson
AYES:	Boyd, Eserkaln, Kundinger, Nelson, Ruh

4. Consideration and Possible Action for the August 2020 Police Overtime Report.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	James Boyd, Mayor
SECONDER:	Casey Nelson, Alderperson
AYES:	Boyd, Eserkaln, Kundinger, Nelson, Ruh

5. Consideration and possible action to approve the Grant Agreement Modification between the State of WI Department of Health Services and De Pere DPH for 2020 Consolidated Contract.*

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	James Boyd, Mayor
SECONDER:	Casey Nelson, Alderperson
AYES:	Boyd, Eserkaln, Kundinger, Nelson, Ruh

6. Consideration and Possible Action to increase 2020 wage rates for Chief Election Inspector & Election Inspector.*

In response to Alderperson Nelson's question regarding how many hours per shift these positions work, City Clerk Carey Danen explained that the inspectors work the day of election, with the chief working the entire election day (up to 15 hours), with some additional hours for meetings. The poll workers do split shifts for more of an 8-hour day. Each polling location has 2 chief inspectors and 7 to 13 poll workers, depending upon how busy each location is.

RESULT:	**ADOPTED [UNANIMOUS]**
MOVER:	Casey Nelson, Alderperson
SECONDER:	Amy Chandik Kundinger, Alderperson
AYES:	Boyd, Eserkaln, Kundinger, Nelson, Ruh

7. Discuss status of 2021 budget development.

Administrator Delo provided an update on the status of the proposed executive budget and advised that reviews have occurred on individual department budgets. The Mayor, City Administrator and Finance Director are working to finalize revenues and expenditures for a draft executive budget to be provided to city council members by approximately 9/17/20. The budget study session is scheduled to occur on 10/7/20.

RESULT:	**DISCUSSED**

8. Review and discussion of DRAFT 2019 Annual Financial Report.

Finance Director-Treasurer Zegers provided the Committee with an overview of the fund balances identified on the summary sheet on Page 47 of the packet. As indicated in his memo, the general fund balance is at 7.839 million and the unassigned fund balance increased from 6.2 to 6.6 million, which is relative to City's fund balance policy requirement of 25 to 35% of the general fund budget. The unassigned fund balance is a little over 36.5% as of the end of December 2019, but some items approved in 2020 have reduced the percent to 35 or 36, but recommendations will be made to get under the 35% requirement. 2019 was a good year overall; it was a very tight but favorable year, especially in unassigned balance. Finance Director Zegers touched on some of the fund balance categories: $236,000 of non-spendable funds tied up in advances or inventory amounts; $626,000 in the restricted fund, reduced by $260,000 for expenditure of the excess stadium tax funds; non-lapsing funds were approved last month for amounts intended to be spent in 2019, but were not. He is confident that City's bond rating should be maintained. The debt service went up primarily due to the first year of the pool levy and a short term note; under Funds Restricted for Loans, the recent pandemic loans transferred $500,000 in 2020 (with half of that fund being used for loans); and a transfer is made each year to make the cable fund whole. Regarding the TIF accounts, those can vary in amount based upon when proceeds are received and subsequently spent. The total Governmental Fund Balance is $15,441,926. Finance Director-Treasurer Zegers then invited questions. Alderperson Nelson asked for identification of the sources contributing to the $400,000 increase in the unassigned fund to which Finance Director-Treasurer Zegers advised that the main sources was investments - $262,000 was budgeted in 2019 and $656,000 was received; however, it was offset somewhat by the pool demolition that was not budgeted. Alderperson Chandik Kundinger commented that she preferred a dashboard view for the meetings and whether this could be utilized for the council meeting, rather than toggling, to which Administrator Delo advised staff could take care of that. No action was taken on this item as it was for discussion purposes only.

RESULT:	DISCUSSED

9. Review and possible action on City of De Pere Investments and Cash Detail for July 2020.

   Finance Director Zegers provided the investment summary for the end of July; the City has $27,248,000 in total cash and investments. Interest has slowed down a bit as some higher instruments have matured, and new purchases have been at lower interest rates, but results are still ahead of schedule for 7 months into the year, although funds will go down in August due to 4.1 million in debt payments and 1.5 million for accounts payable and payroll. In addition, the state tax credit will be paid to the county in August which had been offset by the Brown County tax settlement.

   Discussion followed among Alderperson Nelson, Finance Director-Treasurer Zegers and Administrator Delo regarding interest rates on bonding. Finance Director-Treasurer advised that decisions are made based upon planned time-frames for pay-off, bonding is done consistent with the budget model to maintain goals which are favorable to rating agencies and over the last five years the City has focused on 10-year terms, but the interest rate environment is taken into account. Administrator Delo added that factors considered in structuring debt are cash flow, budget rates, debt to date, tax rates, and forecasting to keep debt level and within expenditure restraint and levy limits. Additionally, a review is done every year to consider refinancing if interest rates are better, although it depends upon the issuance as to when a refinance can occur without penalty. No action was taken on this item.

RESULT:	NO ACTION

10. Consideration and Possible Action on Extending Current Collective Bargaining Agreement with the De Pere Professional Firefighter's Association – IAFF Local #141 One Year (through 2021)

    Mayor Boyd made a Motion to go into closed session at 7:57 PM, seconded by Alderperson Eserkaln. Upon roll call vote, motion carried unanimously.

    Alderperson Nelson made a Motion to return to regular order at 8:07 PM, seconded by Mayor Boyd. Upon roll call vote, motion carried unanimously.

RESULT:	NO ACTION

11. Future agenda items.

    None.

12. Adjournment.

    Upon Motion of Mayor Boyd, seconded by Alderperson Nelson, the Finance/Personnel Committee unanimously adjourned at 8:08 PM.

Respectfully submitted,
Angela Zills

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Fire Department**
FROM:	**Lea Taylor**
SUBJECT:	**Fire Department Overtime and LifeQuest Services Billing Reports for September, 2020.**

ATTACHMENTS:

- FIRE DEPT MONTHLY OT REPORT_SEPT 2020 (PDF)

DE PERE FIRE RESCUE

OVERTIME BREAKDOWN BY REASON FOR THE YEAR 2019

REASON	Jan.*	Feb.**	Mar. ***	Apr.+	May++	June+++	July^	Aug.^^	Sept.^^^	Oct.#	Nov.##	Dec.###	TOTAL
DUTY CREW	72.75	54.00	22.50	69.00	3.00	12.00	30.00	39.00	52.00	46.75	27.00	30.00	458.00
EMS TRAINING	40.75	129.25	108.25	107.25	8.00	3.75	8.75	0.00	77.00	139.50	103.50	79.50	805.50
FIRE TRAINING	3.50	43.50	15.50	86.75	56.50	9.00	0.00	13.75	5.25	18.50	0.00	0.00	252.25
RESCUE CALLS	13.00	2.25	11.25	2.00	0.00	9.50	4.75	7.00	2.25	13.00	4.50	17.75	87.25
FIRE CALLS	13.50	4.50	23.50	9.75	7.50	0.00	1.75	0.00	0.00	0.00	0.00	0.00	60.50
MEETINGS	3.00	33.00	22.25	8.50	19.00	2.25	11.25	12.00	21.75	9.50	16.25	26.25	185.00
STAFFING REP.	89.25	15.50	0.00	153.00	152.25	171.75	665.00	561.75	190.50	169.25	162.00	104.25	2,434.50
MAINTENANCE	0.00	0.00	0.00	3.25	8.25	0.75	0.00	0.00	0.00	0.00	0.00	0.00	12.25
PUB. ED.	2.25	0.00	4.50	34.00	0.00	7.50	0.00	2.50	0.00	59.50	0.00	0.00	110.25
SPECIAL EVENTS	0.00	0.00	0.00	0.00	210.00	0.00	10.50	56.50	0.00	28.50	7.50	0.00	313.00
# FIRE RUNS	56	31	50	52	40	32	44	33	46	37	23	42	486
# EMS RUNS	191	178	167	223	191	186	196	196	204	217	204	219	2,372
DISPATCH ERRORS	6	6	8	2	4	4	6	8	5	4	3	1	57
TOTAL HRS.	238.00	282.00	207.75	473.50	464.50	216.50	732.00	692.50	348.75	484.50	320.75	257.75	4,718.50

Special Events included in Overtime

Total Overtime Budget $95,000, Expenditures through January 2, 2020, $94,280, 99%

*Period: 12/29/18-01/25/19
**Period: 01/26/19-02/22/19
***Period: 02/23/19-03/22/19
+Period: 03/23/19-05/03/19
++Period: 05/04/19-05/31/19
+++Period: 06/01/19-06/28/19
^Period: 06/29/19-07/26/19
^^Period: 07/27/19-08/23/19
^^^Period: 08/24/19-09/20/19
#Period: 09/21/19-11/01/19
##Period: 11/02/19-11/29/19
###Period: 11/30/19-12/27/19

OVERTIME BREAKDOWN BY REASON FOR THE YEAR 2020

REASON	Jan.*	Feb.**	Mar. ***	Apr.+	May++	June+++	July^	Aug.^^	Sept.^^^	Oct.#	Nov.##	Dec.###	TOTAL
DUTY CREW	48.00	41.00	73.75	21.00	5.50	18.00	36.00	51.00	93.00				387.25
EMS TRAINING	97.25	128.50	146.00	45.00	0.00	0.00	0.00	0.00	99.00				515.75
FIRE TRAINING	4.50	21.75	16.50	0.00	21.50	52.25	25.50	0.00	15.75				157.75
RESCUE CALLS	4.25	6.50	6.25	10.25	3.00	11.50	3.75	4.75	9.25				59.50
FIRE CALLS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.25	0.00				4.25
MEETINGS	4.75	4.50	7.00	30.00	24.50	25.50	0.00	26.00	28.25				150.50
STAFFING REP.	49.50	4.50	18.00	0.00	3.75	198.00	36.00	216.00	162.00				687.75
MAINTENANCE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
PUB. ED.	13.00	3.00	6.00	0.00	0.00	0.00	0.00	6.50	17.25				45.75
SPECIAL EVENTS	0.00	13.75	0.00	0.00	0.00	0.00	2.25	0.00	7.50				23.50
# FIRE RUNS	25	42	39	36	45	22	45	27	32				313
# EMS RUNS	179	190	177	153	172	198	183	200	195				1,647
DISPATCH ERRORS	2	2	1	2	3	4	2	1	2				19
TOTAL HRS.	221.25	223.50	273.50	106.25	58.25	305.25	103.50	308.50	432.00	0.00	0.00	0.00	2,032.00

Special Events included in Overtime

Total Overtime Budget $110,000, Expenditures through October 5, 2020, $43,761, 40%

*Period: 12/28/19-01/24/20
**Period: 01/25/20-02/21/20
***Period: 02/22/20-04/03/20
+Period: 04/04/20-05/01/20
++Period: 05/02/20-05/29/20
+++Period: 05/30/20-06/26/20
^Period: 06/27/20-07/24/20
^^Period: 07/25/20-08/21/20
^^^Period: 08/22/20-10/02/20
#Period:
##Period:
###Period:

DE PERE FIRE RESCUE
STRUCTURAL FIRE "STILL" ALARMS FOR SEPTEMBER, 2020

Date	Incident Location	Reported Situation	Units Dispatched	Disposition	Mutual Aid Received
09/01/2020	802 Cook Street	Gas leak	BC105, E111	Investigate, ventilate	N/A
09/01/2020	2226 Carstensen Lane (Village of Ashwaubenon)	Building fire	BC105, L111	Provide manpower	N/A
09/04/2020	825 East River Drive	Alarm system activation, no fire, unintentional	BC103, E111	Investigate	N/A
09/04/2020	975 Hansen Road (Village of Ashwaubenon)	Structure fire	BC103, L111	Dispatched/Canceled en route	N/A
09/07/2020	1668 W. Paulson Road (Village of Ashwaubenon)	Building fire	BC104, L111	Dispatched/Canceled en route	N/A
09/10/2020	1869 American Blvd.	Sprinkler activation, no fire, unintentional	E121	Investigate	N/A
09/10/2020	1199 S. Erie Street	Carbon monoxide detector activation, no CO	E111	Investigate	N/A
09/11/2020	1199 S. Erie Street	Carbon monoxide detector activation, due to malfunction	E111	Investigate	N/A
09/11/2020	1197 S. Erie Street	Carbon monoxide detector activation, due to malfunction	E111	Investigate	N/A
09/13/2020	2260 Samantha Street	Smoke scare, odor of smoke	BC103, E121	Investigate	N/A
09/17/2020	1510 S. Huron Road (Village of Bellevue)	Building fire	BC105, L111	Handled by other agency	N/A
09/18/2020	1023 Silver Street	Carbon monoxide detector activation, due to malfunction	A111, E111	Investigate	N/A
09/18/2020	1032 S. 7th Street	Smoke detector activation, due to malfunction	E121	Restore fire alarm system	N/A
09/18/2020	402 Apollo Way	Smoke detector activation, due to malfunction	A121, E121	Investigate	N/A
09/19/2020	1233 O'Keefe Court	Carbon monoxide detector activation, due to malfunction	E121	Investigate	N/A
09/19/2020	1127 Jordan Road	Carbon monoxide detector activation, no CO	E111	Investigate	N/A
09/20/2020	1758 Burgoyne Court	Smoke detector activation, due to malfunction	E121	Investigate	N/A
09/21/2020	365 Triangle Drive (Village of Hobart)	Building fire	C101, E111	Extinguishment by fire service personnel	N/A

Date	Incident Location	Reported Situation	Units Dispatched	Disposition	Mutual Aid Received
09/21/2020	200 S. 9th Street	Alarm system sounded, malicious intent	BC105, E121	Investigate	N/A
09/21/2020	2592 Bay Harbor Circle (Village of Ashwaubenon)	Building fire	BC105, E111	Dispatched/Canceled en route	N/A
09/22/2020	506 Butler Street	Alarm system activation, no fire, unintentional	E121	Investigate	N/A
09/27/2020	820 East River Drive	Carbon monoxide detector activation, no CO	E111	Investigate	N/A
09/29/2020	1250 Glory Road (Village of Ashwaubenon)	Building fire	BC103, L111	Incident command, ventilate	N/A
09/29/2020	1660 Hoffman Road (Village of Bellevue)	Smoke or odor removal	BC103, L111	Incident command, investigate	N/A
09/30/2020	1161 Cardinal Street	Carbon monoxide detector activation, due to malfunction	E111	Investigate	N/A

DE PERE FIRE RESCUE
SEPTEMBER, 2020
*OVERTIME CAUSED BY SICK LEAVE

DATE	HOURS OF SICK LEAVE	OVERTIME PAID
09/11/2020	24	36
09/20/2020	11	16.5
09/21/2020	9	13.5
09/23/2020	12	18
09/26/2020	48	72
09/29/2020	4	6
TOTAL	**108**	**162**

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

LIFEQUEST MEDICAL BILLING - 2020
MONTHLY REPORT

	JAN.	FEB.	MARCH	APRIL	MAY	JUNE
CHARGES	154,012	136,191	143,795	104,251	159,227	120,688
PAYMENTS	74,735	68,980	86,226	70,107	61,059	64,610
CREDIT ADJUSTMENTS	67,527	66,328	61,809	54,723	63,424	56,485

	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
CHARGES	154,461	117,161	112,013			
PAYMENTS	55,803	52,414	61,594			
CREDIT ADJUSTMENTS	56,928	53,110	58,354			

Payments to LifeQuest	
January	4,164
February	5,086
March	6,422
April	5,652
May	3,741
June	4,329
July	3,099
August	2,868
September	3,001
October	
November	
December	
Total Paid	$38,362

**See attached details

City Of De Pere

Income and Expenditures

September 2020

All Phases

Charges		Billing	Collection	Total
Billing Charges / Collection Placements		$85,076.40	$26,936.70	$112,013.10
Other	+	$0.00	$0.00	$0.00
Subtotal of Charges		**$85,076.40**	**$26,936.70**	**$112,013.10**
Account Transfers		**$20,275.19**	**$6,661.51**	**$26,936.70**

Credit Summary				
Total Credits		**$115,310.68**	**$2,599.02**	**$117,909.70**
Less Adjustments	-	$57,695.17	$658.67	$58,353.84
Less Delinquent Closed Accounts Reconciliation	-	$0.00	$85.46	$85.46
Less Overpayments	-	$(2,038.24)	$(85.46)	$(2,123.70)
Gross Payments Received		**$59,653.75**	**$1,940.35**	**$61,594.10**
Plus Overpayment Returns	+	$(1,566.04)	$0.00	$(1,566.04)
Net Payments Received		**$58,087.71**	**$1,940.35**	**$60,028.06**
Less Payments Kept By Service	-	$751.60	$0.00	$751.60
Total Deposits Reconciliation		**$57,336.11**	**$1,940.35**	**$59,276.46**

Summary of Disbursement				
Total Deposits & Payments Kept By		$58,087.71	$1,940.35	$60,028.06
Plus Overpayment Refunds	+	$(472.20)	$(85.46)	$(557.66)
Gross Revenue		**$57,615.51**	**$1,854.89**	**$59,470.40**
LifeQuest Fee		$2,592.70	$408.08	$3,000.78
Plus Probate Fees	+	$0.00	$0.00	$0.00
Other / Fees		-	-	$0.00
Total Due LifeQuest **Check #** **EFT**		**$2,592.70**	**$408.08**	**$3,000.78**
Service Revenue		$55,022.81	$1,446.81	$56,469.62
Less Payments Kept By Service	-	$751.60	$0.00	$751.60
Less Service Payable	-	$0.00	$0.00	$0.00
Less Probate Fees	-	$0.00	$0.00	$0.00
Other / Fees		$0.00	$0.00	$0.00
Total Due Service **Check #** **EFT**		**$54,271.21**	**$1,446.81**	**$55,718.02**

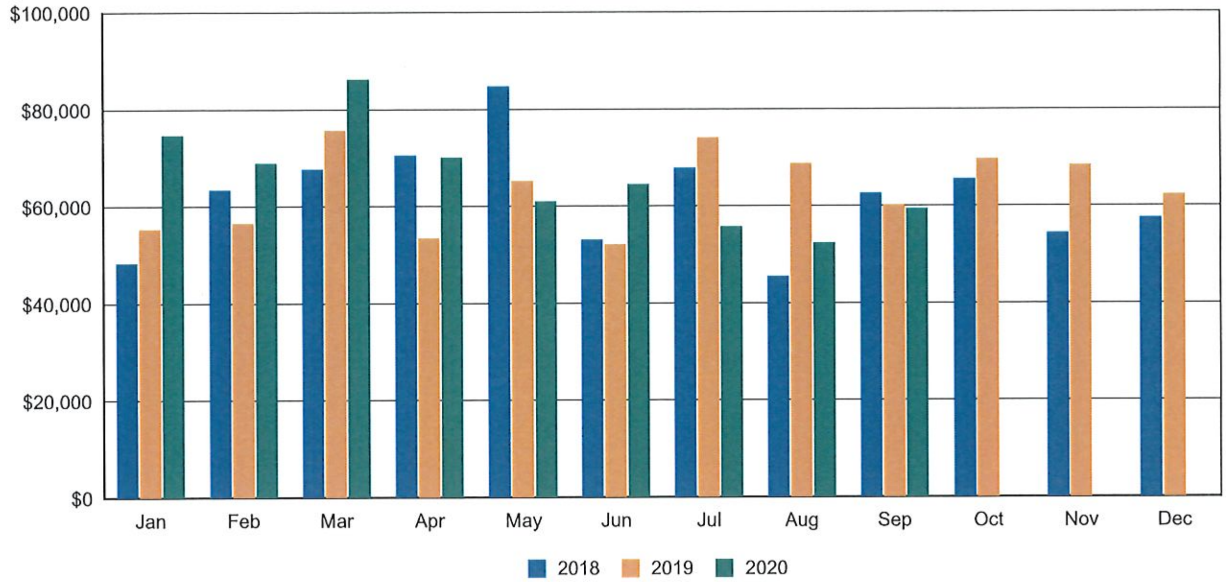
Messages:

Total Deposits EOM differ from bank statement by $1396.43 due to 8/7 $961.60 DEAN HEALTH, 8/28 $1307.40 VA, 8/31 $356.59 HUMANA NOW POSTED. 9/23 $1092.60 ACH return, 9/25 $100.00 ACH return. 9/28 $36.56 FORTE not posted. 10.01.20 BJ

All Phases Gross Revenue

City of De Pere

January 2018 to September 2020



	2018	2019	2020
January	$48,362	$55,433	$74,735
February	$63,538	$56,668	$68,980
March	$67,787	$75,702	$86,226
April	$70,664	$53,535	$70,107
May	$84,800	$65,318	$61,059
June	$53,162	$52,157	$64,610
July	$67,954	$74,156	$55,803
August	$45,566	$68,797	$52,414
September	$62,667	$60,290	$59,470
October	$65,610	$69,765	$0
November	$54,498	$68,470	$0
December	$57,599	$62,371	$0
Total Gross Revenue	**$742,207**	**$762,663**	**$593,404**

City Of De Pere

Billing Summary

September 2020

Phase 1

Charges

Billing Charges		$85,076.40	
Other	+	$0.00	
Subtotal of Charges			**$85,076.40**

Account Transfers

Billing to Collections Transfer Total			**$20,275.19**

Credit Summary

Total Credits		$115,310.68	
Less Adjustments	-	$57,695.17	
Less Overpayments	-	$(2,038.24)	
Gross Payments Received			**$59,653.75**
Plus Overpayment Returns	-	$(1,566.04)	
Net Payments Received			**$58,087.71**
Less Payments Kept By Service	-	$751.60	
Total Deposits Reconciliation			**$57,336.11**

Summary of Disbursement

Total Deposits & Payments Kept By		$58,087.71	
Plus Overpayment Refunds	+	$(472.20)	
Gross Revenue			**$57,615.51**
LifeQuest Fee		$2,592.70	
Plus Probate Fees	+	$0.00	
Total Due LifeQuest **Check #** EFT			**$2,592.70**
Service Revenue		$55,022.81	
Less Payment Kept By Service	-	$751.60	
Less Service Payable	-	$0.00	
Less Probate Fees	-	$0.00	
Other / Fees	-	$0.00	
Total Due Service **Check #** EFT			**$54,271.21**

Messages:

Legend:

Charges - Other: Includes insurance interest, transaction fees, probate fees

Credit Summary - Less Overpayments: Includes recoupments, refunds, returns, service payables

Credit Summary - Plus Overpayment Returns: Includes NSF/bank returned type payments

Billing Reconciliation Summary

City of De Pere

For the month of September 2020

Beginning Balance of Accounts Receivables			**$166,094.72**
Total Charges entered for the Month		+	**$85,076.40**
Adjustments			
Intercept	$0		
Per Contract	$0		
Account Transfer Total	$20,275.19		
Other	$37,419.98		
Total Adjustments for the Month	**$57,695.17**	-	**$57,695.17**
Payments			
Cash	$9,987.67		
Contract Payments	$0		
Credit Card	$0		
Direct Deposit	$40,872.15		
Hospital	$0		
Insurance	$8,042.33		
Payment Kept By	$751.60		
Other	$0		
	$59,653.75	-	**$59,653.75**
Overpayment			
Recoupment	$0		
Refunds	$(472.20)		
Returns	$(1,566.04)		
Service Payable	$0		
Other	$0		
	$(2,038.24)	-	**$(2,038.24)**
Total for Reconciliation Summary			**$135,860.44**
Ending Balance of Accounts Receivables			**$135,860.44**

Receivables Distribution Report

Receivables Cash

All Companies **All Directories**

Charges	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Totals
Oct 2019	5464	36523	18248	4673	2546	2375	60	335	1115	0	0	0 $	71339
134146	4.1	27.2	13.6	3.5	1.9	1.8	0	0.3	0.8	0	0	0 %	53.2
Nov 2019		2136	26706	18625	4978	3176	599	124	1812	124	30	30 $	58340
117607		1.8	22.7	15.8	4.2	2.7	0.5	0.1	1.5	0.1	0	0 %	49.6
Dec 2019			6157	34915	16747	8106	2080	125	1100	132	4	0 $	69367
136523			4.5	25.6	12.3	5.9	1.5	0.1	0.8	0.1	0	0 %	50.8
Jan 2020				2578	25047	17367	2697	4317	824	389	0	0 $	53221
115056				2.2	21.8	15.1	2.3	3.8	0.7	0.3	0	0 %	46.3
Feb 2020					4661	31832	19382	3333	1516	0	-599	1307 $	61433
125413					3.7	25.4	15.5	2.7	1.2	0	-0.5	1 %	49
Mar 2020						7912	31664	11272	4764	2122	1195	90 $	59019
123149						6.4	25.7	9.2	3.9	1.7	1	0.1 %	47.9
Apr 2020							2271	24717	13458	4075	2328	219 $	47069
94023							2.4	26.3	14.3	4.3	2.5	0.2 %	50.1
May 2020								8335	27652	7784	2178	2583 $	48533
95127								8.8	29.1	8.2	2.3	2.7 %	51
Jun 2020									4232	32353	11249	4482 $	52317
108184									3.9	29.9	10.4	4.1 %	48.4
Jul 2020										7922	28462	12738 $	49122
108952										7.3	26.1	11.7 %	45.1
Aug 2020											4845	28997 $	33842
99450											4.9	29.2 %	34
Sep 2020												4514 $	4514
79024												5.7 %	5.7

Averages	1st Mo	2nd Mo	3rd Mo	4th Mo	5th Mo	6th Mo	7th Mo	8th Mo	9th Mo	10th Mo	11th Mo	12th Mo
Extended	4.6	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>	<NA>
Weighted	4.6	26.1	12.7	3.7	2.2	0.6	0.2	0.6	0.2	0	0	0

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Police**
FROM:	**Derek Beiderwieden**
SUBJECT:	**Consideration and Approval of the September 2020 Police Overtime Report**

The overtime (OT) report covers the month of September 2020. Two previous years of overtime report summaries are attached for comparison but they are by payroll period versus calendar month due to the change in how the overtime was gathered back then. They should still be somewhat comparable.

Reimbursable Miscellaneous OT of 18.75 total hours was 10 hours for the Drug Task Force assigned officer and 8.75 hours for the OWI Task Force deployments.

Non-reimbursable Miscellaneous Overtime total hours of 12.75 hours was incurred for background investigations with 1 hour of the total assisting Green Bay with a protest.

Additionally, of the 74.25 total hours incurred for Investigation, 9 hours were due to Detective Sergeant Investigations, while 65.25 hours were incurred for Late Calls/Report Writing by Patrol.

ATTACHMENTS:

- 2018 PD OT Summary (PDF)
- 2019 PD OT Summary (PDF)
- September 2020 PD OT Report (PDF)

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2018

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN ^	JUL #	AUG ##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	41.50	19.50	10.00	15.50	23.00	14.00	20.00	97.50	33.00	29.00	19.50	8.50	331.00
OFFICER WORKED ON HOLIDAY	105.75	8.00	12.00	42.00	98.25	22.00	70.50	4.00	114.00	12.00	51.75	98.75	639.00
OFFICER FOR COURT	4.00	14.00	13.00	12.00	18.00	12.00	23.50	6.00	14.00	53.50	9.00	26.00	205.00
OFFICER TRAINING	82.00	122.00	71.75	140.00	277.00	164.75	104.50	73.50	179.75	224.25	66.50	28.00	1534.00
OFFICER RELIEF FOR FUNERAL			4.50										4.50
OFFICER ATTEND MEETING	10.50		3.50	15.00	0.50		7.50		10.00	12.00		21.00	80.00
STAFFING LEVEL	68.00	51.25	97.75	61.50	87.50	92.00	83.00	73.75	140.50	175.50	99.50	85.25	1115.50
INVESTIGATION	50.75	77.00	82.25	87.50	40.75	27.50	39.00	55.50	15.00	83.00	57.25	74.50	690.00
HONOR GUARD FOR FUNERAL						15.50		3.00					18.50
SCHOOL LIAISON REIMBURSED	12.50	25.50	10.00	19.00	33.75	27.50		15.00	61.00	41.50	7.00	22.00	274.75
COMMUNITY RELATIONS						1.50		2.00	3.00	14.50		4.00	25.00
SPECIAL ASSIGNMENT						6.50				46.00			52.50
SPECIAL ASSIGNMENT REIMBURSED		17.50	9.50		212.75		26.50		13.50		30.75		310.50
MISCELLANEOUS	16.00	19.00	10.75	25.75	35.00	10.75	9.00	18.50	19.75	37.75	18.75	19.00	240.00
MISCELLANEOUS REIMBURSED	33.00	41.50	79.00	20.00	32.50	23.50	25.00	34.00	32.00	43.00	22.00	19.00	404.50
Gross OFFICER OVERTIME	424.00	395.25	404.00	438.25	859.00	417.50	408.50	382.75	635.50	772.00	382.00	406.00	5924.75
SUBTOTAL REIMBURSED OVERTIME	(45.50)	(84.50)	(98.50)	(39.00)	(279.00)	(51.00)	(51.50)	(49.00)	(106.50)	(84.50)	(59.75)	(41.00)	(989.75)
NET OFFICER OVERTIME	378.50	310.75	305.50	399.25	580.00	366.50	357.00	333.75	529.00	687.50	322.25	365.00	4935.00

Total Overtime Budget: **$150,000.00**
Expenditures through 3/1/2019 **$190,045.02**
Percent of Total Budget: **126.70%**

NOTES:

* Period 12/30/2017 - 1/26/2018
**Period 1/27/2018 - 2/23/2018
***Period 2/24/2018 - 3/23/2018

+Period 3/24/2018 - 4/20/2018
++Period 4/21/2018 - 6/1/2018
^Period 6/2/2018 - 6/29/2018

#Period 6/30/2018 - 7/27/18
##Period 7/28/2018 - 8/24/2018
^^Period 08/25/2018 - 09/21/2018

^^^Period 9/22/2018 - 11/2/2018
*+Period 11/3/2018 - 11/30/2018
*+*Period 12/01/2018 - 12/28/2018

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2019

REASON	JAN*	FEB**	MAR***	APR+	MAY++	JUN^	JUL#	AUG##	SEPT^^	OCT^^^	NOV*+	DEC*+*	TOTAL
OFFICER SICK RELIEF	20.50	16.50	15.00	48.50	9.50	23.00	47.75	12.00	21.00	76.75	13.50	15.50	319.50
OFFICER WORKED ON HOLIDAY	105.00	22.25	4.00	30.00	91.75	12.00	61.00	10.00	121.25	15.25	69.00	80.00	621.50
OFFICER FOR COURT	22.50	10.00	18.50	10.50	14.00	8.00	10.00	6.00	8.00	2.00	90.75	8.00	208.25
OFFICER TRAINING	29.50	89.00	124.00	160.75	82.75	77.25	69.75	50.25	154.25	200.25	33.00		1070.75
OFFICER RELIEF FOR FUNERAL													0.00
OFFICER ATTEND MEETING	3.00	2.00	12.00	13.00		2.00	7.50	2.00		20.00			61.50
STAFFING LEVEL	39.00	60.00	124.50	85.50	169.25	131.25	157.00	263.75	305.00	406.50	317.50	272.75	2332.00
INVESTIGATION	33.00	38.50	16.00	58.50	29.00	27.00	58.00	17.00	12.75	44.00	41.75	21.50	397.00
HONOR GUARD FOR FUNERAL		10.00											10.00
SCHOOL LIAISON REIMBURSED	25.50	30.50	14.00	30.00	8.00	25.00		3.50	35.50	78.00	16.00	22.00	288.00
COMMUNITY RELATIONS					2.00								2.00
SPECIAL ASSIGNMENT				8.25	32.00	6.00			4.50			4.00	54.75
SPECIAL ASSIGNMENT REIMBURSED		14.00					14.00	10.00		15.00	10.00		63.00
MISCELLANEOUS	8.00	31.25	22.75	41.50	14.50	22.75	29.25	20.50	25.75	43.75	19.00	11.00	290.00
MISCELLANEOUS REIMBUSED	14.50	16.50	13.00	30.50	75.00	50.00	1.50	3.50	10.50	3.50	33.00	5.50	257.00
GROSS OFFICER OVERTIME	**300.50**	**340.50**	**363.75**	**517.00**	**527.75**	**384.25**	**455.75**	**398.50**	**698.50**	**905.00**	**643.50**	**440.25**	**5975.25**
SUBTOTAL REIMBURSED OVERTIME	(40.00)	(61.00)	(27.00)	(60.50)	(83.00)	(75.00)	(15.50)	(17.00)	(46.00)	(96.50)	(59.00)	(27.50)	(608.00)
NET OFFICER OVERTIME	**260.50**	**279.50**	**336.75**	**456.50**	**444.75**	**309.25**	**440.25**	**381.50**	**652.50**	**808.50**	**584.50**	**412.75**	**5367.25**

TOTAL OVERTIME BUDGET:	**$ 160,000.00**
EXPENDITURES THROUGH 12/31/2019	**$ 279,916.04**
PERCENT OF TOTAL BUDGET:	**174.95%**

NOTES:

*Period 12/29/2018 - 1/25/2019
**Period 1/26/2019 - 2/22/2019
***Period 2/23/2019 - 3/22/2019
+Period 3/23/2019 - 5/3/2019
++Period 5/4/2019 5/31/2019
^Period 6/1/2019 - 6/28/2019
#Period 6/29/2019 - 7/26/2019
##Period 7/27/2019 - 8/23/2019
^^Period 8/24/2019 - 9/20/2019
^^^Period 9/21/2019 - 11/1/2019
*+Period 11/2/2019 - 11/20/2019
*+*Period 11/30/2019 - 12/27/2019

DE PERE POLICE DEPARTMENT
OVERTIME BY REASON
2020

REASON	**JAN***	**FEB****	**MAR*****	**APR+**	**MAY++**	**JUN^**	**JUL#**	**AUG##**	**SEPT^^**	**OCT^^^**	**NOV*+**	**DEC*+***	**TOTAL**
OFFICER SICK RELIEF	90.75	25.50	18.00		10.25	6.50	0.00	20.00	27.50				198.50
OFFICER WORKED ON HOLIDAY	92.75	12.00	12.00	25.75	48.50	8.00	69.25	4.00	108.00				380.25
OFFICER FOR COURT	60.00	4.00	7.00	5.00		3.00	8.00	5.50	7.75				100.25
OFFICER TRAINING	38.50	119.75	56.00	20.00		146.00	104.25	48.25	78.50				611.25
OFFICER RELIEF FOR FUNERAL													0.00
OFFICER ATTEND MEETING		2.00	2.00										4.00
STAFFING LEVEL	285.50	107.25	99.00	54.25	42.50	154.50	225.25	279.00	243.50				1490.75
INVESTIGATION	22.50	7.50	32.25	28.25	36.25	25.50	70.75	43.25	74.25				340.50
HONOR GUARD FOR FUNERAL													0.00
SCHOOL LIAISON REIMBURSED	27.75	29.25	13.75					14.00	14.25				99.00
COMMUNITY RELATIONS													0.00
SPECIAL ASSIGNMENT													0.00
SPECIAL ASSIGNMENT REIMBURSED	4.50	14.00											18.50
MISCELLANEOUS	15.25	14.25	24.75	5.75	48.00	58.00	2.00	5.75	12.75				186.50
MISCELLANEOUS REIMBUSED	11.50	42.25	18.50	12.25	5.75	4.00	31.50	4.00	18.75				148.50
GROSS OFFICER OVERTIME	649.00	377.75	283.25	151.25	191.25	405.50	511.00	423.75	585.25	0.00	0.00	0.00	3578.00
SUBTOTAL REIMBURSED OVERTIME	(43.75)	(85.50)	(32.25)	(12.25)	(5.75)	(4.00)	(31.50)	(18.00)	(33.00)	0.00	0.00	0.00	(266.00)
NET OFFICER OVERTIME	**605.25**	**292.25**	**251.00**	**139.00**	**185.50**	**401.50**	**479.50**	**405.75**	**552.25**	**0.00**	**0.00**	**0.00**	3312.00

TOTAL OVERTIME BUDGET: $ 175,000.00
EXPENDITURES THROUGH 9/30/2020 $ 145,888.02
PERCENT OF TOTAL BUDGET: 83%

NOTES:

*Period 12/28/2019 - 1/24/2020
**Period 1/25/2020 - 2/21/2020
***Period 2/22/2020 - 4/3/2020
+Period 4/4/2020 - 4/30/2020
++Period 5/1/2020 - 5/31/2020
^Period 6/1/2020 - 6/30/2020
#Period 7/1/2020 - 7/31/2020
##Period 8/1/2020 - 8/31/2020
^^Period 9/1/2020 - 9/30/2020
^^^Period 10/1/2020 - 10/31/2020
*+Period 11/1/2020 - 11/30/2020
*+*Period 12/1/2020 - 12/31/2020

Additional Notes:
Changing from Payroll Period Reporting to Monthly Reporting beginning May 1, 2020.

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Police**
FROM:	**Derek Beiderwieden**
SUBJECT:	**Consider and Approve Police Records Management Agreement with Brown County.***

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.

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

I am recommending approval of this agreement and forwarding on to the full Council for approval.

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

ATTACHMENTS:

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

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 Finance/Personnel Committee Action

MEETING DATE: **October 13, 2020**

DEPARTMENT: **City Clerk**

FROM: **Carey Danen**

SUBJECT: **Request of the City Clerk's Office to consider approval of Continuity of Elections Operations Plan Memorandum of Understanding.***

ATTACHMENTS:

- Memo to Finance - continuity of elections MOU (2) (PDF)
- Continuity of Election Operations Plan MOU - Brown County (PDF)

CITY OF DE PERE
MEMO

DE PERE

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 Ashwaubenon???
Village of Bellevue???
Village of Hobart???
Town of Lawrence???
Town of Ledgeview???
City of De Pere
City of Green Bay???

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, Village Clerk
Village of Suamico
(920) 434-2212 – office
(XXX) XXX-XXX – cell
BonnieS@Suamico.org

NAME
Village of Howard
(XXX) XXX-XXXX - office
(XXX) XXX-XXX - cell
EMAIL

NAME
Village of Wrightsown
(XXX) XXX-XXXX – office
(XXX) XXX-XXX – cell
EMAIL

NAME
Village of Allouez
(XXX) XXX-XXXX - office
(XXX) XXX-XXX - cell
EMAIL

Updated August 27, 2020

NAME
City of De Pere
(XXX) XXX-XXXX – office
(XXX) XXX-XXX – cell
EMAIL

NAME
Village of Allouez
(XXX) XXX-XXXX - office
(XXX) XXX-XXX - cell
EMAIL

In the event that any of the Clerks above is 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 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 August 27, 2020

This MOU is signed and effective this 21st day of September, 2020.

Bonnie Swan
Village Clerk
Village of Suamico

Updated August 27, 2020

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Human Resources**
FROM:	**Shannon Metzler**
SUBJECT:	**Consideration and Possible Action of 2021 Benefit Renewal and Plan Design Changes***

ATTACHMENTS:

- Benefit renewal and plan design changes (DOCX)

DE PERE

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

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	RENEWAL
Single - $48.44 Family - $147.25	Single - $43.60 Family - $132.53	Single - $36.34 Family - $103.70	Single - $36.34 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.

DE PERE

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Human Resources**
FROM:	**Shannon Metzler**
SUBJECT:	**Consideration and Possible Action to set Mayor and Council Salaries for 2022 and 2023***

ATTACHMENTS:

- Mayor Council Salaries for 2022 and 2023 II (PDF)
- Mayor Alderperson Comparables (PDF)
- Summary of Position Salaries (PDF)

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

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/Alderpersons 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/Alderperson Comparables

Municipality	Population	Position	2019-2020 Salary	Full Time City Administrator	Notes
De Pere*	24,595	Village President/Mayor	$24,620		
		Trustee/Council Member	$7,057		
Allouez	13,757	Village President/Mayor	Village president $10,000 annual salary, part time	Full Time Village Administrator	
		Trustee/Council Member	6 Village trustees $6,732 annual salary		
Ashwaubenon	Just under 18,000	Village President/Mayor	$30,000 annually; considered a full-time job	Village Manager – position currently open; 2020 salary is $128,408.54	
		Trustee/Council Member	(6) - $8,000 annually		
Menasha	17,468	Village President/Mayor	Mayor $64,00 (2019) $65,500 (2020) first increase in many years	No we do not	
		Trustee/Council Member	Council Members we have 8 Council Members ($5190.00/each annual) and 1 acts as the President ($5490.00 annual)		
WI Rapids	17,696	Village President/Mayor	$74,616 annual – full-time position	No	
		Trustee/Council Member	$490/mth		
Marshfield	19,478	Village President/Mayor	He is part-time and makes $22,500 per year plus an in-town expense account of $150.00	Yes, we have a full-time City Administrator	
		Trustee/Council Member	$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		

Mayor/Alderperson 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 beneftis
		Trustee/Council Member	$6,436	Part Time	

Mayor/Alderperson 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

		Mayor	Alderpersons
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 Finance/Personnel Committee Action

MEETING DATE: **October 13, 2020**

DEPARTMENT: **Finance Department**

FROM: **Joe Zegers**

SUBJECT: **Review of the proposed Public Service Commission (PSC) De Pere Water Rate Increase Exhibit.**

ATTACHMENTS:

- PSC Water Rate Increase Memo - 10-08-20 (PDF)
- PSC Rate Application Response - 09-17-20 (PDF)

To: Honorable Mayor and Members of the Finance Committee
Larry Delo, Administrator
From: Joe Zegers, Finance Director
Date: October 8th, 2020
Subject: Proposed Public Service Commission (PSC) De Pere Water Rate Increase Exhibit

I have attached the Public Service Commission De Pere Water Rate increase exhibit received September 17th, 2020 which the City originally applied for on August 8th 2019. The cover letter indicates that the exhibit reveals the proposed rate increases would increase annual revenue by $1,102,231 or 19.43% primarily due to a 29.86% increase in gross plant investment (primarily main, service and meter capital purchases) & a 15.37% increase in operating expenses since the last water rate case increase in 2011. The letter further indicates that a typical residential water customer's water increase in their quarterly bill would be 19.17% which is very near to what our original application increase of 21.03% prepared by our auditing firm of CliftonLarsonAllen LLP (CLA) and submitted in August 2019.

Per PSC requirements, a public hearing for the increase is required for the rate increase which involves a virtual telephonic hearing which is scheduled for Tuesday October 27th, 2020 at 10am. I will be representing the City for the hearing along with a representative from CLA but as the name implies the hearing is open to the public virtually. The City Water Department is required to notify our customers through a display advertisement in the City's official newspaper at least 7-15 days before the hearing which would roughly around October 13th and October 20th, 2020. The City Clerk's office is making the advertisement arrangements for this. Since all Wisconsin municipal water utilities are regulated by the Public Service Commission, this is their recommendation which is subject to the vote of the Public Service Commissioners and is meant to protect both the interests of the water utility customers and the financial condition of water utility itself. As a result, this is for informational purposes as the Finance Committee or City Council may not vote on the increase.

Public Service Commission of Wisconsin

Rebecca Cameron Valcq, Chairperson
Ellen Nowak, Commissioner
Tyler Huebner, Commissioner

4822 Madison Yards Way
P.O. Box 7854
Madison, WI 53707-7854

September 17, 2020

Mr. Joe Zegers, Finance Director
De Pere Water Department
335 South Broadway
De Pere, WI 54115

Re: Application of the City of De Pere, Brown County, Wisconsin, as a Water Public Utility, for Authority to Adjust Water Rates — 1610-WR-105

Dear Mr. Zegers:

Public Service Commission (Commission) staff has analyzed the De Pere Water Department (Utility) application for a water rate increase. The application was received on August 8, 2019. The attached proposed exhibit (Exhibit) contains schedules showing Commission staff's proposed cost-of-service analysis and proposed rates. Commission staff intends to submit this Exhibit at the public hearing, which will be scheduled at a later date.

The revenue requirement for the 2019 test year is comprised of the following:

Operation and Maintenance Expenses	$	5,380,110
Depreciation Expense	$	424,197
Property Tax Equivalent and Other Taxes	$	543,691
Return on Rate Base	$	922,638
Total	$	7,270,637

Commission staff used a 4.90 percent rate of return on the estimated water utility net investment rate base for the 2019 test year, as recommended by our staff auditor. (PSC REF#: 384158.)

The proposed rates shown in Schedule 13 would increase annual revenues from water public utility service by an estimated $1,102,331, or 19.43 percent, all of which would be from general service customers. The increase in water utility revenues results from a 29.86 percent increase in gross plant investment and a 15.37 percent increase in operating expenses since the Utility's last water rate case in 2011.

A typical residential customer's bill would rise 19.17 percent including public fire protection. Commission staff provided analysis of customer bills for comparison of proposed and present rates (see Schedule 14 of the attached Commission staff Exhibit).

A number of changes are proposed on Schedule 13 that are intended to simplify and update the tariff provisions. These include:

- Eliminating Schedule Fd-1, Public Fire Protection (direct charges) because Schedule F-1, Public Fire Protection, is now being used for all public fire protection charges.
- Revising Schedule Mpa-1, Public Service; Schedule Ug-1, General Water Service – Unmetered; and Schedule BW-1, Bulk Water, to reference the volumetric charges in Schedule Mg-1 instead of establishing separate rates in these schedules. These changes ensure that these rates will reflect future changes to Schedule Mg-1 through a Simplified Rate Case (SRC).
- Eliminating Schedule Mz-1, Building and Construction Water Service, because the revised Schedule Ug-1 now applies to these customers.
- Replacing Schedule Mgt-1, Seasonal, Emergency, or Temporary Service, with a new Schedule Sg-1, Seasonal Service.

Commission staff also propose to create new schedules W-1 and W-2 for wholesale water service to the Town of Lawrence and the Ledgeview Sanitary District No. 2. These will replace current schedules Mg-1.1 and F-2. These schedules include a new general service volume charge for the Town of Lawrence and a new public fire protection service charge as well as a general service volume charge for the Ledgeview Sanitary District No. 2. These new schedules will bring the wholesale rates more in line with cost-of-service principles.

A copy of the changes to the Utility's filed rules that reflect the latest requirements in Wis. Admin. Code ch. PSC 185 is attached. These changes will be recommended to the Commission. The proposed Commission staff Exhibit is intended to give the Commission the analysis provided by Commission staff and is not a Final Decision. The Utility may present its own case and may submit any additional information which is believed to be pertinent to substantiate the Utility's position. Please note that the general service and public fire protection rates are typically effective within 90 days of the final decision.

Please note that the Commission will base its decision on the merits of the case.

In order to receive notification of official correspondence (i.e. data requests, notices, final decisions, etc.), individuals must subscribe to the Utility ID or PSC Docket. To subscribe, go to the Commission's Electronic Records Filing System (ERF). For help subscribing, go to Subscribing to Dockets.

If you have any questions, please call me at (608) 266-3905.

Sincerely,

Andrew Fisher
Public Utility Rate Analyst
Public Service Commission of Wisconsin
Division of Water Utility Regulation and Analysis
(608) 266–3905 | Andrew.Fisher@wisconsin.gov

ALF:ajh:ggl DL:01765041

cc: Dave Maccoux, CliftonLarsonAllen
Renae Peters, Ledgeview Sanitary District No. 2
Patrick Wetzel, Town of Lawrence

Docket 1610-WR-105

Ex.-PSC-COSS and Rate Design

De Pere Water Department

De Pere Water Department | **Schedule 1**
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COMPARATIVE INCOME STATEMENT

ACCT NO.	OPERATING REVENUES	2015	2016	2017	2018	TEST YEAR 2019
460	Unmetered Sales to General Customers					
	Residential	$ 0	$ 0	$ 0	$ 0	$ 0
	Multi-Family Residential	0	0	0	0	0
	Commercial	0	0	0	0	0
	Industrial	0	0	0	0	0
	Public Authority	0	0	0	0	0
	Irrigation	0	0	0	0	0
461	Metered Sales to General Customers					
	Residential	2,780,042	2,760,677	2,774,277	2,709,460	2,645,731
	Multi-Family Residential	191,805	180,296	181,215	186,651	205,161
	Commercial	829,395	778,556	778,342	814,038	764,048
	Industrial	559,981	510,089	499,819	564,277	571,076
	Public Authority	99,168	94,992	87,541	84,978	84,897
	Lawrence & Ledgeview	0	0	0	0	0
	TOTAL GENERAL SALES	$ 4,460,391	$ 4,324,610	$ 4,321,194	$ 4,359,404	$ 4,270,913
462	Private fire protection service	$ 126,924	$ 129,675	$ 126,059	$ 124,601	$ 124,068
463	Public fire protection service	1,256,603	1,264,984	1,273,190	1,266,167	1,275,194
465	Other water sales	0	0	0	0	0
466	Sales for resale	72,418	91,999	92,086	112,122	128,324
467	Interdepartmental sales	0	0	0	0	0
470	Forfeited discounts	68,333	92,754	86,517	38,933	40,000
472	Rents from water property	247,798	231,089	225,871	237,622	239,500
473	Interdepartmental rents	0	0	0	0	0
474	Other water revenues	55,244	64,454	62,608	71,965	90,306
	TOTAL OPERATING REVENUES	$ 6,287,711	$ 6,199,565	$ 6,187,525	$ 6,210,814	$ 6,168,305
	OPERATING EXPENSES					
	SOURCE OF SUPPLY					
600	Operation labor	$ 0	$ 0	$ 0	$ 0	$ 0
601	Operation labor and expenses	0	0	0	0	0
602	Purchased water	3,221,453	3,335,890	3,677,147	3,759,360	3,914,000
603	Miscellaneous expenses	0	0	0	0	0
604	Rents	0	0	0	0	0
610	Maintenance supervision and engineering	0	0	0	0	0
611	Maintenance of structures and improvements	0	0	0	0	0
612	Maint. of collecting and impounding reservoirs	0	0	0	0	0
613	Maintenance of lake, river, and other intakes	0	0	0	0	0
614	Maintenance of wells and springs	54,170	7,907	687	3,246	5,000
616	Maintenance of supply mains	0	0	0	0	0
617	Maintenance of misc. water source plant	0	0	0	0	0
	PUMPING EXPENSES					
620	Operation supervision and engineering	0	0	0	0	0
621	Fuel for power production	0	0	0	0	0
622	Power production labor and expenses	0	0	0	0	0
623	Fuel or power purchased for production	23,406	20,948	17,013	20,670	21,000
624	Pumping labor and expenses	26,277	19,942	24,776	21,094	25,000
625	Expenses transferred--credit	0	0	0	0	0
626	Miscellaneous expenses	0	0	0	0	0
627	Rents	0	0	0	0	0
630	Maintenance supervision and engineering	0	0	0	0	0
631	Maintenance of structures and improvements	1,883	13,361	8,603	8,182	12,000
632	Maintenance of power production equipment	0	0	0	0	0
633	Maintenance of pumping equipment	29,287	10,257	57,726	10,635	20,000

De Pere Water Department
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Schedule 1
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COMPARATIVE INCOME STATEMENT
(continued)

ACCT NO.	OPERATING EXPENSES	2015	2016	2017	2018	TEST YEAR 2019
	WATER TREATMENT EXPENSES					
640	Operation supervision and engineering	$ 0	$ 0	$ 0	$ 0	$ 0
641	Chemicals	36,887	34,059	40,581	33,846	36,000
642	Operation labor and expenses	0	0	0	0	0
643	Miscellaneous expenses	0	0	0	0	0
644	Rents	0	0	0	0	0
650	Maintenance supervision and engineering	0	0	0	0	0
651	Maintenance of structures and improvements	0	0	0	0	0
652	Maintenance of water treatment equipment	1,916	2,238	573	1,134	1,800
	TRANS & DISTRIBUTION EXPENSES					
660	Operation supervision and engineering	$ 33,759	$ 20,123	$ 24,263	$ 52,824	$ 30,000
661	Storage facilities expenses	0	0	0	0	0
662	Transmission and distribution expenses	64,156	38,771	47,664	48,461	55,000
663	Meter expenses	62,516	54,486	63,672	52,928	52,000
664	Customer installations expenses	0	0	0	0	0
665	Miscellaneous expenses	0	0	0	0	0
666	Rents	8,985	9,254	9,532	9,742	9,800
670	Maintenance supervision and engineering	0	0	0	0	0
671	Maintenance of structures and improvements	0	0	0	0	0
672	Maintenance of distr.reservoirs and standpipes	92,882	2,624	42,520	11,554	91,250
673	Maintenance of transmission and distr. mains	212,279	145,818	170,494	212,438	195,000
675	Maintenance of services	74,573	44,841	99,473	37,552	65,000
676	Maintenance of meters	3,274	8,454	35,386	20,074	15,000
677	Maintenance of hydrants	62,938	49,558	14,195	45,914	46,000
678	Maintenance of miscellaneous plant	8,494	3,247	2,939	764	3,000
	CUSTOMER ACCOUNTS EXPENSES					
901	Supervision	0	0	0	0	0
902	Meter reading labor	22,432	47,879	51,345	70,958	52,500
903	Customer records and collection expenses	173,309	163,135	174,926	206,793	180,000
904	Uncollectible accounts	0	0	0	0	0
905	Miscellaneous customer accounts expenses	0	0	0	0	0
906	Customer service and Information Expenses	0	0	0	0	0
	SALES EXPENSES					
910	Sales Expenses	0	0	0	0	0
	ADMIN. & GENERAL EXPENSES					
920	Administrative and general salaries	92,209	90,702	88,674	143,668	145,000
921	Office supplies and expenses	37,035	38,985	47,481	44,140	41,314
922	Administrative expenses transferred -- credit	0	0	0	0	0
923	Outside services employed	86,785	115,351	100,286	114,859	110,000
924	Property insurance	30,866	31,792	32,746	33,728	32,746
925	Injuries and damages	0	0	0	0	0
926	Employee pensions and benefits	93,100	168,416	166,930	211,151	212,300
928	Regulatory commission expenses	0	0	0	0	4,000
929	Duplicate charges -- credit	0	0	0	0	0
930	Miscellaneous general expenses	0	0	0	476	500
931	Rents	4,388	4,520	4,655	4,871	4,900
932	Maintenance of general plant	0	0	0	0	0
	TOTAL OPER. & MAINT. EXPENSES	$ 4,559,259	$ 4,482,558	$ 5,004,287	$ 5,181,062	$ 5,380,110
403	**DEPRECIATION EXPENSE**	377,677	391,416	416,439	473,534	424,197
404-407	**AMORTIZATION EXPENSE**	0	0	0	0	0
408	**TAXES AND TAX EQUIVALENT**	495,905	491,711	488,826	514,264	543,691
	TOTAL OPERATING EXPENSES	$ 5,432,841	$ 5,365,685	$ 5,909,552	$ 6,168,860	$ 6,347,998
	NET OPERATING INCOME	**$ 854,870**	**$ 833,880**	**$ 277,973**	**$ 41,954**	**$ (179,693)**

NET INVESTMENT RATE BASE

UTILITY FINANCED PLANT IN SERVICE	$	24,148,989
Less: ACCUMULATED PROVISION FOR DEPRECIATION		5,227,004
NET PLANT IN SERVICE	$	18,921,985
Plus: MATERIALS AND SUPPLIES		18,459
Less: REGULATORY LIABILITY		111,088
NET INVESTMENT RATE BASE	$	18,829,356
RATE OF RETURN ON RATE BASE		4.90%

ESTIMATED INCOME STATEMENT FOR THE 2019 TEST YEAR AND REVENUE REQUIREMENT TO YIELD A 4.90% RETURN ON NET INVESTMENT RATE BASE

	Present Rates	Increase	After Rate Increase
TOTAL OPERATING REVENUES	$ 6,168,305	$ 1,102,331	$ 7,270,636
OPERATING EXPENSES:			
OPERATION & MAINTENANCE EXPENSES	$ 5,380,110		$ 5,380,110
DEPRECIATION EXPENSE	424,197		424,197
AMORTIZATION EXPENSE	0		0
TAXES AND TAX EQUIVALENT	543,691		543,691
TOTAL OPERATING EXPENSES	$ 6,347,998		$ 6,347,998
NET OPERATING INCOME (LOSS)	$ (179,693)		$ 922,638
RATE OF RETURN ON RATE BASE	-		4.90%

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2019

ACCT NO.	ACCOUNT DESCRIPTION	Balance 12/31/2018 ($)	Major Additions Less Retirements ($)	Normal Additions ($)	Retirements ($)	Balance 12/31/2019 ($)	Test Year Rate Base Balance ($)	Depreciation Rate (%)	Depreciation Expense ($)
	INTANGIBLE PLANT								
301	Organization	0	0	0	0	0	0	N/A	0
302	Franchises and Consents	0	0	0	0	0	0	N/A	0
303	Miscellaneous Intangible Plant	749	0	0	0	749	749	N/A	0
	SOURCE OF SUPPLY								
310	Land and Land Rights	51,132	0	0	0	51,132	51,132	N/A	0
311	Structures and Improvements	0	0	0	0	0	0	3.20%	0
312	Collecting and Impounding Reservoirs	0	0	0	0	0	0	1.70%	0
313	Lake, River, and Other Intakes	0	0	0	0	0	0	1.70%	0
314	Wells and Springs	404,971	0	0	0	404,971	404,971	2.90%	11,744
316	Supply Mains	0	0	0	0	0	0	1.80%	0
317	Other Water Source Plant	0	0	0	0	0	0	4.50%	0
	PUMPING PLANT								
320	Land and Land Rights	0	0	0	0	0	0	N/A	0
321	Structures and Improvements	355,780	0	0	0	355,780	355,780	3.20%	11,385
323	Other Power Production Equipment	0	0	0	0	0	0	4.40%	0
325	Electric Pumping Equipment	900,841	0	0	0	900,841	900,841	4.40%	0
326	Diesel Pumping Equipment	0	0	0	0	0	0	4.40%	0
328	Other Pumping Equipment	71,957	0	0	0	71,957	71,957	4.40%	0
	WATER TREATMENT PLANT								
330	Land and Land Rights	0	0	0	0	0	0	N/A	0
331	Structures and Improvements	15,376	0	0	0	15,376	15,376	3.20%	492
332	Sand or Other Media Filtration Equipment	0	0	0	0	0	0	3.30%	(1,429)
333	Membrane Filtration Equipment	43,311	0	0	0	43,311	43,311	6.00%	2,599
334	Other Water Treatment Equipment	0	0	0	0	0	0	6.00%	0

UTILITY FINANCED PLANT IN SERVICE AND DEPRECIATION EXPENSE
TEST YEAR 2019
(continued)

ACCT NO.	ACCOUNT DESCRIPTION	Balance 12/31/2018 ($)	Major Additions ($)	Normal Additions ($)	Retirements ($)	Balance 12/31/2019 ($)	TEST YEAR RATE BASE BALANCE ($)	DEPRECIATION RATE (%)	DEPRECIATION EXPENSE ($)
	TRANSMISSION & DISTRIBUTION PLANT								
340	Land and Land Rights	1,327	0	0	0	1,327	1,327	N/A	0
341	Structures and Improvements	0	0	0	0	0	0	3.20%	0
342	Distribution Reservoirs and Standpipes	2,601,684	0	0	0	2,601,684	2,601,684	1.90%	49,432
343	Transmission and Distribution Mains	12,180,537	0	600,000	200,000	12,580,537	12,380,537	1.30%	160,947
345	Services	3,051,027	0	500,000	50,000	3,501,027	3,276,027	2.90%	95,005
346	Meters	2,216,021	0	0	0	2,216,021	2,216,021	5.50%	60,940
348	Hydrants	1,011,144	0	30,000	0	1,041,144	1,026,144	2.20%	22,575
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	5.00%	0
	GENERAL PLANT								
389	Land and Land Rights	0	0	0	0	0	0	N/A	0
390	Structures and Improvements	200,000	0	0	0	200,000	200,000	2.90%	5,800
391	Office Furniture and Equipment	22,218	0	0	0	22,218	22,218	5.80%	0
391	Computer Equipment	115,342	0	0	0	115,342	115,342	26.70%	0
392	Transportation Equipment	364,973	0	60,000	30,000	394,973	379,973	13.30%	0
393	Stores Equipment	0	0	0	0	0	0	5.80%	0
394	Tools, Shop and Garage Equipment	76,161	0	10,000	0	86,161	81,161	5.80%	4,707
395	Laboratory Equipment	0	0	0	0	0	0	5.80%	0
396	Power Operated Equipment	0	0	0	0	0	0	7.50%	0
397	Communication Equipment	4,438	0	0	0	4,438	4,438	15.00%	0
397	SCADA Equipment	0	0	0	0	0	0	9.20%	0
398	Miscellaneous Equipment	0	0	0	0	0	0	5.80%	0
	TOTAL UTILITY FINANCED PLANT IN SERVICE	**23,688,989**	**0**	**1,200,000**	**280,000**	**24,608,989**	**24,148,989**		**424,197**

De Pere Water Department

SYSTEM DEMAND RATIOS

MAXIMUM DAY SYSTEM DEMAND

TOTAL ANNUAL PUMPAGE	786,080,241	Gallons
AVERAGE DAILY PUMPAGE	2,153,644	Gallons
MAXIMUM DAY PUMPAGE	3,230,467	Gallons
FIRE FLOW:		
GAL/MIN	5,000	
DURATION (HOURS)	5.0	
TOTAL FLOW	1,500,000	Gallons
AVERAGE DAY PLUS FIRE FLOW	3,653,644	Gallons

RATIO: BASE = $\frac{2,153,644}{3,653,644}$ = 58.95%

MAX DAY = 100-BASE = 41.05%

MAXIMUM HOUR SYSTEM DEMAND

AVERAGE HOUR ON MAX DAY	134,603	Gallons
MAXIMUM HOUR PUMPAGE	201,904	Gallons
AVERAGE HOUR PLUS ONE HOUR FIRE FLOW	389,735	Gallons

RATIO: BASE = $\frac{2,153,644}{9,353,644}$ = 23.02% Use 23.02%

MAX HOUR = 100-BASE = 76.98% Use 76.98%

ALLOCATION OF UTILITY FINANCED PLANT
TO SERVICE COST FUNCTIONS

ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	BASE COSTS System ($)	BASE COSTS Distribution ($)	EXTRA-CAPACITY MAX DAY System ($)	EXTRA-CAPACITY MAX DAY Distribution ($)	EXTRA-CAPACITY MAX HOUR System ($)	EXTRA-CAPACITY MAX HOUR Distribution ($)	EXTRA-CAPACITY MAX HOUR Storage ($)	CUSTOMER COSTS Billing ($)	CUSTOMER COSTS Equivalent Meter ($)	CUSTOMER COSTS Equivalent Service ($)	Fire Protection ($)
	INTANGIBLE PLANT												
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	749	182	42	113	0	0	139	64	0	71	105	33
	SOURCE OF SUPPLY												
310	Land and Land Rights	51,132	30,140		20,992								
311	Structures and Improvements	0	0		0								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	404,971	238,711		166,260								
316	Supply Mains	0	0		0								
317	Other Water Source Plant	0	0		0								
	PUMPING PLANT												
320	Land and Land Rights	0	0		0								
321	Structures and Improvements	355,780	209,715		146,065								
323	Other Power Production Equipment	0	0		0								
325	Electric Pumping Equipment	900,841	531,002		369,839								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	71,957	42,415		29,542								
	WATER TREATMENT PLANT												
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	15,376	9,063		6,313								
332	Sand or Other Media Filtration Equipment	0	0		0								
333	Membrane Filtration Equipment	43,311	25,530		17,781								
334	Other Water Treatment Equipment	0	0		0								

ALLOCATION OF UTILITY FINANCED PLANT
TO SERVICE COST FUNCTIONS
(continued)

					EXTRA-CAPACITY					CUSTOMER COSTS			
			BASE COSTS		MAX DAY		MAX HOUR						
ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	TRANSMISSION & DISTRIBUTION PLANT												
340	Land and Land Rights	1,327	283	80	171	0	0	267	124	0	137	202	63
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution Reservoirs and Standpipes	2,601,684	599,029						2,002,655				
343	Transmission mains	6,760,958	3,985,253		2,775,704								
343	Distribution mains	5,619,579		1,293,889				4,325,691					
345	Services	3,276,027										3,276,027	
346	Meters	2,216,021									2,216,021		
348	Hydrants	1,026,144											1,026,144
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0
	GENERAL PLANT												
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	200,000	48,585	11,086	30,265	0	0	37,061	17,158	0	18,986	28,068	8,792
391	Office Furniture and Equipment	22,218	5,397	1,231	3,362	0	0	4,117	1,906	0	2,109	3,118	977
391	Computer Equipment	115,342	28,020	6,393	17,454	0	0	21,373	9,895	0	10,949	16,187	5,070
392	Transportation Equipment	379,973	92,305	21,061	57,499	0	0	70,411	32,598	0	36,071	53,325	16,703
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	81,161	19,716	4,499	12,282	0	0	15,040	6,963	0	7,705	11,390	3,568
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	Communication Equipment	4,438	1,078	246	672	0	0	822	381	0	421	623	195
397	SCADA Equipment	0	0	0	0	0	0	0	0	0	0	0	0
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**24,148,989**	**5,866,424**	**1,338,526**	**3,654,315**	**0**	**0**	**4,474,920**	**2,071,744**	**0**	**2,292,470**	**3,389,045**	**1,061,544**

ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS

			BASE COSTS		EXTRA-CAPACITY MAX DAY		EXTRA-CAPACITY MAX HOUR			CUSTOMER COSTS			
ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	INTANGIBLE PLANT												
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	749	135	65	84	0	0	218	48	0	53	105	42
	SOURCE OF SUPPLY												
310	Land and Land Rights	51,132	30,140		20,992								
311	Structures and Improvements	0	0		0								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	404,971	238,711		166,260								
316	Supply Mains	0	0		0								
317	Other Water Source Plant	0	0		0								
	PUMPING PLANT												
320	Land and Land Rights	0	0		0								
321	Structures and Improvements	355,780	209,715		146,065								
323	Other Power Production Equipment	0	0		0								
325	Electric Pumping Equipment	900,841	531,002		369,839								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	71,957	42,415		29,542								
	WATER TREATMENT PLANT												
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	15,376	9,063		6,313								
332	Sand or Other Media Filtration Equipment	0	0		0								
333	Membrane Filtration Equipment	43,311	25,530		17,781								
334	Other Water Treatment Equipment	0	0		0								

ALLOCATION OF TOTAL PLANT
TO SERVICE COST FUNCTIONS
(continued)

					EXTRA-CAPACITY					CUSTOMER COSTS		
			BASE COSTS		MAX DAY		MAX HOUR						
ACCT NO.	**ACCOUNT DESCRIPTION**	**TOTAL ($)**	**System ($)**	**Distribution ($)**	**System ($)**	**Distribution ($)**	**System ($)**	**Distribution ($)**	**Storage ($)**	**Billing ($)**	**Equivalent Meter ($)**	**Equivalent Service ($)**	**Fire Protection ($)**
	TRANSMISSION & DISTRIBUTION PLANT												
340	Land and Land Rights	1,327	205	122	124	0	0	410	90	0	99	198	79
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution Reservoirs and Standpipes	2,601,684	599,029						2,002,655				
343	Transmission mains	6,760,958	3,985,253		2,775,704								
343	Distribution mains	11,895,055		2,738,796				9,156,260					
345	Services	4,431,408										4,431,408	
346	Meters	2,216,021									2,216,021		
348	Hydrants	1,764,952											1,764,952
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0
	GENERAL PLANT												
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	200,000	35,990	17,382	22,419	0	0	58,110	12,710	0	14,064	28,124	11,201
391	Office Furniture and Equipment	22,218	3,998	1,931	2,491	0	0	6,455	1,412	0	1,562	3,124	1,244
391	Computer Equipment	115,342	20,756	10,024	12,929	0	0	33,513	7,330	0	8,111	16,219	6,460
392	Transportation Equipment	379,973	68,376	33,023	42,593	0	0	110,402	24,147	0	26,720	53,432	21,281
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	81,161	14,605	7,054	9,098	0	0	23,581	5,158	0	5,707	11,413	4,546
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	Communication Equipment	4,438	799	386	497	0	0	1,289	282	0	312	624	249
397	SCADA Equipment	0	0	0	0	0	0	0	0	0	0	0	0
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**32,318,654**	**5,815,720**	**2,808,783**	**3,622,732**	**0**	**0**	**9,390,238**	**2,053,831**	**0**	**2,272,649**	**4,544,648**	**1,810,053**

ALLOCATION OF DEPRECIATION EXPENSE
TO SERVICE COST FUNCTIONS

			BASE COSTS		EXTRA-CAPACITY MAX DAY		EXTRA-CAPACITY MAX HOUR			CUSTOMER COSTS			
ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	INTANGIBLE PLANT												
301	Organization	0	0	0	0	0	0	0	0	0	0	0	0
302	Franchises and Consents	0	0	0	0	0	0	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	0	0	0	0	0	0	0	0	0	0	0	0
	SOURCE OF SUPPLY												
310	Land and Land Rights	0	0		0								
311	Structures and Improvements	0	0		0								
312	Collecting and Impounding Reservoirs	0	0		0								
313	Lake, River, and Other Intakes	0	0		0								
314	Wells and Springs	11,744	6,923		4,821								
316	Supply Mains	0	0		0								
317	Other Water Source Plant	0	0		0								
	PUMPING PLANT												
320	Land and Land Rights	0	0		0								
321	Structures and Improvements	11,385	6,711		4,674								
323	Other Power Production Equipment	0	0		0								
325	Electric Pumping Equipment	0	0		0								
326	Diesel Pumping Equipment	0	0		0								
328	Other Pumping Equipment	0	0		0								
	WATER TREATMENT PLANT												
330	Land and Land Rights	0	0		0								
331	Structures and Improvements	492	290		202								
332	Sand or Other Media Filtration Equipment	(1,429)	(842)		(587)								
333	Membrane Filtration Equipment	2,599	1,532		1,067								
334	Other Water Treatment Equipment	0	0		0								

ALLOCATION OF DEPRECIATION EXPENSE
TO SERVICE COST FUNCTIONS
(continued)

					EXTRA-CAPACITY					CUSTOMER COSTS		
			BASE COSTS		MAX DAY		MAX HOUR					
ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	TRANSMISSION & DISTRIBUTION PLANT												
340	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
341	Structures and Improvements	0	0	0	0	0	0	0	0	0	0	0	0
342	Distribution Reservoirs and Standpipes	49,432	11,382						38,050				
343	Transmission mains	87,892	51,808		36,084								
343	Distribution mains	73,055		16,821				56,234					
345	Services	95,005										95,005	
346	Meters	60,940									60,940		
348	Hydrants	22,575											22,575
349	Other Transmission and Distribution Plant	0	0	0	0	0	0	0	0	0	0	0	0
	GENERAL PLANT												
389	Land and Land Rights	0	0	0	0	0	0	0	0	0	0	0	0
390	Structures and Improvements	5,800	1,091	236	649	0	0	788	533	0	854	1,332	317
391	Office Furniture and Equipment	0	0	0	0	0	0	0	0	0	0	0	0
391	Computer Equipment	0	0	0	0	0	0	0	0	0	0	0	0
392	Transportation Equipment	0	0	0	0	0	0	0	0	0	0	0	0
393	Stores Equipment	0	0	0	0	0	0	0	0	0	0	0	0
394	Tools, Shop and Garage Equipment	4,707	885	191	526	0	0	640	433	0	693	1,081	257
395	Laboratory Equipment	0	0	0	0	0	0	0	0	0	0	0	0
396	Power Operated Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	Communication Equipment	0	0	0	0	0	0	0	0	0	0	0	0
397	SCADA Equipment	0	0	0	0	0	0	0	0	0	0	0	0
398	Miscellaneous Equipment	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL	**424,197**	**79,779**	**17,248**	**47,437**	**0**	**0**	**57,662**	**39,017**	**0**	**62,488**	**97,418**	**23,148**

ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES
TO SERVICE COST FUNCTIONS

			BASE COSTS		EXTRA-CAPACITY MAX DAY		EXTRA-CAPACITY MAX HOUR			CUSTOMER COSTS			
ACCT NO.	**ACCOUNT DESCRIPTION**	**TOTAL ($)**	**System ($)**	**Distribution ($)**	**System ($)**	**Distribution ($)**	**System ($)**	**Distribution ($)**	**Storage ($)**	**Billing ($)**	**Equivalent Meter ($)**	**Equivalent Service ($)**	**Fire Protection ($)**
	SOURCE OF SUPPLY												
600	Operation labor	0	0		0								
601	Operation labor and expenses	0	0		0								
602	Purchased water	3,914,000	3,904,986										9,014
603	Miscellaneous expenses	0	0		0								
604	Rents	0	0		0								
610	Maintenance supervision and engineering	0	0		0								
611	Maintenance of structures and improvements	0	0		0								
612	Maint. of collecting and impounding reservoirs	0	0		0								
613	Maintenance of lake, river, and other intakes	0	0		0								
614	Maintenance of wells and springs	5,000	2,947		2,053								
616	Maintenance of supply mains	0	0		0								
617	Maintenance of misc. water source plant	0	0		0								
	PUMPING EXPENSES												
620	Operation supervision and engineering	0	0		0								
621	Fuel for power production	0	0										
622	Power production labor and expenses	0	0										
623	Fuel or power purchased for production	21,000	21,000										
624	Pumping labor and expenses	25,000	14,736		10,264								
625	Expenses transferred--credit	0	0		0								
626	Miscellaneous expenses	0	0		0								
627	Rents	0	0		0								
630	Maintenance supervision and engineering	0	0		0								
631	Maintenance of structures and improvements	12,000	7,073		4,927								
632	Maintenance of power production equipment	0	0		0								
633	Maintenance of pumping equipment	20,000	11,789		8,211								
	WATER TREATMENT EXPENSES												
640	Operation supervision and engineering	0	0		0								
641	Chemicals	36,000	36,000										
642	Operation labor and expenses	0	0		0								
643	Miscellaneous expenses	0	0		0								
644	Rents	0	0		0								
650	Maintenance supervision and engineering	0	0		0								
651	Maintenance of structures and improvements	0	0		0								
652	Maintenance of water treatment equipment	1,800	1,061		739								

ALLOCATION OF OPERATION AND MAINTENANCE EXPENSES
TO SERVICE COST FUNCTIONS
(continued)

			BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
					MAX DAY		MAX HOUR						
ACCT NO.	ACCOUNT DESCRIPTION	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
	TRANSMISSION & DISTRIBUTION EXPENSES												
660	Operation supervision and engineering	30,000	3,469	2,445	1,571	0	0	8,173	4,058	0	3,871	3,755	2,658
661	Storage facilities expenses	0	0						0				
662	Transmission lines expenses	14,568	8,587		5,981								
662	Distribution lines expenses	40,432		9,309				31,123					
663	Meter expenses	52,000									52,000		
664	Customer installations expenses	0										0	
665	Miscellaneous expenses	0	0	0	0	0	0	0	0	0	0	0	0
666	Rents	9,800	1,133	799	513	0	0	2,670	1,326	0	1,265	1,227	868
670	Maintenance supervision and engineering	0	0	0	0	0	0	0	0	0	0	0	0
671	Maintenance of structures and improvements	0	0	0	0	0	0	0	0	0	0	0	0
672	Maintenance of distr.reservoirs and standpipes	91,250	21,010						70,240				
673	Maintenance of transmission mains	51,649	30,444		21,204								
673	Maintenance of distribution mains	143,351		33,006				110,345					
675	Maintenance of services	65,000										65,000	
676	Maintenance of meters	15,000									15,000		
677	Maintenance of hydrants	46,000											46,000
678	Maintenance of miscellaneous plant	3,000	347	244	157	0	0	817	406	0	387	376	266
	CUSTOMER ACCOUNTS EXPENSES												
901	Supervision	0								0			
902	Meter reading labor	52,500								52,500			
903	Customer records and collection expenses	180,000								180,000			
904	Uncollectible accounts	0								0			
905	Miscellaneous customer accounts expenses	0								0			
906	Customer service and Information Expenses	0								0			
	SALES EXPENSES												
910	Sales Expenses	0								0			
	ADMINISTRATIVE & GENERAL EXPENSES												
920	Administrative and general salaries	145,000	20,695	9,239	11,219	0	0	30,888	15,336	18,759	14,629	14,192	10,044
921	Office supplies and expenses	41,314	5,896	2,632	3,197	0	0	8,801	4,370	5,345	4,168	4,044	2,862
922	Administrative expenses transferred -- credit	0	0	0	0	0	0	0	0	0	0	0	0
923	Outside services employed	110,000	15,700	7,009	8,511	0	0	23,432	11,634	14,231	11,098	10,766	7,619
924	Property insurance	32,746	5,893	2,846	3,671	0	0	9,514	2,081	0	2,303	4,605	1,834
925	Injuries and damages	0	0	0	0	0	0	0	0	0	0	0	0
926	Employee pensions and benefits	212,300	30,300	13,527	16,426	0	0	45,224	22,454	27,466	21,418	20,779	14,705
928	Regulatory commission expenses	4,000	571	255	309	0	0	852	423	517	404	392	277
929	Duplicate charges -- credit	0	0	0	0	0	0	0	0	0	0	0	0
930	Miscellaneous general expenses	500	71	32	39	0	0	107	53	65	50	49	35
931	Rents	4,900	699	312	379	0	0	1,044	518	634	494	480	339
932	Maintenance of general plant	0	0	0	0	0	0	0	0	0	0	0	0
	TOTAL OPERATION & MAINTENANCE EXPENSES	**5,380,110**	**4,144,409**	**81,656**	**99,369**	**0**	**0**	**272,990**	**132,899**	**299,517**	**127,086**	**125,663**	**96,520**

SUMMARY OF ALLOCATION OF OPERATING COSTS TO SERVICE COST FUNCTIONS

		BASE COSTS		EXTRA-CAPACITY					CUSTOMER COSTS			
				MAX DAY		MAX HOUR						
OPERATING COST	TOTAL ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	System ($)	Distribution ($)	Storage ($)	Billing ($)	Equivalent Meter ($)	Equivalent Service ($)	Fire Protection ($)
OPERATION AND MAINTENANCE	5,380,110	4,144,409	81,656	99,369	0	0	272,990	132,899	299,517	127,086	125,663	96,520
DEPRECIATION EXPENSE	424,197	79,779	17,248	47,437	0	0	57,662	39,017	0	62,488	97,418	23,148
AMORTIZATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0
TAXES AND TAX EQUIVALENT	543,691	97,837	47,252	60,945	0	0	157,970	34,551	0	38,232	76,454	30,450
RETURN ON NET INVESTMENT RATE BASE	922,638	224,133	51,140	139,617	0	0	170,969	79,153	0	87,586	129,482	40,557
TOTAL	**7,270,636**	**4,546,158**	**197,295**	**347,368**	**0**	**0**	**659,592**	**285,620**	**299,517**	**315,393**	**429,017**	**190,676**

CUSTOMER CLASS DEMAND RATIOS

		BASE COSTS					EXTRA-CAPACITY MAX DAY DEMAND					EXTRA-CAPACITY MAX HOUR DEMAND				
CUSTOMER CLASS	**Annual Volume 1,000 Mgal**	**Average Day Volume Gal**	**Percent (%)**	**System Adjusted Percent (%)**	**Distribution Adjusted Percent (%)**	**Extra Capacity Ratio**	**Volume Rate Gal Per Day**	**Percent (%)**	**System Adjusted Percent (%)**	**Distribution Adjusted Percent (%)**	**Extra Capacity Ratio**	**Volume Rate Gal Per Hour**	**Percent (%)**	**System Adjusted Percent (%)**	**Distribution Adjusted Percent (%)**	**Storage Adjusted Percent (%)**
Residential	315,866	865,385	49.85%	49.85%	49.85%	2.15	1,860,579	40.49%	40.49%	40.49%	4.55	164,063	28.75%	30.30%	30.30%	28.75%
Multifamily Residential	31,500	86,301	4.97%	4.97%	4.97%	1.93	166,130	3.62%	3.62%	3.62%	4.05	14,563	2.55%	2.69%	2.69%	2.55%
Commercial	128,930	353,232	20.35%	20.35%	20.35%	1.70	600,494	13.07%	13.07%	13.07%	3.55	52,249	9.16%	9.65%	9.65%	9.16%
Industrial	120,100	329,041	18.95%	18.95%	18.95%	1.00	329,041	7.16%	7.16%	7.16%	2.05	28,106	4.92%	5.19%	5.19%	4.92%
Public Authority	13,250	36,301	2.09%	2.09%	2.09%	1.70	61,712	1.34%	1.34%	1.34%	3.55	5,370	0.94%	0.99%	0.99%	0.94%
Town of Lawrence (Wholesale)	11,764	32,230	1.86%	1.86%	1.86%	1.60	51,568	1.12%	1.12%	1.12%	3.15	4,230	0.74%	0.78%	0.78%	0.74%
Ledgeview Sanitary District No 2 (Wholesale)	5,927	16,238	0.94%	0.94%	0.94%	1.60	25,981	0.57%	0.57%	0.57%	3.15	2,131	0.37%	0.39%	0.39%	0.37%
Public Fire Protection	6,337	17,361	1.00%	1.00%	1.00%		1,500,000	32.64%	32.64%	32.64%		300,000	52.57%	50.00%	50.00%	52.57%
TOTALS	**633,673**	**1,736,090**	**100%**	**100%**	**100%**		**4,595,505**	**100%**	**100%**	**100%**		**570,712**	**100%**	**100%**	**100%**	**100%**
									50%	50%	<-- Public Fire % Limits -->			50%	50%	80%

Maximum Day Demand = 4,814,235 (GAL/DAY) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM DAY EXTRA CAPACITY DEMAND

Maximum Hour Demand = 342,325 (GAL/HR) SUM OF GENERAL SERVICE AVERAGE AND MAXIMUM HOUR EXTRA CAPACITY DEMAND

1.49 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX DAY

1.70 = NON-COINCIDENT / COINCIDENT RATIO FOR MAX HOUR

CUSTOMER CLASS ALLOCATION FACTORS

NUMBER OF METERS

Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	TOTAL METERS	PERCENT
Residential	2,549	5,473	25	0	3	1	0	0	0	0	0	0	0	8,051	90.88%
Multifamily Residential	2	7	9	0	37	24	0	9	5	0	0	0	0	93	1.05%
Commercial	93	273	88	0	54	39	0	27	10	0	0	0	0	584	6.59%
Industrial	7	29	15	0	16	15	0	2	3	2	0	0	0	89	1.00%
Public Authority	0	8	10	0	9	6	0	4	5	0	0	0	0	42	0.47%
Town of Lawrence (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Ledgeview Sanitary District No 2 (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
TOTALS	**2,651**	**5,790**	**147**	**0**	**119**	**85**	**0**	**42**	**23**	**2**	**0**	**0**	**0**	**8,859**	**100%**

EQUIVALENT METERS

ALLOCATION FACTOR:														TOTAL	
Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV.	
Equiv. meters ratio:	1.0	1.0	2.5	3.7	5.0	8.0	12.5	15.0	25.0	50.0	80.0	120.0	160.0	METERS	PERCENT
Residential	2,549	5,473	63	0	15	8	0	0	0	0	0	0	0	8,108	71.19%
Multifamily Residential	2	7	23	0	185	192	0	135	125	0	0	0	0	669	5.87%
Commercial	93	273	220	0	270	312	0	405	250	0	0	0	0	1,823	16.01%
Industrial	7	29	38	0	80	120	0	30	75	100	0	0	0	479	4.20%
Public Authority	0	8	25	0	45	48	0	60	125	0	0	0	0	311	2.73%
Town of Lawrence (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Ledgeview Sanitary District No 2 (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
TOTALS	**2,651**	**5,790**	**368**	**0**	**595**	**680**	**0**	**630**	**575**	**100**	**0**	**0**	**0**	**11,389**	**100%**

EQUIVALENT SERVICES

ALLOCATION FACTOR:														TOTAL	
Meter size (inches):	5/8	3/4	1	1-1/4	1-1/2	2	2-1/2	3	4	6	8	10	12	EQUIV.	
Equiv. services ratio:	1.0	1.0	1.3	1.7	2.0	3.0	3.5	4.0	5.0	6.0	7.0	8.0	9.0	SERVICES	PERCENT
Residential	2,549	5,473	33	0	6	3	0	0	0	0	0	0	0	8,064	85.60%
Multifamily Residential	2	7	12	0	74	72	0	36	25	0	0	0	0	228	2.42%
Commercial	93	273	114	0	108	117	0	108	50	0	0	0	0	863	9.17%
Industrial	7	29	20	0	32	45	0	8	15	12	0	0	0	168	1.78%
Public Authority	0	8	13	0	18	18	0	16	25	0	0	0	0	98	1.04%
Town of Lawrence (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Ledgeview Sanitary District No 2 (Wholesale)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%
TOTALS	**2,651**	**5,790**	**191**	**0**	**238**	**255**	**0**	**168**	**115**	**12**	**0**	**0**	**0**	**9,420**	**100%**

ALLOCATION OF SERVICE COST FUNCTIONS TO CUSTOMER CLASSES

	TOTAL ($)	Residential ($)	Multifamily Residential ($)	Commercial ($)	Industrial ($)	Public Authority ($)	Town of Lawrence (Wholesale) ($)	Ledgeview Sanitary District No 2 (Wholesale) ($)	Public Fire Protection ($)
BASE COSTS:									
SYSTEM	4,546,158	2,266,115	225,990	924,979	861,633	95,059	84,398	42,522	45,462
DISTRIBUTION	197,295	98,345	9,808	40,142	37,393	4,125	3,663	1,845	1,973
EXTRA-CAPACITY COSTS:									
MAXIMUM-DAY SYSTEM	347,368	140,639	12,558	45,390	24,872	4,665	3,898	1,964	113,383
MAXIMUM-DAY DISTRIBUTION	0	0	0	0	0	0	0	0	0
MAXIMUM-HOUR SYSTEM	0	0	0	0	0	0	0	0	0
MAXIMUM-HOUR DISTRIBUTION	659,592	199,870	17,742	63,652	34,240	6,542	5,153	2,596	329,796
MAXIMUM-HOUR STORAGE	285,620	82,107	7,288	26,149	14,066	2,687	2,117	1,067	150,139
CUSTOMER COSTS:									
BILLING	299,517	272,199	3,144	19,745	3,009	1,420	0	0	
EQUIVALENT METERS	315,393	224,529	18,513	50,486	13,252	8,613	0	0	
EQUIVALENT SERVICES	429,017	367,234	10,370	39,322	7,628	4,463	0	0	
FIRE PROTECTION	190,676								190,676
TOTAL COST	7,270,636	3,651,038	305,414	1,209,865	996,092	127,574	99,230	49,994	831,429
LESS OTHER REVENUE	493,874	214,655	17,956	71,131	58,563	7,500	0	0	124,068
COST OF SERVICE	6,776,762	3,436,383	287,457	1,138,734	937,529	120,074	99,230	49,994	707,361
REVENUE AT PRESENT RATES	5,674,431	2,645,731	205,161	764,048	571,076	84,897	84,701	43,623	1,275,194
DIFFERENCE	1,102,331	790,652	82,296	374,686	366,453	35,177	14,529	6,372	(567,833)
PERCENT INCREASE/DECREASE	**19.43%**	**29.88%**	**40.11%**	**49.04%**	**64.17%**	**41.43%**	**17.15%**	**14.61%**	**-44.53%**

De Pere Water Department
Comparison of Revenue
at
Present Rates, Cost of Service and Proposed Rates

		Cost of Service		Proposed Rates		
Customer Class	**Revenue at Present Rates**	**Revenue Required**	**Increase over Present Rates**	**Revenue**	**Increase over Present Rates**	**Percent of Cost of Service**
Residential	$2,645,731	$3,436,383	29.88%	$3,322,132	25.57%	96.68%
Multifamily Residential	$205,161	$287,457	40.11%	$257,705	25.61%	89.65%
Commercial	$764,048	$1,138,734	49.04%	$959,379	25.57%	84.25%
Industrial	$571,076	$937,529	64.17%	$710,159	24.35%	75.75%
Public Authority	$84,897	$120,074	41.43%	$103,027	21.35%	85.80%
Town of Lawrence (Wholesale)	$84,701	$99,230	17.15%	$99,288	17.22%	100.06%
Ledgeview Sanitary District No 2 (Wholesale)	$43,623	$49,994	14.61%	$50,380	15.49%	100.77%
Public Fire Protection	$1,275,194	$707,361	-44.53%	$1,274,962	-0.02%	180.24%
Total	$5,674,431	$6,776,762	19.43%	$6,777,033	19.43%	100.00%

De Pere Water Department

Proposed Water Rates and Rules

Docket 1610-WR-105

De Pere Water Department

Water Rate File Changes

New

Sg-1
W-1
W-2

Amended

PWAC-1
F-1
Upf-1
Mg-1
Am-1
Mpa-1
Ug-1
BW-1
R-1
Cz-1
X-1
X-2
X-3

Deleted

F-2
Fd-1
Mg-1.1
Mgt-1
Mz-1

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. PWAC-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Purchased Water Adjustment Clause

De Pere Water Department (utility) may apply a purchased water adjustment clause (PWAC) to its water rates set forth under Schedules F-1 and Mg-1 to reflect an increase or decrease in the rates charged by its wholesale water supplier, Central Brown County Water Authority (CBCWA) (wholesaler), **and only when the wholesaler's rates are adjusted through the conventional rate case process**. Adjustments under this PWAC that result in an increase cannot be effective until the utility has filed the PWAC application with the Public Service Commission (Commission), the utility provides notice to its customers of such change in rates, and the Commission holds a public hearing and authorizes the rate adjustments in a Final Decision.

Commodity Charge Adjustment - - - Mg-1

AVBR = VBR + A

Where: AVBR = Adjusted Schedule Mg-1 retail volume block rates rounded up to the nearest cent.

VBR = Current Schedule Mg-1 retail volume block rates.

A = New wholesale volume charge less the current wholesale volume charge.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. F-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Public Fire Protection Service

Public fire protection service shall include the use of hydrants for fire protection service only and such quantities of water as may be demanded for the purpose of extinguishing fires within the service area. This service shall also include water used for testing equipment and training personnel. For all other purposes, the metered or other rates set forth, or as may be filed with the Public Service Commission shall apply.

Under Wis. Stat. § 196.03(3)(b), the municipality has chosen to have the utility bill the retail general service customers for public fire protection service.

Quarterly Public Fire Protection Service Charges:

⅝ - inch meter:	$	27.81	3 - inch meter:	$	417.15
¾ - inch meter:	$	27.81	4 - inch meter:	$	695.25
1 - inch meter:	$	67.98	6 - inch meter:	$	1,390.50
1¼ - inch meter:	$	101.97	8 - inch meter:	$	2,224.80
1½ - inch meter:	$	139.05	10 - inch meter:	$	3,337.20
2 - inch meter:	$	222.48	12 - inch meter:	$	4,449.60

Customers who are provided service under Schedules Mg-1, Ug-1, or Sg-1 shall also be subject to the charges in this schedule according to the size of their primary meter. Customers who are provided service under Schedule Am-1 are exempt from these charges for any additional meters.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. Upf-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Private Fire Protection Service - Unmetered

This service shall consist of permanent or continuous unmetered connections to the main for the purpose of supplying water to private fire protection systems such as automatic sprinkler systems, standpipes, and private hydrants. This service shall also include reasonable quantities of water used for testing check valves and other backflow prevention devices.

Quarterly Private Fire Protection Service Demand Charges:

2 - inch or smaller connection:	$	16.50
3 - inch connection:	$	31.20
4 - inch connection:	$	51.00
6 - inch connection:	$	102.00
8 - inch connection:	$	165.00
10 - inch connection:	$	249.00
12 - inch connection:	$	330.00
14 - inch connection:	$	411.00
16 - inch connection:	$	492.00

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE *(DRAFT)*

Sheet No. 1 of 1
Schedule No. Mg-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

General Service - Metered

Quarterly Service Charges:

⅝ - inch meter:	$	30.00	3 - inch meter:	$	186.00
¾ - inch meter:	$	30.00	4 - inch meter:	$	285.00
1 - inch meter:	$	46.89	6 - inch meter:	$	507.00
1¼ - inch meter:	$	63.75	8 - inch meter:	$	741.00
1½ - inch meter:	$	80.64	10 - inch meter:	$	1,089.00
2 - inch meter:	$	120.00	12 - inch meter:	$	1,437.00

Plus Volume Charges:

First	50,000	gallons used each quarter:	$7.46 per 1,000 gallons
Next	450,000	gallons used each quarter:	$6.22 per 1,000 gallons
Over	500,000	gallons used each quarter:	$5.24 per 1,000 gallons

Billing: Bills for water service are rendered quarterly and become due and payable upon issuance following the period for which service is rendered. A late payment charge of 1 percent per month will be added to bills not paid within 20 days of issuance. This late payment charge will be applied to the total unpaid balance for utility service, including unpaid late payment charges. The late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than 20 days after the bill is issued. Unless payment or satisfactory arrangement for payment is made within the next 10 days, service may be disconnected pursuant to Wis. Adm. Code ch. PSC 185.

Combined Metering: Volumetric meter readings will be combined for billing if the utility for its own convenience places more than one meter on a single water service lateral. Multiple meters placed for the purpose of identifying water not discharged into the sanitary sewer are not considered for utility convenience and shall not be combined for billing. This requirement does not preclude the utility from combining readings when metering configurations support such an approach. Meter readings from individually metered separate service laterals shall not be combined for billing purposes.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. W-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Wholesale Water Service

Wholesale water service to the Town of Lawrence shall be provided at the following rate:

General Service

Volume Charge: $ 8.44 per 1,000 gallons

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. W-2
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Wholesale Water Service

Wholesale water service to the Ledgeview Sanitary District No. 2 shall be provided at the following rate:

Public Fire Protection Service

Service Charge: $ 2,253.50 per quarter ($ 9,014 annually)

General Service

Volume Charge: $ 8.50 per 1,000 gallons

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. Am-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Additional Meter Rental Charge

Upon request, the utility shall furnish and install additional meters to:

A. Water service customers for the purpose of measuring the volume of water used that is not discharged into the sanitary sewer system; and

B. Sewerage service customers who are not customers of the water utility for the purpose of determining the volume of sewage that is discharged into the sanitary sewer system.

The utility shall charge a meter installation charge of $30.00 and a quarterly rental fee for the use of this additional meter.

Quarterly Additional Meter Rental Charges:

⅝ - inch meter:	$	10.00
¾ - inch meter:	$	10.00
1 - inch meter:	$	15.63
1¼ - inch meter:	$	21.25
1½ - inch meter:	$	26.88
2 - inch meter:	$	40.00

This schedule applies only if the additional meter is installed on the same service lateral as the primary meter and either:

A. The additional meter is ¾-inch or smaller if the metering configuration is the Addition Method; or

B. The additional meter is 2-inch or smaller for all other metering configurations.

If the additional meter is larger than 2-inch or larger than ¾-inch and installed in the Addition Method, each meter shall be treated as a separate account and Schedule Mg-1 rates shall apply.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. OC-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Other Charges

Payment Not Honored by Financial Institution Charge: The utility shall assess a $25.00 charge when a payment rendered for utility service is not honored by the customer's financial institution. This charge may not be in addition to, but may be inclusive of, other such charges when the payment was for multiple services.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. Mpa-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Public Service

Metered Service
Water used by the City of De Pere on an intermittent basis for flushing sewers, street washing, flooding skating rinks, drinking fountains, etc., shall be metered and billed according to the rates set forth in Schedule Mg-1.

Unmetered Service
Where it is impossible to meter the service, the utility shall estimate the volume of water used based on the pressure, size of opening, and the period of time the water is used. The estimated quantity shall be billed at the volumetric rates set forth in Schedule Mg-1, excluding any service charges.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Public Service Commission of Wisconsin

De Pere Water Department

General Water Service - Unmetered

Service may be supplied temporarily on an unmetered basis where the utility cannot immediately install a water meter, including water used for construction. Unmetered service shall be billed the amount that would be charged to a metered residential customer using 10,000 gallons of water quarterly under Schedule Mg-1, including the service charge for a ⅝-inch meter. If the utility determines that actual usage exceeds 10,000 gallons of water quarterly, an additional charge for the estimated excess usage shall be made according to the rates under Schedule Mg-1.

This schedule applies only to customers with a 1-inch or smaller service connection. For customers with a larger service connection, the utility shall install a temporary meter and charges shall be based on the rates set forth under Schedule Mg-1.

Billing: Same as Schedule Mg-1.

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. Sg-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Seasonal Service

Seasonal customers are general service customers who voluntarily request disconnection of water service and who resume service at the same location within 12 months of the disconnection, unless service has been provided to another customer at that location in the intervening period. The utility shall bill seasonal customers the applicable service charges under Schedule Mg-1 year-round, including the period of temporary disconnection.

Seasonal service shall include customers taking service under Schedule Mg-1, Schedule Ug-1, or Schedule Am-1.

Upon reconnection, the utility shall apply a charge under Schedule R-1 and require payment of any unpaid charges under this schedule.

Billing: Same as Schedule Mg-1, unless the utility and customer agree to an alternative payment schedule for the period of voluntary disconnection.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. BW-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Bulk Water

All bulk water supplied from the water system through hydrants or other connections shall be metered or estimated by the utility. Utility personnel or a party approved by the utility shall supervise the delivery of water.

Bulk water sales are:

A. Water supplied by tank trucks or from hydrants for the purpose of extinguishing fires outside the utility's service area;

B. Water supplied by tank trucks or from hydrants for purposes other than extinguishing fires, such as water used for irrigation or filling swimming pools; or,

C. Water supplied from hydrants or other temporary connections for general service type applications, except that Schedule Ug-1 applies for water supplied for construction purposes.

A service charge of $30.00 and a charge for the volume of water used shall be billed to the party using the water. The volumetric charge shall be calculated using the highest volumetric rate for residential customers under Schedule Mg-1. In addition, for meters that are assigned to bulk water customers for more than 7 days, the applicable service charge in Schedule Mg-1 will apply after the first 7 days.

The water utility may require a reasonable deposit for the temporary use of its equipment under this and other rate schedules. The deposit(s) collected shall be refunded upon return of the utility's equipment. Damaged or lost equipment shall be repaired or replaced at the customer's expense.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. R-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Reconnection Charges

The utility shall assess a charge to reconnect a customer, which includes reinstalling a meter and turning on the valve at the curb stop, if necessary. A utility may not assess a charge for disconnecting a customer.

During normal business hours:	$30.00
After normal business hours:	$45.00

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. Cz-1
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Water Lateral Installation Charge

The utility shall charge a customer for the actual cost of installing a water service lateral from the main through curb stop and box if these costs are not contributed as part of a subdivision development or otherwise recovered under Wis. Stats. Chapter 66.

Billing: Same as Schedule Mg-1.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE *(DRAFT)*

Public Service Commission of Wisconsin

De Pere Water Department

Water Utility Operating Rules

Compliance with Rules

All persons now receiving water service from this water utility, or who may request service in the future, shall be considered as having agreed to be bound by the rules and regulations as filed with the Public Service Commission of Wisconsin.

Establishment of Service

Application for water service may be made in writing on a form furnished by the water utility. The application will contain the legal description of the property to be served, the name of the owner, the exact use to be made of the service, and the size of the service lateral and meter desired. Note particularly any special refrigeration, fire protection, or water-consuming air-conditioning equipment.

Service will be furnished only if (1) the premises have a frontage on a properly platted street or public strip in which a cast iron or other long-life water main has been laid, or where the property owner has agreed to and complied with the provisions of the water utility's filed main extension rule, (2) the property owner has installed or agrees to install a service lateral from the curb stop to the point of use that is not less than 6 feet below the surface of an established or proposed grade and meets the water utility's specifications, and (3) the premises have adequate piping beyond the metering point.

The owner of a multi-unit dwelling has the option of being served by individual metered water service to each unit. The owner, by selecting this option, is required to provide interior plumbing and meter settings to enable individual metered service to each unit and individual disconnection without affecting service to other units. Each meter and meter connection will be treated as a separate water utility account for the purpose of the filed rules and regulations.

No division of the water service lateral to any lot or parcel of land shall be made for the extension and independent metering of the supply to an adjoining lot or parcel of land. Except for duplexes, no division of a water service lateral shall be made at the curb for separate supplies for two or more separate premises having frontage on any street or public service strip, whether owned by the same or different parties. Duplexes may be served by one lateral provided (1) individual metered service and disconnection is provided and (2) it is permitted by local ordinance.

Buildings used in the same business, located on the same parcel, and served by a single lateral may have the customer’s water supply piping installed to a central point so that volume can be metered in one place.

The water utility may withhold approval of any application where full information of the purpose of such supply is not clearly indicated and set forth by the applicant property owner.

Water Utility Operating Rules

Reconnection of Service

Where the water utility has disconnected service at the customer's request, a reconnection charge shall be made when the customer requests reconnection of service. See Schedule R-1 for the applicable rate.

A reconnection charge shall also be required from customers whose services are disconnected (shut off at curb stop box) because of nonpayment of bills when due. See Schedule R-1 for the applicable rate.

If reconnection is requested for the same location by any member of the same household, or, if a place of business, by any partner of the same business, it shall be considered as the same customer.

Temporary Metered Service, Meter, and Deposits

An applicant for temporary water service on a metered basis shall make and maintain a monetary deposit for each meter installed as security for payment for use of water and for such other charges which may arise from the use of the supply. A charge shall be made for setting the valve and furnishing and setting the meter. See Schedule BW-1 for the applicable rate.

Water for Construction

When water is requested for construction purposes or for filling tanks or other such uses, an application shall be made to the water utility, in writing, giving a statement of the amount of construction work to be done or the size of the tank to be filled, etc. Payment for the water for construction may be required in advance at the scheduled rates. The service lateral must be installed into the building before water can be used. No connection with the service lateral at the curb shall be made without special permission from the water utility. In no case will any employee of the water utility turn on water for construction work unless the contractor has obtained permission from the water utility.

Customers shall not allow contractors, masons, or other persons to take unmetered water from their premises without permission from the water utility. Any customer failing to comply with this provision may have water service discontinued and will be responsible for the cost of the estimated volume of water used.

Water Utility Operating Rules

Use of Hydrants

In cases where no other supply is available, permission may be granted by the water utility to use a hydrant. No hydrant shall be used until the proper meter and valve are installed. In no case shall any valve be installed or moved except by an employee of the water utility.

Before a valve is set, payment must be made for its setting and for the water to be used at the scheduled rates. Where applicable, see Schedule BW-1 for deposits and charges. Upon completing the use of the hydrant, the customer must notify the water utility to that effect.

Operation of Valves and Hydrants and Unauthorized Use of Water - Penalty

Any person who shall, without authority of the water utility, allow contractors, masons, or other unauthorized persons to take water from their premises, operate any valve connected with the street or supply mains, or open any fire hydrant connected with the distribution system, except for the purpose of extinguishing fire, or who shall wantonly damage or impair the same, shall be subject to a fine as provided by municipal ordinance. Utility permission for the use of hydrants applies only to such hydrants that are designated for the specific use.

Refunds of Monetary Deposits

All money deposited as security for payment of charges arising from the use of temporary water service on a metered basis, or for the return of a hydrant valve and fixtures if the water is used on an unmetered basis, will be refunded to the depositor on the termination of the use of water, the payment of all charges levied against the depositor, and the return of the water utility’s equipment.

Service Laterals

No water service lateral shall be laid through any trench having cinders, rubbish, rock or gravel fill, or any other material which may cause injury to or disintegration of the service lateral, unless adequate means of protection are provided by sand filling or such other insulation as may be approved by the water utility. Service laterals passing through curb or retaining walls shall be adequately safeguarded by provision of a channel space or pipe casing not less than twice the diameter of the service connection. The space between the service lateral and the channel or pipe casing shall be filled and lightly caulked with an oakum, mastic cement, or other resilient material and made impervious to moisture.

In backfilling the pipe trench, the service lateral must be protected against injury by carefully hand tamping the ground filling around the pipe. There should be at least 6 inches of ground filling over the pipe, and it should be free from hard lumps, rocks, stones, or other injurious material.

Water Utility Operating Rules

Service Laterals (continued)

All water service laterals shall be of undiminished size from the street main into the point of meter placement. Beyond the meter outlet valve, the piping shall be sized and proportioned to provide, on all floors, at all times, an equitable distribution of the water supply for the greatest probable number of fixtures or appliances operating simultaneously.

Replacement and Repair of Service Laterals

The service lateral from the main to and through the curb stop will be maintained and kept in repair and, when worn out, replaced at the expense of the water utility. The property owner shall maintain the service lateral from the curb stop to the point of use.

If an owner fails to repair a leaking or broken service lateral from the curb to the point of metering or use within such time as may appear reasonable to the water utility after notification has been served on the owner by the water utility, the water will be shut off and will not be turned on again until the repairs have been completed.

Abandonment of Service

If a property owner changes the use of a property currently receiving water service such that water service will no longer be needed in the future, the water utility may require the abandonment of the water service at the water main. In such case, the property owner may be responsible for all removal and/or repair costs, including the water main and the utility portion of the water service lateral.

Charges for Water Wasted Due to Leaks

See Wis. Admin. Code § PSC 185.35 or Schedule X-4, if applicable.

Thawing Frozen Service Laterals

See Wis. Admin. Code § PSC 185.88 or Schedule X-4, if applicable.

Curb Stop Boxes

The curb stop box is the property of the water utility. The water utility is responsible for its repair and maintenance. This includes maintaining, through adjustment, the curb stop box at an appropriate grade level where no direct action by the property owner or occupant has contributed to an elevation problem. The property owner is responsible for protecting the curb stop box from situations that could obstruct access to it or unduly expose it to harm. The water utility shall not be liable for failure to locate the curb stop box and shut off the water in case of a leak on the owner's premises.

Water Utility Operating Rules

Installation of Meters

Meters will be owned, furnished, and installed by the water utility or a utility-approved contractor and are not to be disconnected or tampered with by the customer. All meters shall be so located that they shall be protected from obstructions and permit ready access for reading, inspection, and servicing, such location to be designated or approved by the water utility. All piping within the building must be supplied by the owner. Where additional meters are desired by the owner, the owner shall pay for all piping. Where applicable, see Schedule Am-1 for rates.

Repairs to Meters

Meters will be repaired by the water utility, and the cost of such repairs caused by ordinary wear and tear will be borne by the water utility.

Repair of any damage to a meter resulting from the carelessness of the owner of the premises, owner's agent, or tenant, or from the negligence of any one of them to properly secure and protect same, including any damage that may result from allowing a water meter to become frozen or to be damaged from the presence of hot water or steam in the meter, shall be paid for by the customer or the owner of the premises.

Service Piping for Meter Settings

Where the original service piping is installed for a new metered customer, where existing service piping is changed for the customer's convenience, or where a new meter is installed for an existing unmetered customer, the owner of the premises at his/her expense shall provide a suitable location and the proper connections for the meter. The meter setting and associated plumbing shall comply with the water utility’s standards. The water utility should be consulted as to the type and size of the meter setting.

Turning on Water

The water may only be turned on for a customer by an authorized employee of the water utility. Plumbers may turn the water on to test their work, but upon completion must leave the water turned off.

Sprinkling Restrictions and Emergency Water Conditions

Where the municipality has a policy regarding sprinkling restrictions and/or emergency water conditions, failure to comply with such may result in disconnection of service.

See Wis. Admin. Code § PSC 185.37.

Water Utility Operating Rules

Failure to Read Meters

Where the water utility is unable to read a meter, the fact will be plainly indicated on the bill, and either an estimated bill will be computed or the minimum charge applied. The difference shall be adjusted when the meter is again read, that is, the bill for the succeeding billing period will be computed with the gallons or cubic feet in each block of the rate schedule doubled, and credit will be given on that bill for the amount of the bill paid the preceding period. Only in unusual cases shall more than three consecutive estimated or minimum bills be rendered.

If the meter is damaged (see Surreptitious Use of Water) or fails to operate, the bill will be based on the average use during the past year, unless there is some reason why the use is not normal. If the average use cannot be properly determined, the bill will be estimated by some equitable method.

See Wis. Admin. Code § PSC 185.33.

Complaint Meter Tests

See Wis. Admin. Code § PSC 185.77.

Inspection of Premises

During reasonable hours, any officer or authorized employee of the water utility shall have the right of access to the premises supplied with service for the purpose of inspection or for the enforcement of the water utility's rules and regulations. Whenever appropriate, the water utility will make a systematic inspection of all unmetered water taps for the purpose of checking waste and unnecessary use of water.

See Wis. Stat. § 196.171.

Vacation of Premises

When premises are to be vacated, the water utility shall be notified, in writing, at once, so that it may remove the meter and shut off the water supply at the curb stop. The owner of the premises shall be liable for prosecution for any damage to the water utility's property. See "Abandonment of Service" in Schedule X-1 for further information.

Deposits for Residential Service

See Wis. Admin. Code § PSC 185.36.

Water Utility Operating Rules

Deposits for Nonresidential Service

See Wis. Admin. Code § PSC 185.361.

Deferred Payment Agreement

See Wis. Admin. Code § PSC 185.38 or Schedule X-4, if applicable.

Dispute Procedures

See Wis. Admin. Code § PSC 185.39.

Disconnection and Refusal of Service

See Wis. Admin. Code § PSC 185.37.

The following is an example of a disconnection notice that the utility may use to provide the required notice to customers.

DISCONNECTION NOTICE

Dear Customer:

The bill enclosed with this notice includes your current charge for water utility service and your previous unpaid balance.

You have 10 days to pay the water utility service arrears or your service is subject to disconnection.

If you fail to pay the service arrears or fail to contact us within the 10 days allowed to make reasonable deferred payment arrangement or other suitable arrangement, we will proceed with disconnection action.

To avoid the inconvenience of service interruption and an additional charge of (amount) for reconnection, we urge you to pay the full arrears IMMEDIATELY AT ONE OF OUR OFFICES.

If you have entered into a Deferred Payment Agreement with us and have failed to make the deferred payments you agreed to, your service will be subject to disconnection unless you pay the entire amount due within 10 days.

If you have a reason for delaying the payment, call us and explain the situation.

Water Utility Operating Rules

Disconnection and Refusal of Service (continued)

DISCONNECTION NOTICE (continued)

PLEASE CALL THIS TELEPHONE NUMBER, (telephone number), IMMEDIATELY IF:

1. You dispute the notice of delinquent account.
2. You have a question about your water utility service arrears.
3. You are unable to pay the full amount of the bill and are willing to enter into a deferred payment agreement with us.
4. There are any circumstances you think should be taken into consideration before service is discontinued.
5. Any resident is seriously ill.

Illness Provision: If there is an existing medical emergency in your home and you furnish the water utility with a statement signed by either a licensed Wisconsin physician or a public health official, we will delay disconnection of service up to 21 days. The statement must identify the medical emergency and specify the period of time during which disconnection will aggravate the existing emergency.

Deferred Payment Agreements: If you are a residential customer and you are unable to pay the full amount of the water utility service arrears on your bill, you may contact the water utility to discuss arrangements to pay the arrears over an extended period of time.

This time payment agreement will require:

1. Payment of a reasonable amount at the time the agreement is made.
2. Payment of the remainder of the outstanding balance in monthly installments over a reasonable length of time.
3. Payment of all future water utility service bills in full by the due date.

In any situation where you are unable to resolve billing disputes or disputes about the grounds for proposed disconnection through contacts with our water utility, you may make an appeal to the Public Service Commission of Wisconsin by calling (800) 225-7729.

(WATER UTILITY NAME)

Water Utility Operating Rules

Collection of Overdue Bills

An amount owed by the customer may be levied as a tax as provided in Wis. Stat. § 66.0809.

Surreptitious Use of Water

When the water utility has reasonable evidence that a person is obtaining water, in whole or in part, by means of devices or methods used to stop or interfere with the proper metering of the water utility service being delivered, the water utility reserves the right to estimate and present immediately a bill for unmetered service as a result of such interference, and such bill shall be payable subject to a 24-hour disconnection of service. If the water utility disconnects the service for any such reason, the water utility will reconnect the service upon the following conditions:

A. The customer will be required to deposit with the water utility an amount sufficient to guarantee the payment of the bills for water utility service.

B. The customer will be required to pay the water utility for any and all damages to water utility equipment resulting from such interference with the metering.

C. The customer must further agree to comply with reasonable requirements to protect the water utility against further losses.

See Wis. Stat. §§ 98.26 and 943.20.

Repairs to Mains

The water utility reserves the right to shut off the water supply in the mains temporarily to make repairs, alterations, or additions to the plant or system. When the circumstances will permit, the water utility will give notification, by newspaper publication or otherwise, of the discontinuance of the water supply. No credit will be allowed to customers for such temporary suspension of the water supply.

See Wis. Admin. Code § PSC 185.87.

Duty of Water Utility with Respect to Safety of the Public

It shall be the duty of the water utility to see that all open ditches for water mains, hydrants, and service laterals are properly guarded to prevent accident to any person or vehicle, and at night there shall be displayed proper signal lighting to insure the safety of the public.

Water Utility Operating Rules

Handling Water Mains and Service Laterals in Excavation Trenches

Contractors must call Digger's Hotline and ensure a location is done to establish the existence and location of all water mains and service laterals as provided in Wis. Stat. § 182.0175. Where water mains or service laterals have been removed, cut, or damaged during trench excavation, the contractors must, at their own expense, cause them to be replaced or repaired at once. Contractors must not shut off the water service laterals to any customer for a period exceeding 6 hours.

Protective Devices

A. Protective Devices in General: The owner or occupant of every premise receiving water supply shall apply and maintain suitable means of protection of the premise supply and all appliances against damage arising in any manner from the use of the water supply, variation of water pressure, or any interruption of water supply. Particularly, such owner or occupant must protect water-cooled compressors for refrigeration systems by means of high and/or low pressure safety cutout devices. There shall likewise be provided means for the prevention of the transmission of water ram or noise of operation of any valve or appliance through the piping of their own or adjacent premises.

B. Relief Valves: On all "closed systems" (i.e., systems having a check valve, pressure regulator, reducing valve, water filter, or softener), an effective pressure relief valve shall be installed at or near the top of the hot water tank or at the hot water distribution pipe connection to the tank. No stop valve shall be placed between the hot water tank and the relief valve or on the drain pipe. See applicable plumbing codes.

C. Air Chambers: An air chamber or approved shock absorber shall be installed at the terminus of each riser, fixture branch, or hydraulic elevator main for the prevention of undue water hammer. The air chamber shall be sized in conformance with local plumbing codes. Where possible, the air chamber should be provided at its base with a valve for water drainage and replenishment of air.

Cross-Connections

Every person owning or occupying a premise receiving municipal water supply shall maintain such municipal water supply free from any connection, either of a direct or of an indirect nature, with a water supply from a foreign source or of any manner of connection with any fixture or appliance whereby water from a foreign supply or the waste from any fixture, appliance, or waste or soil pipe may flow or be siphoned or pumped into the piping of the municipal water system.

See Wis. Admin. Code § NR 811.06.

RATE FILE ***(DRAFT)***

Sheet No. 1 of 1
Schedule No. X-2
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Water Main Extension Rule

Water mains will be extended for new customers on the following basis:

A. Where the cost of the extension is to immediately be collected through assessment by the municipality against the abutting property, the procedure set forth under Wis. Stat. § 66.0703 will apply, and no additional customer contribution to the utility will be required.

B. Where the municipality is unwilling or unable to make a special assessment, the extension will be made on a customer-financed basis as follows:

1. The applicant(s) will advance as a contribution in aid of construction the total amount equivalent to that which would have been assessed for all property under paragraph A.

2. Part of the contribution required in paragraph B.1. will be refundable. When additional customers are connected to the extended main within 10 years of the date of completion, contributions in aid of construction will be collected equal to the amount which would have been assessed under paragraph A. for the abutting property being served. This amount will be refunded to the original contributor(s). In no case will the contributions received from additional customers exceed the proportionate amount which would have been required under paragraph A., nor will it exceed the total assessable cost of the original extension.

C. When a customer connects to a transmission main or connecting loop installed at utility expense within 10 years of the date of completion, there will be a contribution required of an amount equivalent to that which would have been assessed under paragraph A.

EFFECTIVE: =TBD=
PSCW AUTHORIZATION: 1610-WR-105

RATE FILE *(DRAFT)*

Sheet No. 1 of 1
Schedule No. X-3
Amendment No. 47

Public Service Commission of Wisconsin

De Pere Water Department

Water Main Installations in Platted Subdivisions

Application for installation of water mains in regularly platted real estate development subdivisions shall be filed with the utility.

If the developer, or a contractor employed by the developer, is to install the water mains (with the approval of the utility), the developer shall be responsible for the total cost of construction.

If the utility or its contractor is to install the water mains, the developer shall be required to advance to the utility, prior to the beginning of the construction, the total estimated cost of the extension. If the final costs exceed estimated costs, an additional billing will be made for the balance of the cost due. This balance is to be paid within 30 days. If final costs are less than estimated, a refund of the overpayment will be made by the water utility.

De Pere Water Department

Customer Water Bill Comparison at Present and Proposed Rates

			Quarterly			Quarterly Including Public Fire Protection		
Customer Type	**Meter Size**	**Volume (1000 Gallons)**	**Bills at Old Rates**	**Bills at New Rates**	**Percent Change**	**Bills at Old Rates**	**Bills at New Rates**	**Percent Change**
Small Residential	5/8"	5	$ 53.65	$ 67.30	25.44%	$ 81.46	$ 95.11	16.76%
Average Residential	5/8"	10	$ 83.30	$ 104.60	25.57%	$ 111.11	$ 132.41	19.17%
Large Residential	3/4"	200	$ 1,063.00	$ 1,336.00	25.68%	$ 1,090.82	$ 1,363.81	25.03%
Large Residential	1"	160	$ 878.50	$ 1,104.09	25.68%	$ 946.48	$ 1,172.07	23.83%
Large Residential	1"	190	$ 1,027.00	$ 1,290.69	25.68%	$ 1,094.98	$ 1,358.67	24.08%
Multifamily Residential	1 1/2"	700	$ 3,428.50	$ 4,300.64	25.44%	$ 3,567.55	$ 4,439.69	24.45%
Multifamily Residential	1 1/2"	750	$ 3,638.50	$ 4,562.64	25.40%	$ 3,777.55	$ 4,701.69	24.46%
Multifamily Residential	3"	100	$ 691.00	$ 870.00	25.90%	$ 1,108.15	$ 1,287.15	16.15%
Multifamily Residential	4"	850	$ 4,222.00	$ 5,291.00	25.32%	$ 4,917.25	$ 5,986.25	21.74%
Commercial	1"	1,100	$ 5,081.50	$ 6,362.89	25.22%	$ 5,149.48	$ 6,430.87	24.88%
Commercial	1 1/2"	2,300	$ 10,148.50	$ 12,684.64	24.99%	$ 10,287.55	$ 12,823.69	24.65%
Commercial	2"	650	$ 3,250.00	$ 4,078.00	25.48%	$ 3,472.48	$ 4,300.48	23.84%
Commercial	3"	975	$ 4,666.00	$ 5,847.00	25.31%	$ 5,083.15	$ 6,264.15	23.23%
Industrial	2"	1,600	$ 7,240.00	$ 9,056.00	25.08%	$ 7,462.48	$ 9,278.48	24.34%
Industrial	4"	3,400	$ 14,932.00	$ 18,653.00	24.92%	$ 15,627.25	$ 19,348.25	23.81%
Industrial	4"	14,000	$ 59,452.00	$ 74,197.00	24.80%	$ 60,147.25	$ 74,892.25	24.51%
Industrial	6"	6,500	$ 28,129.00	$ 35,119.00	24.85%	$ 29,519.50	$ 36,509.50	23.68%
Public Authority	2"	500	$ 2,620.00	$ 3,292.00	25.65%	$ 2,842.48	$ 3,514.48	23.64%
Public Authority	2"	575	$ 2,935.00	$ 3,685.00	25.55%	$ 3,157.48	$ 3,907.48	23.75%
Public Authority	3"	450	$ 2,423.50	$ 3,047.00	25.73%	$ 2,840.65	$ 3,464.15	21.95%
Public Authority	4"	1,700	$ 7,792.00	$ 9,745.00	25.06%	$ 8,487.25	$ 10,440.25	23.01%

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**Finance Department**
FROM:	**Joe Zegers**
SUBJECT:	**Review and possible action on City of De Pre Investments and Cash Detail report for Aug. 2020.**

ATTACHMENTS:

- Aug 2020 Cash and Investments (PDF)

To:	Honorable Mayor and Members of the Finance Committee Larry Delo, Administrator
From:	Joe Zegers, Finance Director
Date:	October 7th, 2020
Subject:	Cash and Investments Report for August 31, 2020

I have attached a summary of the City's Cash and Investments for your information and review as of August 31st, 2020. I have also attached last year's monthly summary of the accounts from January 1 to December 31, 2019 so you can see comparable activity throughout the course of the year for all accounts. As you can see, the City investments earned $331,832 through August of 2020 which projects to roughly $500,000 annually which is slightly lower year to date in comparison to our budgeted annual amount for 2020 of $525,000. The LGIP investment amount decreased $5.1due to the state tax credit payment of $3.7 million to Brown County, $4.1 million for debt payments and $1.5 million for accounts payable and payroll which was offset by the tax settlement collection from Brown County of $4.2 million. The LGIP investment account will decrease by $2.5 million in **September** for payments of accounts payable of 1.6 million and $.9 million for payroll and the money market will decrease $1 million also for accounts payable payments Feel free to contact me should you have any questions on this.

DE PERE CASH AND INVESTMENTS SUMMARY

August 31, 2020

CASH ACCOUNTS

CHECKING ACCOUNTS		BALANCE
CITY CHECKING	$	234,572.92
HEALTH CHECKING	$	2,310,352.31
DENTAL CHECKING	$	53,078.30
SUBTOTAL	**$**	**2,598,003.53**

RESTRICTED		BALANCE
REVOLVING LOAN		
WATER BOND MM	$	212,613.28
SUBTOTAL	**$**	**212,613.28**
TOTAL CASH	**$**	**2,810,616.81**

INVESTMENTS

		BALANCE		INTERST AND APPRECIATION	RATE OF RETURN
LGIP	$	5,946,902.22	$	73,416.68	0.69%
ASSOCIATED BANK TRUST	$	5,086,606.76	$	105,111.10	3.17%
CHARLES SCHWAB INVESTMENTS	$	6,361,200.65	$	143,760.63	3.47%
MONEY MARKET	$	1,027,423.65	$	9,543.21	0.15%
TOTAL INVESTMENTS	**$**	**18,422,133.28**	**$**	**331,831.62**	

TOTAL CASH AND INVESTMENTS	**$**	**21,232,750.09**

NOTE: The City budgeted $525,000 for general fund revenues in the 2020 Adopted Budget.

DE PERE CASH AND INVESTMENT YEARLY SUMMARY
AUGUST 31, 2020

	31-Jan-2020	28-Feb-2020	31-Mar-2020	30-Apr-2020	31-May-2020	30-Jun-2020
CHECKING ACCOUNTS						
CITY CHECKING	$ 302,762.74	$ 1,328,326.87	$ 1,041,573.06	$ 1,073,733.26	$ 1,113,891.37	$ 1,276,362.52
HEALTH CHECKING	$ 1,911,924.58	$ 2,026,594.61	$ 2,089,912.04	$ 2,213,019.26	$ 2,336,136.09	$ 2,414,675.91
DENTAL CHECKING	$ 43,409.33	$ 43,209.31	$ 42,592.41	$ 50,674.31	$ 59,636.77	$ 52,627.38
SUBTOTAL	$ 2,258,096.65	$ 3,398,130.79	$ 3,174,077.51	$ 3,337,426.83	$ 3,509,664.23	$ 3,743,665.81
RESTRICTED						
WATER BOND MM	$ 212,314.37	$ 212,390.07	$ 212,480.02	$ 212,506.14	$ 212,533.14	$ 212,559.27
SUBTOTAL	$ 212,314.37	$ 212,390.07	$ 212,480.02	$ 212,506.14	$ 212,533.14	$ 212,559.27
TOTAL CASH	$ 2,470,411.02	$ 3,610,520.86	$ 3,386,557.53	$ 3,549,932.97	$ 3,722,197.37	$ 3,956,225.08
	-	-	-	-	-	
INVESTMENTS						
LGIP	$15,473,207.24	$13,737,476.89	$14,721,783.82	$13,450,069.86	$11,194,884.59	$ 8,196,049.60
ASSOCIATED BANK TRUST	$ 4,994,549.98	$ 5,026,920.08	$ 5,035,037.14	$ 5,043,399.19	$ 5,069,223.08	$ 5,075,193.05
CHARLES SCHWAB INVESTMENTS	$ 6,228,990.32	$ 6,250,938.09	$ 6,308,210.01	$ 6,321,001.44	$ 6,355,447.04	$ 6,356,782.00
MONEY MARKET	$ 2,896,555.81	$ 2,899,998.43	$ 1,026,779.67	$ 1,026,905.91	$ 1,027,036.37	$ 1,027,162.64
TOTAL INVESTMENTS	$ 29,593,303.35	$ 27,915,333.49	$ 27,091,810.64	$ 25,841,376.40	$ 23,646,591.08	$ 20,655,187.29
TOTAL CASH AND INVESTMENTS	$ 32,063,714.37	$ 31,525,854.35	$ 30,478,368.17	$ 29,391,309.37	$ 27,368,788.45	$ 24,611,412.37
	-	-	-	-	-	

	31-Jul-2020	31-Aug-2020	30-Sep-2020	31-Oct-2020	30-Nov-2020	31-Dec-2020
CHECKING ACCOUNTS						
CITY CHECKING	1,041,192.27	234,572.92	-	-	-	-
HEALTH CHECKING	2,426,825.16	2,310,352.31	-	-	-	-
DENTAL CHECKING	52,498.10	53,078.30	-	-	-	-
SUBTOTAL	$ 3,520,515.53	$ 2,598,003.53	$ -	$ -	$ -	$ -
RESTRICTED						
WATER BOND MM	212,586.27	212,613.28	-	-	-	-
SUBTOTAL	$ 212,586.27	$ 212,613.28	$ -	$ -	$ -	$ -
TOTAL CASH	$ 3,733,101.80	$ 2,810,616.81	$ -	$ -	$ -	$ -
INVESTMENTS						
LGIP	$11,059,044.57	$ 5,946,902.22	$ -	$ -		
ASSOCIATED BANK TRUST	$ 5,071,822.75	$ 5,086,606.76	$ -	$ -		
CHARLES SCHWAB INVESTMENTS	$ 6,356,910.15	$ 6,361,200.65	$ -	$ -		
MONEY MARKET	$ 1,027,293.14	$ 1,027,423.65	$ -	$ -		
TOTAL INVESTMENTS	$ 23,515,070.61	$ 18,422,133.28	$ -	$ -	$ -	$ -
TOTAL CASH AND INVESTMENTS	$ 27,248,172.41	$ 21,232,750.09	$ -	$ -	$ -	$ -

City of De Pere, Wisconsin

Request For Finance/Personnel Committee Action

MEETING DATE:	**October 13, 2020**
DEPARTMENT:	**City Clerk**
FROM:	**Ann Ledvina**
SUBJECT:	**Presentation of 2019 Preliminary Audit Management Letter and Financial Statements.***

ATTACHMENTS:

- City of De Pere Draft GC (PDF)
- City of De Pere Draft FS - 2nd (PDF)

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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

CITY OF DE PERE, WISCONSIN
TABLE OF CONTENTS
DECEMBER 31, 2019

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.

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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.

City Council
City of De Pere

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

CliftonLarsonAllen LLP
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INTERNAL CONTROL COMMUNICATIONS

City Council
City of De Pere
De Pere, Wisconsin

In planning and performing our audit of the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of (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

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.

CITY GOVERNMENTAL FUND BALANCES

A comparative summary of the City's fund balances as shown on December 31, 2019 and 2018 follows:

	12/31/19	12/31/18
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	7,839,127	7,548,257
Debt Service Fund		
Restricted for debt service	3,125,768	1,506,754
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	1,348,982	1,000,504
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	58,467	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	2,767,482	2,020,511
Total Governmental Fund Balances	$ 15,081,359	$ 12,076,026

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
Location	**West Side Downtown**	**West Side Industrial Park**	**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
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)	-	-	-	-

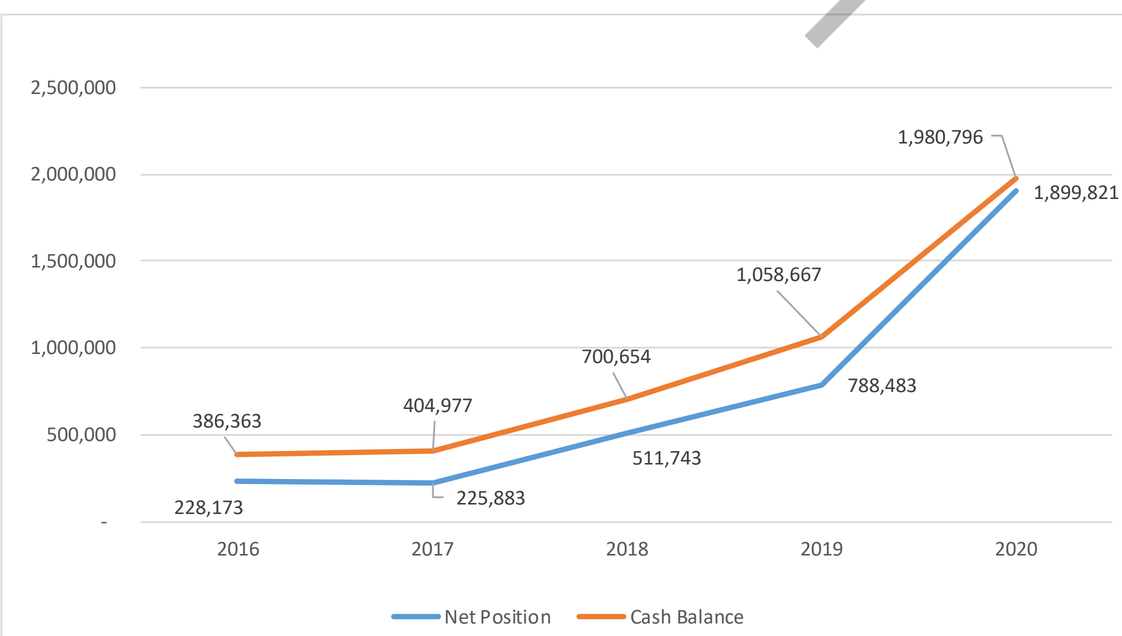
Employees Medical Self-Insurance Funds

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	6,062,376	6,210,818
Operating Expenses		
Operation and maintenance	5,376,225	5,180,589
Depreciation	720,178	648,497
Taxes	49,528	46,647
Total Operating Expenses	6,145,931	5,875,733
Operating Income	(83,555)	335,085
Nonoperating Revenues (Expenses)		
Interest revenue	1,839	1,681
Interest and fiscal charges	(51,156)	(64,910)
Total Nonoperating Revenues (Expenses)	(49,317)	(63,229)
Income before Contributions and Transfers	(132,872)	271,856
Capital contributions	940,151	1,010,345
Transfers out	(512,067)	(467,616)
Change in Net Position	$ 295,212	$ 814,585

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	9,175,822	10,054,994
Operating Expenses		
Operation and maintenance	7,459,792	7,813,024
Depreciation	748,035	716,763
Total Operating Expenses	8,207,827	8,529,787
Operating Income (Loss)	967,995	1,525,207
Nonoperating Expenses		
Interest and fiscal charges	(29,742)	(37,050)
Income before Contributions and Transfers	938,253	1,488,157
Capital contributions	648,787	147,857
Transfers out	(256,610)	(269,253)
Change in Net Position	$ 1,330,430	$ 1,366,761

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	$ 1,117,382	$ 2,677,277
Transfer in (out) from the general fund	(256,610)	(269,253)
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	(1,273,600)	(2,036,967)
Net Change in Cash for Year Ended December 31	$ (412,828)	$ 371,057

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.

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

ANNUAL FINANCIAL REPORT

December 31, 2019

City of De Pere, Wisconsin

DECEMBER 31, 2019

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City of De Pere, Wisconsin

DECEMBER 31, 2019

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ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR BASIC FINANCIAL STATEMENTS

FEDERAL AND STATE AWARDS

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

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.

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.

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.

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

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.

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.

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	Totals 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

		Program Revenues		
Functions/Programs	**Expenses**	**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	Totals 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)
(19,829,016)	-	(19,829,016)	(17,814,493)
-	855,848	855,848	1,320,487
-	1,630,219	1,630,219	1,693,650
-	1,282,975	1,282,975	791,261
-	3,769,042	3,769,042	3,805,398
(19,829,016)	3,769,042	(16,059,974)	(14,009,095)
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
768,677	(768,677)	-	-
20,932,053	(709,803)	20,222,250	18,136,347
1,103,037	3,059,239	4,162,276	4,127,252
46,698,891	55,146,955	101,845,846	97,718,594
$ 47,801,928	$ 58,206,194	$ 106,008,122	$ 101,845,846

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	$ 17,964,851	$ 6,368,960	$ 3,517,237	$ 11,394,490
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	1,978,839	-	1,216,978	2,182,136
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	8,146,885	3,813,192	2,201,745	4,624,404
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	7,839,127	2,555,768	98,514	4,587,950
Total liabilities, deferred inflows of resources, and fund balances	$ 17,964,851	$ 6,368,960	$ 3,517,237	$ 11,394,490

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
$ 39,245,538	$ 36,734,870
$ 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
5,377,953	4,909,901
17,169,083	16,931,655
357,674	467,629
1,259,469	2,349,659
18,786,226	19,748,943
236,408	251,709
8,558,582	6,587,476
1,337,553	501,778
4,948,816	4,735,063
15,081,359	12,076,026
$ 39,245,538	$ 36,734,870

City of De Pere, Wisconsin

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2019
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2018

	2019	2018
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)	$ 47,801,928	$ 46,698,891

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

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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
27,965,202	23,974,211
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
36,086,690	33,461,875
(8,121,488)	(9,487,664)
9,595,000	8,145,000
126,239	168,635
636,905	526,711
-	713,800
6,040,130	5,467,381
(5,271,453)	(4,730,512)
11,126,821	10,291,015
3,005,333	803,351
12,076,026	11,272,675
$ 15,081,359	$ 12,076,026

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

RECONCILIATION TO THE STATEMENT OF ACTIVITIES	2019	2018
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)	$ 1,103,037	$ 995,081

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	2018
	Original	**Final**	**Actual**	**(Negative)**	**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	$ 7,464,257	$ 7,464,257	$ 7,839,127	$ 374,870	$ 7,548,257

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	$ 1,927,647	$ 800,380
228,861	86,584		
$ 58,206,194	$ 55,146,955		

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	$ 23,184,599	$ 1,433,686	$ 18,719,454	$ 14,639,594

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	$ 212,233	$ 396,435	$ 562,620	$ 1,049,549

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
$ 2,220,837	$ 2,513,264	$ 2,022,533	$ 1,085,458

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	$ 628,695	$ -	$ 1,117,382	$ 807,975
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	212,233	-	150,000	-
Total cash and cash equivalents	$ 212,233	$ 396,435	$ 562,620	$ 1,049,549
Noncash capital and related financing activities				
Capital contributions	$ 940,151	$ -	$ 648,787	$ 950,353

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	-	-
$ 2,554,052	$ 4,573,209	$ 933,986	$ 363,960
$ 1,858,604	$ 2,151,983	$ 2,022,533	$ 1,085,458
362,233	361,281	-	-
$ 2,220,837	$ 2,513,264	$ 2,022,533	$ 1,085,458
$ 2,539,291	$ -	$ -	$ -

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	Totals 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	$ 28,819,092	$ 25,230	$ 28,844,322	$ 29,449,398
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	$ 28,819,092	$ 25,230	$ 28,844,322	$ 29,449,398

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.

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.

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.

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.

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.

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.

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.

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:

Funds	Excess Expenditures
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:

Funds	Deficit Fund Balance
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
	$ 23,526,734

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
	$ 23,526,734

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	-
	$ 3,311,727	$ 10,780,090	$ -

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	$ 21,216,850	$7,840,013	$5,514,463	$ 597,656	$ 139,685	$7,125,033

City of De Pere, Wisconsin

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:

		Remaining Maturity (in Months)			
Investment Type	**Amount**	**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	$ 21,216,850	$ 14,980,216	$ 1,878,591	$ 4,358,043	$ -

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

B. RESTRICTED ASSETS

Restricted assets on December 31, 2019 totaled $4,301,475 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Debt Service Fund		
Debt retirement	$ 2,555,768	Resources available for debt retirement
Special Revenue Funds		
Development loans	813,474	Resources available for economic development loans
Enterprise Funds		
Water Utility		To reserve additional funds for debt retirement;
Revenue bond reserve fund	212,233	to be used if sufficient funds are not available
Wastewater Utility		
Debt retirement	150,000	To reserve additional funds for debt retirement
Total Enterprise Funds	362,233	
Total	$ 3,731,475	

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 (GMBSD) 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.

Year Ended December 31,	Principal	Interest	Total
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
	$ 1,037,251	$ 246,629	$ 1,283,880

City of De Pere, Wisconsin

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	9,447,320	206,754	93,084	9,560,990
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	107,838,864	5,246,097	1,500,363	111,584,598
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	49,701,126	3,096,187	1,441,222	51,356,091
Total capital assets, depreciable, net	58,137,738	2,149,910	59,141	60,228,507
Governmental activities capital assets, net	$ 67,585,058	$ 2,356,664	$ 152,225	69,789,497
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				$ 31,270,908
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	675,874	219,349	622,667	272,556
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	80,912,734	5,839,403	562,048	86,190,089
Less accumulated depreciation	25,751,975	1,967,721	552,164	27,167,532
Total capital assets, depreciable, net	55,160,759	3,871,682	9,884	59,022,557
Business-type activities capital assets, net	$ 55,836,633	$ 4,091,031	$ 632,551	59,295,113
Less: Capital related debt				3,035,000
Less: Debt premium				83,372
Net investment in capital assets				$ 56,176,741

City of De Pere, Wisconsin

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	$ 3,096,187

Business-type activities	
Water utility	$ 720,178
Wastewater utility	748,035
Stormwater utility	499,508
Total depreciation expense - business-type activities	$ 1,967,721

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:

	Interfund Receivables	Interfund Payables
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	5,486,362	5,486,362
Long-term advances		
General Fund	27,821	-
Internal Service Funds		
Health Self Insurance	-	17,821
Dental Self Insurance	-	10,000
Subtotal	27,821	27,821
Totals	$ 5,514,183	$ 5,514,183

City of De Pere, Wisconsin

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
	$ 6,040,130	$ 6,040,130

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
	$ 6,040,130

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	$37,113,843	$10,358,144	$7,723,889	$39,748,098	$5,369,108
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	$ 4,196,888	$ -	$ 840,527	$ 3,356,361	$ 850,552

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					$38,520,000

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Annual principal and interest maturities of the outstanding general obligation debt of $38,520,000 on December 31, 2019 are detailed below:

Year Ended	Governmental Activities		Business-type Activities		Totals	
December 31,	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
	$ 36,215,000	$ 5,794,474	$ 2,305,000	$ 155,938	$ 38,520,000	$ 5,950,412

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		110,490,770
Total outstanding general obligation debt applicable to debt limitation	38,520,000	
Less: Amounts available for financing general obligation debt		
Debt service fund	2,555,768	
Net outstanding general obligation debt applicable to debt limitation		35,964,232
Legal margin for new debt		$ 74,526,538

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	$ 730,000

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
	$ 730,000	$ 41,910	$ 771,910

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	70,306
Subtotal	172,713
Less: Amount representing interest	16,332
Present Value of Future Minimum Lease Payments	$ 156,381

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.

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%

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	$ 8,986,997	$ 4,593,795

$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	$ 3,386,339

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:

	Current Asset Allocation %	Long-term Expected Nominal Rate of Return %	Long-term Expected Real Rate of Return %
Core Fund Asset Class			
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%
Variable Fund Asset Class			
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.

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	$ 1,191,733	$ 145,313	$ 414,352	$ 119,008

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	116
	121

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

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

	Increase (Decrease) Total OPEB Liability
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:

	1% Decrease to Discount Rate (1.75%)	Current Discount Rate (2.75%)	1% Increase to Discount Rate (3.75%)
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:

	1% Decrease (6.5% decreasing to 4.0%)	Healthcare Cost Trend Rates (7.5% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Total OPEB liability	$ 207,110	$ 234,098	$ 265,880

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	$	158,195

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	$	(158,195)

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 Positon

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

Benefits Provided

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

Contributions

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

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

Contribution rates as of December 31, 2019 are:

Coverage Type	Employer Contribution
50% Post-retirement coverage	40% of employee contribution
25% Post-retirement coverage	20% of employee contribution

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual 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	$ 145,313	$ 256,157

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Expense
2020	$ (13,470)
2021	(13,470)
2022	(13,470)
2023	(16,684)
2024	(19,995)
Thereafter	(33,755)
Total	$ (110,844)

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.

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.

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	$ 236,408

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	626,689
Debt Service Fund	2,555,768
Special Revenue Funds	
Restricted for	
Development loans	1,049,020
Public Land Acquisition	104,156
	1,153,176
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	4,222,949
Total Restricted Fund Balance	$ 8,558,582

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	272,309
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	737,848
Total Committed Fund Balance	$ 1,337,553

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	$ 4,539,863

The City's unassigned general fund balance of $6,648,634 is above the minimum fund balance amount.

City of De Pere, Wisconsin

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	4,449,093
Business-type Activities	
Restricted for	
Debt service	205,626
Total Restricted Net Position	$ 4,654,719

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

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

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	$ 234,098	$ 375,030	$ 384,361
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

Plan Fiscal Year Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered-employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.36553200%	$ 1,099,732	$ 9,670,368	11.37%	44.81%
12/31/18	0.37112800%	957,635	9,292,000	10.31%	48.69%

SCHEDULE OF CONTRIBUTIONS
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered-employee Payroll	Contributions as a Percentage of Covered-employee Payroll
12/31/17	$ 6,917	$ 6,917	$ -	$ 9,670,368	0.07%
12/31/18	7,150	7,150	-	9,292,000	0.08%
12/31/19	6,915	6,915	-	10,457,330	0.07%

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	2018
	Original	Final	Actual	(Negative)	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 Original	Budget Final	Actual	Variance Final Budget - Positive (Negative)	2018 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	2018
	Original	**Final**	**Actual**	**(Negative)**	**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	2018
	Original	Final	Actual	(Negative)	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	2,239,033	2,239,033	2,397,887	(158,854)	2,025,000
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	627,633	627,633	729,742	(102,109)	733,009
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	547,059	547,059	501,685	45,374	488,618
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	2,232,537	2,232,537	2,515,160	(282,623)	2,586,487
Conservation and development					
Economic 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

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	-	-	-
Total assets	$ 1,406,694	$ 104,156	$ 231,406	$ 24,029
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
Total liabilities	-	-	-	100,532
Deferred inflows of resources				
Property taxes levied for subsequent year	-	-	-	-
Loans receivable	357,674	-	-	-
Total deferred inflows of resources	357,674	-	-	-
Fund balances				
Restricted	1,049,020	104,156	-	-
Committed	-	-	231,406	-
Unassigned (deficit)	-	-	-	(76,503)
Total fund balances	1,049,020	104,156	231,406	(76,503)
Total liabilities, deferred inflows of resources and fund balances	$ 1,406,694	$ 104,156	$ 231,406	$ 24,029

Dog Park	Southwest Park Equipment	Capital Projects: 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	-	-	-	-
-	-	-	-	-	-	-
$ 12,090	$ 28,813	$ 1,880,537	$ 7,935	$ 2,932	$ 1,578,919	$ 2,096,492
$ -	$ -	$ 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	-	-
-	-	-	-	-	-	-
12,090	28,813	628,467	7,935	2,932	836,194	212,189
$ 12,090	$ 28,813	$ 1,880,537	$ 7,935	$ 2,932	$ 1,578,919	$ 2,096,492

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	$ 129,085	$ 1,126,308	$ 40,812	$ 595,298
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	1,137,621	242	485,694	309
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	129,085	305,352	40,812	207,928
Fund balances				
Restricted	-	820,714	-	387,061
Committed	-	-	-	-
Unassigned (deficit)	(1,137,621)	-	(485,694)	-
Total fund balances	(1,137,621)	820,714	(485,694)	387,061
Total liabilities, deferred inflows of resources and fund balances	$ 129,085	$ 1,126,308	$ 40,812	$ 595,298

				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
$ 207,082	$ 832,687	$ 655,079	$ 434,136	$ 11,394,490	$ 8,256,831
$ 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
$ 207,082	$ 832,687	$ 655,079	$ 434,136	$ 11,394,490	$ 8,256,831

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	$ 1,049,020	$ 104,156	$ 231,406	$ (76,503)

		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
$ 830,904	$ 632,715	$ 434,106	$ 4,587,950	$ 2,944,133

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	Totals 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	$ 1,899,821	$ 27,826	$ 1,927,647	$ 800,380

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	Totals 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	$ 1,980,796	$ 41,737	$ 2,022,533	$ 1,085,458
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	$ 919,040	$ 14,946	$ 933,986	$ 363,960

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	5,763,102	5,862,294
Other revenues		
Forfeited discounts	20,020	38,934
Other water revenues	279,254	309,590
Total other revenues	299,274	348,524
Total operating revenues	6,062,376	6,210,818
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	5,376,658	5,181,012
Depreciation	720,178	648,497
Taxes	49,095	46,224
Total operating expenses	6,145,931	5,875,733
Operating income	$ (83,555)	$ 335,085

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Independent auditors' report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with *Government Auditing Standards* 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	-
	$ (10,553)	$ 295,773	$ 13,812	$ 299,032	$ -

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.

(Accrued) Deferred Revenue 1/1/19	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/19	Total Expenditures	Subrecipient Payments
$ -	$ -	$ 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	-
$ -	$ 103,162	$ 152,332	$ 255,494	$ -

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.