

*****ATTACHMENTS*****

II

R. O. No. _____ - 19 - 20. By BOARD OF CONTRACTORS EXAMINERS. June 17, 2019.

Submitting an application for Building Contractor License already GRANTED:

39571 Stephen A Irby Carpenter Contractor
 1524 N 8th Street
 Sheboygan, WI 53081-2730

BOARD OF CONTRACTORS EXAMINERS

Consent.

III

UPDATED

R. O. No. 37 - 19 - 20. By CITY CLERK. JUNE 17, 2019.

Submitting various license applications.

City Clerk

TEMPORARY CLASS "B" LICENSE

<u>No.</u>	<u>Name</u>	<u>Address</u>
1338	Sheboygan Jaycees Foundation	PO Box 561 - One day event to be held 07/04/19 at Deland Park - 715 Broughton Drive to include beer and wine.
1338	Sheboygan Jaycees Foundation	PO Box 561 - Two day event to be held 08/02/19 - 08/03/19 at Kiwanis Park - 515 Kiwanis Park Road to include beer and wine.

CARNIVAL

<u>No.</u>	<u>Name</u>	<u>Address</u>
1338	Sheboygan Jaycees Foundation	PO Box 561 - Two day event to be held 08/02/19 - 08/03/19 at Kiwanis Park - 515 Kiwanis Park Road.

COMMERCIAL OPERATORS LICENSE (RENEW) (December 31, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2570	Lakeshore Prop. Services LLC	3301 N. 33 rd Street

Consent.

TEMPORARY BEVERAGE OPERATOR'S LICENSE

<u>No.</u>	<u>Name</u>	<u>Address</u>
2814	Harris, Mariah H.	729 N. 7 th Street, Manitowoc
5935	Miller, Rebecca K.	2028 N. 3 rd Street
9908	Seger, Mychal A.	2926 Lisa Avenue

III

Res. No. _____ - 19 - 20. By Alderperson Wolf. June 17, 2019.

A RESOLUTION in recognition of the service of **Dolcye Johnson** to Mead Public Library.

WHEREAS, **Dolcye Johnson** was first appointed to the Library Board in May 2010, and

WHEREAS, **Dolcye Johnson** participated diligently as a member of multiple standing committees, including Finance, Bylaws, Marketing, Strategic Planning and Art, and served as the Library Board Finance Officer, and

WHEREAS, **Dolcye Johnson** served as a dedicated advocate for Sheboygan taxpayers by ensuring the library was prudent in its financial decision making, and

WHEREAS, **Dolcye Johnson** strived to enhance the programming at Mead Public Library by coordinating with the American Association of University Women to bring the "Great Decisions" program to Mead, which provided opportunities for citizens to learn more about U.S. foreign policy and global affairs from experts from Wisconsin universities and beyond and,

WHEREAS, **Dolcye Johnson** was an ambassador for Mead Public Library's vision of providing quality services, resources and lifelong learning opportunities to meet the needs and interests of our diverse community, and

WHEREAS, **Dolcye Johnson** served as a model for the conduct of the responsibilities of a Library Trustee in a well-informed and reasoned manner, and

WHEREAS, **Dolcye Johnson** took seriously her responsibilities as a board member and worked conscientiously for the benefit of the citizens of Sheboygan, and

NOW THEREFORE BE IT RESOLVED that the Mead Public Library Board does hereby publicly commend **Dolcye Johnson** for the time and attention she so generously devoted to her responsibilities as a Trustee. The Board thanks her for her commitment in serving as a Mead Public Library Trustee and recognizes her service through designation of appropriate book titles for purchase in her honor. Mead Public Library wishes her all the best following her service to Sheboygan residents as a Library Trustee.

Dated this 23rd day of May, 2019

Garrett Erickson

Garrett Erickson Library Director

Maeve Quinn

Maeve Quinn Board President

Consent

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor



MEAD LIBRARY

A RESOLUTION in recognition of the service of **Dolcye Johnson** to Mead Public Library.

WHEREAS, **Dolcye Johnson** was first appointed to the Library Board in May 2010, and

WHEREAS, **Dolcye Johnson** participated diligently as a member of multiple standing committees, including Finance, Bylaws, Marketing, Strategic Planning and Art, and served as the Library Board Finance Officer, and

WHEREAS, **Dolcye Johnson** served as a dedicated advocate for Sheboygan taxpayers by ensuring the library was prudent in its financial decision making, and

WHEREAS, **Dolcye Johnson** strived to enhance the programming at Mead Public Library by coordinating with the American Association of University Women to bring the "Great Decisions" program to Mead, which provided opportunities for citizens to learn more about U.S. foreign policy and global affairs from experts from Wisconsin universities and beyond and,

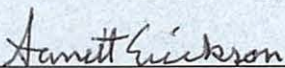
WHEREAS, **Dolcye Johnson** was an ambassador for Mead Public Library's vision of providing quality services, resources and lifelong learning opportunities to meet the needs and interests of our diverse community, and

WHEREAS, **Dolcye Johnson** served as a model for the conduct of the responsibilities of a Library Trustee in a well-informed and reasoned manner, and

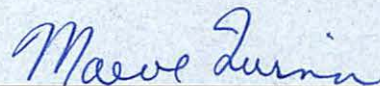
WHEREAS, **Dolcye Johnson** took seriously her responsibilities as a board member and worked conscientiously for the benefit of the citizens of Sheboygan, and

NOW THEREFORE BE IT RESOLVED that the Mead Public Library Board does hereby publicly commend **Dolcye Johnson** for the time and attention she so generously devoted to her responsibilities as a Trustee. The Board thanks her for her commitment in serving as a Mead Public Library Trustee and recognizes her service through designation of appropriate book titles for purchase in her honor. Mead Public Library wishes her all the best following her service to Sheboygan residents as a Library Trustee.

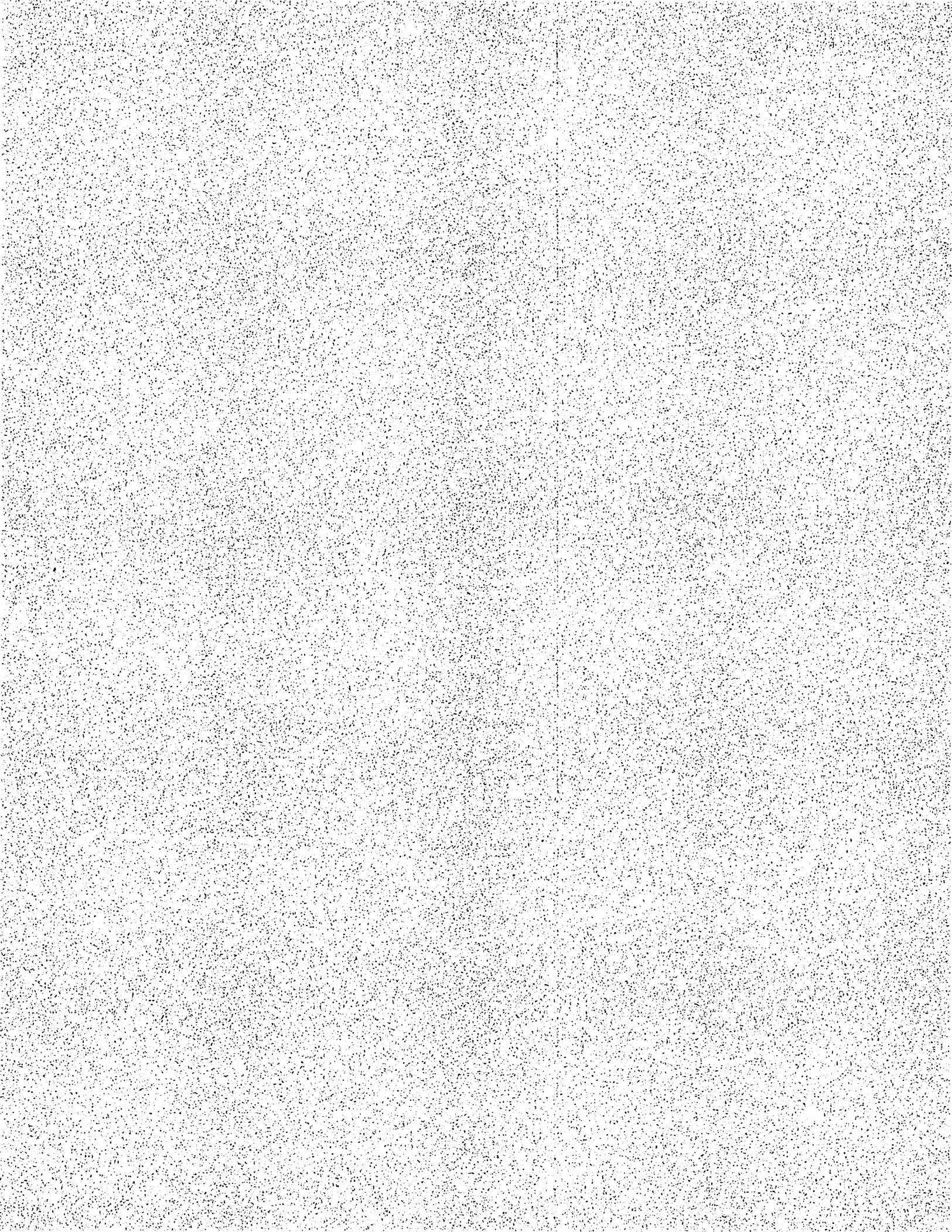
Dated this 23rd day of May, 2019



Garrett Erickson Library Director



Maeve Quinn Board President



VII

R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred, pursuant to R. O. No. 248-18-19 by City Clerk submitting various license applications; recommends granting the license:

CIGARETTE/TOBACCO (NEW) (June 30, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3392	The Glass House	3809 Heather Valley Road Apt. 208

Consent

_____	_____
_____	_____
_____	_____

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

VI

R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred R. O. No. 23-19-20 by City Clerk submitting various license applications; recommends granting the license:

TAXICAB DRIVERS LICENSE (NEW) (December 31, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2774	Adams, Jeffrey J.	2713 S. 11 th Street

Consent

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

R. O. No. 23 - 19 - 20. By CITY CLERK. May 20, 2019.

Submitting various license applications for the period ending December 31, 2019, June 30, 2020 and June 30, 2021.

City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2020)

<u>No.</u>	<u>Name</u>	<u>Address</u>
4552	Sauer, Andrew D. (Club)	1006 N. 17 th Street

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2764	Arndt, Logan H.	371 S. Larann Street, Belgium
2770	Beltran, Cheyenne M.S.	2826 Erie Avenue
2783	Blackshear, Stephen J.	413 Michigan Avenue
0276	Burch, Cassandra J.	2419 Erie Avenue
1158	Burke, Jacklyn J.	909 Ontario Avenue
2771	Chauhan, Parbati	916 Mulberry Lane, Kohler
9706	Dolson, Bailey E.	2216 S. 7 th Street
2767	Harris, Alexis J.	2806 S. 9 th Street
2784	Hocevar, Kristin C.	2212 S. 7 th Street
2781	Hudson, Loran A.	2324 S. 17 th Street
2786	Gillmer, Gregory A.	2308 Mayflower Avenue
3927	Kraus, Catherine J.	1640 S. 17 th Street
2775	Lamb, Madison F.	2525 N. 10 th Street
9940	Lopez, Cynthia	1411 S. 10 th Street
1284	Mack, Tamiaka M.	1308 S. 19 th Street
2769	Mansker, Mitchell W.	1127 Alabama Avenue
2765	Schuessler, Andrew J.	1713 N. 11 th Street
6454	Senkbeil, Gregory A. (Club)	820 N. 28 th Street
2768	Vandenberg, Angelique R.	623 Superior Avenue
2777	Zamora, Elizabeth	2659 White Fox Court
2772	Zepnick, Haylei M.	445 Fieldstone Court, Kiel

XHPS

5.29.19
Hold #2774 (Adams)
6.12.19
Grant #2774
Adams.

BEVERAGE OPERATOR'S LICENSE (RENEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
1004	Adamavich, William J.	3823 S. 11 th Street
2165	Allen, Leary A. (Club)	1312 Ashland Avenue
5511	Anderson, Maureen F.	250 Auburn Drive, Sheboygan Falls
1057	Becker, Angela F.	2243 N. 20 th Street
1853	Berglund, Jodi C.	W3385 CTH MM, Elkhart Lake
2105	Bhatta, Hira	1801 S. 23 rd Street
0132	Bhatta, Lok Raj	1801 S. 23 rd Street
1953	Bloedorn, Shannon M.	2612 Erie Avenue #4
1293	Brethouwer, Cory R. (Club)	W4061 Cty Rd N, Sheboygan Falls
8513	Champeau, Brian O.	1331 New York Avenue
9986	Depagter, James R.	3417 S. 12 th Place
3600	Dolgner, Randall	2611 Pine Grove Avenue
2377	Fischer, Donna S.	1824 N. 27 th Place
5937	Franzen, Michael R.	N3007 Dykstra Road, Lima
5170	Gilbertson, Stephen J. (Club)	1216 N. 29 th Street
0143	Gottsacker, Robert D.	709 Spring Avenue
9377	Grohman, Sander A.	1521 New Jersey Avenue
7498	Hansen, John R.	1105 Los Angeles Avenue
5597	Hansen, Kevin J.	1114 Pershing Avenue
0969	Jagler, Kurt J.	1539 N. 17 th Street
6954	Jeske, Robert E.	2330 N. 27 th Street
2159	Johnson, Stacy M.	4033 Marion Lane
8229	Kiley, Lisa J.	813 N. Evans Street
0762	Kiley, Wayne F.	813 N. Evans Street
5346	Kreutz, Michael S. (Club)	5315 Lakeshore Road
6340	Kruse, Richard J. (Club)	5334 Hidden Creek Drive
5598	Kussard, Gary L.	3112 N. 8 th Street
0804	Lenhardt, Lawrence R.	4014 S. 18 th Street
9512	Lilyquist, Steve C.	2510 S. 12 th Street
3291	Mallmann, Louis L.	2631 N. 29 th Street
5596	Mcglade, Leah M.	420 Van Buren Road, Howards Grove
0984	Meyer, Robert D. (Club)	1649 S. 25 th Street
0289	Moeller, Robert J.	1812A S. 13 th Street
9479	Muehlbauer, John P. (Club)	145 Fox Glove Lane, Sheboygan Falls
6011	Nennig, David M.	1559 N. 15 th Street
5952	Perronne, Shannon J.	1245 North Avenue
0997	Pierce, Lyle H.	716 Bluff Avenue
9453	Pilgrim, Marion M.	1042A Willow Lane, Kohler
1992	Procek, Edward J.	1230 S. 13 th Street
7181	Repinski, Dawn M.	3830 Koehn Avenue
2030	Repinski, Douglas S.	1527 Georgia Avenue
4284	Rohde, Shirley A.	2605 N. 10 th Street

6331 Ross, Daniel T.	2332A Park Place
8354 Schnur, Kimberly M.	2403 S. 17 th Street
5874 Senkbeil, Emy J.	1323 Superior Avenue
6782 Senkbeil, Joanne M.	1323B Superior Avenue
7337 Senkbeil, Steve J. (Club)	4040 N. 29 th Street
5985 Strohmeier, Joseph J.	5213 S. 12 th Street
9014 Tagel, Jason A.	1435 Camelot Boulevard
0098 Tagel, Jody M.	1435 Camelot Boulevard
1790 Theune, Nathan L.	2710 S. Savannah Circle #D
0207 Thompson, Mitchell D.	1131 Main Avenue
2853 Weiberg, Stacey N.	1806 Superior Avenue
2150 Wiggins, Lydia A.	1413A N. 11 th Street
6803 Wilsing, William J.	4454 Idlewild Lane

TAXICAB DRIVERS LICENSE (NEW) (December 31, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2774	Adams, Jeffrey J.	2713 S. 11 th Street
2773	Rango, Todd B.	1405 N. 11 th Street

VII

R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred, pursuant to R. O. No. 24-19-20 by City Clerk; recommends granting the licenses with various caveats (*):

CHANGE OF PREMISE (PERMANENT)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3245	Festival Foods	595 S. Taylor Drive - current premises description to include dedicated parking stalls on north side of building for online grocery pick up.

"CLASS A" LIQUOR LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3245	Festival Foods	595 S. Taylor Drive
3381	Meijer Store #305	924 N. Taylor Drive

CLASS "A" BEER LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3382	Meijer Gas Station	902 N. Taylor Drive

"CLASS B" LIQUOR LICENSE (June 30, 2019) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3402	1138 LLC	1138 Union Avenue

Consent

"CLASS B" LIQUOR LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3402	1138 LLC	1138 Union Avenue
*1303	Rupps Downtown	925 N. 8 th Street
*1419	The Bunker	1138 Union Avenue
2029	Weill Center	826 N. 8 th Street

*Grant contingent on meeting all requirements.

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor

VI

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred R. O. No. 28-19-20 by the City Clerk submitting a claim from James Taylor Lackey for alleged damages to his vehicle when it hit a pothole on the train tracks on Lakeshore Drive; recommends receiving the R. O. and filing the recommendation.

consent

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

4.2

R. O. No. 28 - 19 - 20. By CITY CLERK. June 3, 2019.

Submitting a claim from James Taylor Lackey for alleged damages to his vehicle when it hit a pothole on the train tracks on Lakeshore Drive.

Finance
Personnel
receive + file

CITY CLERK

DATE RECEIVED

5-29-19

RECEIVED BY

MKC

CLAIM NO.

6-19

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

MAY 29 '19 PM 3:35

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

- 1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
- 2. Attach and sign additional supportive sheets, if necessary.
- 3. This notice form must be signed and filed with the Office of the City Clerk.

4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

- 1. Name of Claimant: James Taylor Lackey
- 2. Home address of Claimant: 4205 S. 14th Street, Sheboygan, WI, 53081
- 3. Home phone number: 920-287-1814
- 4. Business address and phone number of Claimant: 3400 S. Business Drive, Sheboygan, WI, 53081
920-459-6840
- 5. When did damage or injury occur? (date, time of day) 3/16/2019 2:30AM
- 6. Where did damage or injury occur? (give full description) Lakeshore Drive, South
Set of Train tracks by Alliant Energy's Fence, about 60 feet
from stop sign to the south.
- 7. How did damage or injury occur? (give full description) 2016 Chevy Malibu Premier
with 25,000 miles hit a pothole on the train tracks with the
left-front, driver's-side tires resulting in a blowout of its tires,
as well as extensive damage to the front rim. The force of impact
also cracked the windshield, resulting in a large crack spanning from right to left.
- 8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
 - (a) Name of such officer or employee, if known: N/A
 - (b) Claimant's statement of the basis of such liability: N/A
- 9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
 - (a) Public property alleged to be dangerous: Road's pothole.
 - (b) Claimant's statement of basis for such liability: Pothole is so severe it
did irreparable damage to the tires rim, & windshield.

10. Give a description of the injury, property damage or loss, so far as is known at this time. (If there were no injuries, state "NO INJURIES").

See above

11. Name and address of any other person injured: N/A

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto:

\$ \$1,727.84

Property:

\$ _____

Personal injury:

\$ _____

Other: (Specify below

\$ _____

TOTAL

\$ \$1,727.84

Damaged vehicle (if applicable)

Make:

Chevy

Model:

Malibu

Year:

2016

Mileage:

24,721

Names and addresses of witnesses, doctors and hospitals:

N/A

FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach proper diagram and sign.

SIGNATURE OF CLAIMANT



DATE

3/20/2019

BY SIGNING THIS I ACKNOWLEDGE I HAVE READ AND UNDERSTAND THE INSTRUCTIONS

DATE RECEIVED _____

RECEIVED BY _____

CLAIM NO. 6-19

CLAIM


Claimant's Name: James Taylor Lackey
Claimant's Address: 4205 S. 14th St.
Sheboygan, WI, 53081
Claimant's Phone No. 920.287.1814

Auto \$ 1,727.84
Property \$ _____
Personal Injury \$ _____
Other (Specify below) \$ _____
TOTAL \$ 1,727.84

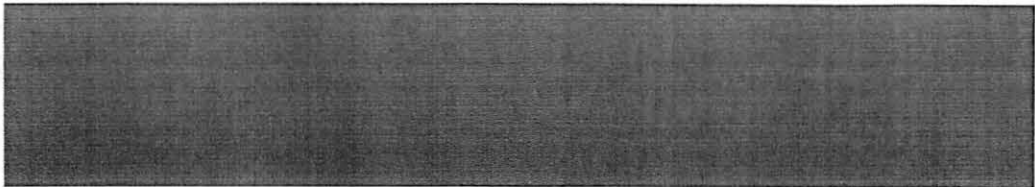
PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of \$ 1,727.84.

SIGNED:  DATE: 3/20/2019
ADDRESS: 4205 S. 14th St, Sheboygan, WI, 53081

BY SIGNING THIS I ACKNOWLEDGE I HAVE READ AND UNDERSTAND THE INSTRUCTIONS.
MAIL TO: CLERK'S OFFICE
828 CENTER AVE #100
SHEBOYGAN WI 53081



Repair Estimate

03/20/2019

1:06 PM

Estimate#:	Estimate Date: 03/19/2019	Odometer: 24,721
Vehicle: Malibu 2016/2019	VIN: 1G1ZH5SX4GF339383	License#:
Customer#: 036 JAMES LACKEY	Advisor#: 961 KYLE WORSTER	
Address: 4205 S 14TH ST	(H) (920) 287-1814	
SHEBOYGAN, WI 53081	(B)	(Ext)

CUSTOMER QUOTE

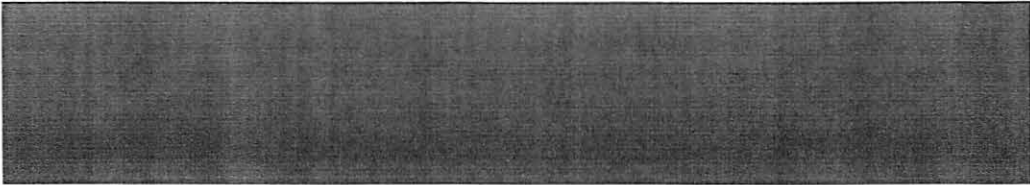
Operation: 21CVZ04 Mount & Balance 2 Tires All

LABOR HOURS: 0.60

Qty	Part Number	Part Description	Part Price	Ext Price
2	GM19364076	C2454019	371.21	742.42
1	GM22969725	WHEEL	431.34	431.34

Misc Code	Misc Description	Ext Price
ENVI	ENVIROMENTAL CHARGES	1.70

LABOR \$:	34.00
PARTS \$:	1,173.76
GOG \$:	0.00
MISC \$:	1.70
TAX \$:	66.52
SUBTOTAL \$:	1,275.98



Repair Estimate

03/20/2019

1:06 PM

Estimate#:	Estimate Date: 03/19/2019	Odometer: 24,721
Vehicle: Malibu 2016/2019	VIN: 1G1ZH5SX4GF339383	License#:
Customer#: 036 JAMES LACKEY	Advisor#: 961 KYLE WORSTER	
Address: 4205 S 14TH ST	(H) (920) 287-1814	
SHEBOYGAN, WI 53081	(B)	(Ext)

CUSTOMER QUOTE

Operation: WWD3 Windshield Wiper Diagnosis III All

LABOR HOURS: 3.50

Misc Code	Misc Description	Ext Price
ENVI	ENVIROMENTAL CHARGES	10.00
	LABOR \$:	420.00
	PARTS \$:	0.00
	GOG \$:	0.00
	MISC \$:	10.00
	TAX \$:	23.65
	SUBTOTAL \$:	453.65
	TOTAL LABOR \$:	454.00
	TOTAL PART \$:	1,173.76
	TOTAL GOG \$:	0.00
	TOTAL MISC \$:	10.00
	TOTAL TAX \$:	90.08
	ESTIMATE TOTAL \$:	1,727.84

Customer Signature

Thank you for allowing Sheboygan Chevrolet Buick GMC to prepare your estimate.

VI

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred R. O. No. 29-19-20 by the Mayor submitting a request, on behalf of the City of Sheboygan, for the use of one of the City's free Blue Harbor Conference Center days to host a welcome reception for the delegates from Esslingen, Germany (Sheboygan's Sister City) on Wednesday, September 11, 2019; recommends receiving the R. O. and adopting the recommendation.

Consent.

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

4.3

R. O. No. 29 - 19 - 20. MAYOR. June 3, 2019.

Submitting a communication from Mayor Mike Vandersteen, on behalf of the City of Sheboygan, requesting the use of one of the City's free Blue Harbor Conference Center days to host a welcome reception for the delegates from Esslingen, Germany (Sheboygan's Sister City) on Wednesday, September 11, 2019.

Finances
Personnel

MAYOR MICHAEL VANDERSTEEN

VII

R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred, pursuant to R. O. No. 31-19-20 by City Clerk; recommends granting the licenses with various caveats (*):

CHANGE OF AGENT

Sarah Torres is replacing Christopher Gunkel as agent effective immediately for Craft 30 located at 1015 S. 10th Street.

Andrew Herman is replacing Angela Czaja as agent effective immediately for Glas - The Green Coffeehouse at 924 N. 14th Street.

Jeff Kietzman is replacing Roderick L. Unsinger as agent effective immediately for Meijer Gas Station #305.

Jeff Kietzman is replacing Roderick L. Unsinger as agent effective immediately for Meijer Store #305.

Marc Champeau is replacing Chris Meyer as agent effective immediately for Mid-Lake Softball organization.

Mark J. Fuller is replacing Harve Strysick as agent effective immediately for Sheboygan Riverside Boat Club.

Sandra Rupp is replacing Richard Rupp as agent effective immediately for Rupp's Downtown.

Matthew Seyer is replacing Brittany L. Brown as agent effective immediately for Walgreen Co. #12020.

Kris Adams is replacing Jerome R. Godard as agent effective immediately for Walgreens #06097.

Katy Glodosky is replacing Kimberly Anne Karrmann Meller as agent effective immediately for Weill Center.

*Steven J. Schmitt is replacing Jeremy J. Pust as agent effective immediately for Sprechers Restaurant & Pub.

*Complete responsible server program

CHANGE OF PREMISE

<u>No.</u>	<u>Name</u>	<u>Address</u>
*1040	Brennans	1101 Michigan Avenue - One day event to be held 07/21/19 to include west and south parking lot in current premise description.

*Clarify premise description

Consent

- *2726 John Michael Kohler Arts Center 608 New York Avenue - One day events to be held 06/20/19, 06/27/19, 07/03/19, 07/11/19, 07/20/19, 07/21/19, 07/25/19, 08/01/19, 08/08/19, 08/15/19, 08/22/19 to include 608 NY Ave. incld all premise description and N. 7th, N. 6th, NY Ave., WI Ave., JMKAC parking lot, Sculpture Garden, City Green, Festival Green.
- *Obtain Street Festival Permit and Permission to use property**
- *1337 Sheboygan Elks Lodge #299 1943 Erie Avenue - One day event to be held 07/27/19 to include outside portion of Elks property between east and west parking lots and from the south side of the building extending to the property line of Georgia Pacific.
- *Clarify premise description**
- *1337 Sheboygan Elks Lodge #299 1943 Erie Avenue - Three day event to be held 8/16/19-8/18/19 to include outside portion of Elks property between east and west parking lots and from the south side of the building extending to the property line of Georgia Pacific.
- *Clarify premise description**
- *1337 Sheboygan Elks Lodge #299 1943 Erie Avenue - One day event to be held 10/05/19 to include outside portion of Elks property between east and west parking lots and from the south side of the building extending to the property line of Georgia Pacific.
- *Clarify premise description**
- *3186 Suscha's Bar 1054 Pennsylvania Avenue - One day event to be held 07/13/19 - premise to include entire parking lot area north and east of building.
- *Clarify premise description**

*1809 The Wharf

733 Riverfront Drive- One day event to be held 07/17/19 to include parking lot between Duke of Devon and The Wharf and boardwalk in front of same business.

***Clarify premise description, obtain Street Festival Permit, and obtain 2019-2020 liquor license**

*1809 The Wharf

733 Riverfront Drive- One day event to be held 08/10/19 to include parking lot between Duke of Devon and The Wharf and boardwalk in front of same business.

***Clarify premise description, obtain Street Festival Permit, and obtain 2019-2020 liquor license**

CLASS "A" BEER LICENSE (June 30, 2019) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2336	El Durango	1035 Kentucky Avenue

CLASS "A" BEER LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2336	El Durango	1035 Kentucky Avenue
*3192	Harbor Centre Marina I	821 Broughton Drive
2631	North 8 Oriental Store	2002 N. 8 th Street
2519	Northside Clark	2709 N. 15 th Street
3342	Rstore #47 - Mad Max	1003 S. 14 th Street
*2601	Walgreens #12020	2702 Calumet Drive
*1424	Walgreens #06097	3320 S. Business Drive
*2088	Walgreens #6570	1029 N. 14 th Street
*Correct application		

"CLASS A" LIQUOR LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2765	Jakes Liquor I	2019 S. Business Drive
2423	Wal-Mart Supercenter #1276	3711 S. Taylor Drive

CLASS "B" BEER LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
*3184	Board & Brush Creative Studio	528 N. 8 th Street
*2706	Fayes Pizza	1821 Calumet Drive
3111	Glas - The Green Coffeehouse	924 N. 14 th Street
*3129	Greece E Spoon	1217 N. 8 th Street
*2445	La Conquistadora LLC I	1218 Indiana Avenue
3034	Marc Cinemas	3226 Kohler Memorial Drive
*3051	Mid-Lake Softball Organization	2213 New Jersey Avenue
3032	Nicky's Pizza I	1735 Calumet Drive
3022	Paradigm	1202 N. 8 th Street
2696	Sheboygans Family Restaurant	2704 S. Business Drive
*3358	The Greek Corner	1402 S. 8 th Street
*3312	Toys Thai Laos II	1229 N. 8 th Street
	*Correct application	

"CLASS B" LIQUOR LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2840	4 th Street Tap	520 N. 4 th Street
2742	8 th Street Ale Haus	1132 N. 8 th Street
3159	Big Mikes Sports Bar & Grill	911 Indiana Avenue
*1936	Black Pig	821 N. 8 th Street
*2805	Blue Harbor Resort I	725 Blue Harbor Drive
*3254	Bookworm Gardens	1415 Campus Drive
*2381	Bourbon Street Pub & Grill	1536 Indiana Avenue
*3150	Craft 30	1015 S. 10 th Street
1089	Daves Whos Inn	835 Indiana Avenue
*2121	El Camino	823 Michigan Avenue
1799	George Michaels I	513 N. 8 th Street
1892	Gosse's at Northwestern House	1909 Union Avenue
*3056	Gotta Getcha in Oasis	840 Wilson Avenue
**1734	Holiday Inn-Express	3823 Germaine Avenue
*3299	In the Bag	1501 Union Avenue
*3322	Indiana Joes LLC	933 Indiana Avenue
3257	J & R Bar & Grill	1823 N. 12 th Street
2726	John Michael Kohler Arts Center	608 New York Avenue
3333	Kohler Co.	Golf Course
2911	Lakeshore Technical College	712 Riverfront Drive
*3086	Las Brisas	1129 S. 8 th Street
*2085	Legend Larry's Wings & Things	733 Pennsylvania Avenue
3271	Limelight Pub I	1702 S. 17 th Street
1795	Luigis Italian Restaurant	2910 Kohler Memorial Drive
*2740	Mannings Irish Pub I	3015 N. 15 th Street
1252	Peteks Tavern	2702 S. 8 th Street
*3098	Pier 17	539 Riverfront Drive
*3363	Pinky's	2123 N. 15 th Street
3353	Rendez-vous	920 Michigan Avenue

2030 Rewind
 *3404 Scenic Bar I
 3248 Seebooth Delicatessen
 *1337 Sheboygan Elks Lodge #299
 1346 Sheboygan Pine Club
 1286 Sheboygan Riverside Boat Club
 1345 Sheboygan Outboard Club
 1353 Sheboygan Yacht Club
 *3183 Sprechers Restaurant & Pub
 *2566 That Place on 8th I
 *3069 Time and a Half
 *3261 Two Amigos Restaurant
 *3307 Umi Sushi & Steak House
 *2513 Vreekes Tavern I
 2921 Walkabout, The
 *1764 Water Street Pub
 *Correct application
 **Agent prove residency

1002 Michigan Avenue
 1635 Indiana Avenue
 1501 S. 8th Street
 1943 Erie Avenue
 1716 Geele Avenue
 1228A Wisconsin Avenue
 732 N. Water Street
 214 Pennsylvania Avenue
 820 Indiana Avenue
 1432 S. 8th Street
 2518 N. 15th Street
 1119 Michigan Avenue
 519 N. 8th Street
 935 Michigan Avenue
 2401 Calumet Drive
 931 N. 12th Street

"CLASS C" WINE LICENSE (June 30, 2020) (RENEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
*2706	Fayes Pizza	1821 Calumet Drive
3111	Glas - The Green Coffeehouse	924 N. 14 th Street
*3129	Greece E Spoon	1217 N. 8 th Street
3034	Marc Cinemas	3226 Kohler Memorial Drive
3022	Paradigm	1202 N. 8 th Street
2696	Sheboygans Family Restaurant	2704 S. Business Drive
*3358	The Greek Corner	1402 S. 8 th Street
*Correct application		

TOBACCO LICENSE (RENEW) (June 30, 2020)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2389	The Epicure Lounge	1116 Michigan Avenue
3043	SR Tobacco	2529 S. Business Drive
*3392	The Glass House	501 N. 8 th Street
*Correct application		

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk
Approved _____ 20____, _____, Mayor



R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred, pursuant to R. O. No. 32-19-20 by City Clerk; recommends granting the licenses:

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2790	Adams, Rebecca B.	W2654 Ridgewood Drive, Sheboygan Falls
2789	Aukerman, Kathryn N.	410 S. Hills Drive, Plymouth
2800	Azevedo, Issac R.	1405 North Avenue
2803	Burmeister, Lincoln D.	2030 E. Plank Road Unit 3, Appleton
2801	Cichon, Cameron R.	1405 North Avenue
2797	Fischer, Cindy L.	332 Park Street, Plymouth
8150	Gillmer, Nicole M.	2308 Mayflower Avenue
2791	Hening, Emily M.	673 S. Pier Drive
2793	Kerlin, Rachel L.	1636 N. 27 th Place
2794	Kohlmann, Levi J.	1708 N. 12 th Street
2798	Mathis, Logan A.	1409 Lincoln Avenue
2796	Niquette, Susan M.	920 Oakland Avenue
2795	Rodriguez, Aviana M.	1527 S. 8 th Street
2638	Schaller, Sydney R.	106 W. Birch Street, St. Nazianz
2804	Thompson, Courtney J.	1470 Garay Lane Apt. 2, Port Washington
2787	Vojtech, Julia R.	1301 S. 22 nd Street
2805	Wietfeldt, Abigail M.	830 N. Water Street, Apt. 219

BEVERAGE OPERATOR'S LICENSE (RENEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
0087	Aicher, Kristin E.	2418 N. 11 th Street
6261	Alcala, Norma L.	1820 N. 19 th Street
7500	Antonie, Thomas J.	1026 N. 4 th Street
7544	Antonie, Deborah C.	1026 N. 4 th Street
6932	Aschenbach, Kimberly A.	1207 Union Avenue
0764	Augustin, Jeremy L.	1717 S. 8 th Street
4736	Bartlow, Keli M.	1812 S. 13 th Street
2115	Baughman, Sarah E.	714A Huron Avenue
6141	Berg, Joel F.	3625 N. 14 th Street
9438	Billmann, Judith L.	2704 S. 19 th Street
6224	Bloedorn, Kim M.	2227 Camelot Boulevard
6094	Brusky, Ann L.	1728 N. 13 th Street
1971	Butler, Charles E. (Club)	713 Fairway Drive
4770	Butzen, Karen K.	1430 Geele Avenue
1712	Cabella, Madilyn R.	3510 S. 12 th Street Apt. 202
0051	Carlson, Leah S.	1819 N. 2 nd Street Apt. A
1679	Cavanaugh, Jerica E.	1718 Eisner Avenue
2482	Chavez, Angie C.	1507 S. 21 st Street
5463	Clark, Deborah L.	2626 Georgia Avenue
9532	Ditter, Lisa K.	2521 Leon Court
9338	Flores, Diane G.	1637 S. 26 th Street

conscat

1873 Fogle, Tom M (Club)	4222 N. 31 st Street
7641 Frericks, Julie A.	925 S. 14 th Street
1988 Gallenberger, Jena	2806A S. 9 th Street
0335 Garcia, Javier J. (Club)	1525 Alabama Avenue
4430 Gilbertson, Lindian M.	2335 N. 15 th Street Apt. A
1691 Goetsch, Jordan D.	2035 N. 12 th Street
7572 Graefe, Lee P.	1028A Mead Avenue
1860 Greeneway, Ryan J.	1817 Manor Parkway
6116 Gritzmacher, Kylene A.	2103A S. 7 th Street
9327 Gruenke, Elizabeth A.	2745 N. 8 th Street
6198 Hagerman, Ashley E.	2222 N. 23 rd Street
0962 Hameister, Jonathan J.	822 Logan Avenue
1979 Hando, Mark R.	3645 S. 18 th Street
1453 Haneman, David M.	836 Dillingham Avenue
8270 Heitzmann, Adam J.	2206 Sunflower Avenue
8391 Hernandez, Jose U.	1429A Maryland Avenue
2139 Hinz, Matthew D.	1331 Alabama Avenue Apt. 1
2132 Hoard, Stacey M.	708 Superior Avenue
0699 Howell, Krista M.	1531 N. 8 th Street
1547 Hutchison, Betty A.	628 End Court
7394 Kalkopf, Holly A.	1423 N. 7 th Street, Manitowoc
5973 Krebsbach, Kristin E.	1528 S. 7 th Street
1703 Kuehlmann, Sherry A.	1721 Ashland Avenue Apt. 101
2119 Leistekow, Megan B.	714 Huron Avenue
2059 Levanduski, Joshua B.	1910 Garfield Avenue
1835 Mace, Andrea L.	1605 S. 8 th Street
7845 MacLaughlin, Penny L.	1719 Elm Avenue
5528 Mehre, Stephanie A.	872 Weeden Creek Road
1728 Monkan, Jake E.	42 Winnebago Place
1889 Mueller, Jeffery C.	1734 S. 15 th Street
1483 Norton, Diashanae J.	2137 Bollman Drive #3B
4927 Oehldrich, Richard M.	519 Sunset Maple, Sheboygan Falls
5836 Oostdyke, Rebecca M.	2332 Carmen Avenue #6K
6278 Pantel, Melinda M.	1906A S. 12 th Street
1777 Peaine, Bonnie J.	1009 Clara Avenue
7604 Peloquin, Thomas J.	2719 Wedemeyer Avenue
3797 Pena, Javier (Club)	929 Indiana Avenue Apt. A
9480 Pierce, Christine L.	1634 S. 20 th Street
2142 Pipping, Sara E.	3919 Mendocino Lane #205
7070 Potter, Jennifer A.	2625 S. 8 th Street
0882 Powers, William K. (Club)	W3089 State Rd 28, Sheboygan Falls
9972 Ramey, Angela S.	514 N. 26 th Street
9176 Reese, Alexa M.	634 Dillingham Avenue
0905 Reineking, Tyler J.	3327 N. 9 th Street
1214 Reinemann, Michelle M.	1813A N. 2 nd Street
0313 Ritt, Sylvia L.	1134 Millersville Ave, Howards Grove
0986 Runkel, Kevin R. (Club)	225 Lilac Lane, Belgium
2107 Samplawski, Cassondra A.	424 Michigan Avenue
5390 Schaeve, Tanya M.	2311 S. 11 th Street
1917 Scheibl, Jessica M.	2201 Erie Avenue Apt. D205
2084 Schieble, Coralie S.	1705 Wisconsin Avenue
1925 Schmidt, Rebecca L.	1211 Washington Avenue
1660 Schultz, Steven L.	1602 Sibley Court

1832 Seeboth, James D.	1107 Ashland Avenue
4461 Segalle, Jason J.	2015 Folger Court
2528 Sheraski, Pamela M.	1410 N. 27 th Street
0933 Spettel, Ricky G. (Club)	1624 Georgia Avenue
6693 Sprecher, Kara D.	3017 N. 9 th Street Apt. 1
8248 Stanisch, Leah M.	2726 S. 11 th Place
8254 Strysick, Harve R. (Club)	1830 N. 19 th Street
0117 Theis, Robert R.	1628 S. 13 th Street
2079 Thenen, Lori A.	2119 Woodglen Drive #3B
0750 Toebe, Charlotte R.	2601 N. 11 th Street
1688 Torres, Ruben Jr.	N7772 Lakeshore Road
1146 Trepanier, Teresa M.	1619 N. 5 th Street
2257 Van Veghel, John Jr.	825 N. 28 th Street
2004 Van Wyk, Benjamin J. (Club)	2603 Fawn Court
9173 Vidimos, John J.	3015 N. 15 th Street
5374 Vidimos, Melodie A.	2203 N. 20 th Street
5212 Vidimos, Mike E.	2203 N. 20 th Street
8331 Vitale, Umberto	1128 N. 29 th Street
2274 Vreeke, Paul L.	514A S. Pier Drive #2
0847 Weiss, Crystal A.	1012 Bell Avenue
8432 Wellman, Alexandra K.	1011 Main Avenue
0748 Werner, Sydney R.	3741 S. 10 th Street
7064 Wright, Crystal M.	815 N. 4 th Street
0038 Wright, Ellen M.	2629A N. 20 th Street
1878 Wright, Michelle E.	40 N. Hiawatha Circle

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor

VI

R. C. No. _____ - 19 - 20. By LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE. June 17, 2019.

Your Committee to whom was referred DIRECT REFERRAL R. O. No. 34-19-20 by City Clerk submitting a license application; recommends granting the license:

CHANGE OF AGENT

Simon G. Madrigal is replacing Rosa E. Madrigal as agent effective immediately for El Camino located at 823 Michigan Avenue.

Consent

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

DIRECT REFERRAL TO LICENSING, HEARINGS, AND PUBLIC SAFETY COMMITTEE

R. O. No. 34 - 19 - 20. By CITY CLERK. June 12, 2019.

Submitting license application for the period ending June 30, 2020.

City Clerk

CHANGE OF AGENT

Simon G. Madrigal is replacing Rosa E. Madrigal as agent effective immediately for El Camino located at 823 Michigan Avenue.

RHS

VIII

R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. June 17, 2019.

Your Committee to whom was referred Res. No. 36-19-20 by Alderpersons Wolf and Sorenson authorizing the appropriate City officials to enter into a contract to reconstruct the tennis and pickleball courts at Vollrath Park; recommends adopting the Resolution.

Consent

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

5.2

Res. No. 36 - 19 - 20. By Alderpersons Wolf and Sorenson. June 3, 2019.

A RESOLUTION authorizing the appropriate City officials to enter into a contract to reconstruct the tennis and pickleball courts at Vollrath Park.

WHEREAS, pursuant to Resolution No. 165-18-19, the Engineering Division of the Department of Public Works has advertised for bids to reconstruct the tennis and pickleball courts at Vollrath Park; and

WHEREAS, four bids were received in response to that advertisement; and

WHEREAS, the bids were from:

Munson Inc.	\$170,710.00
Northeast Asphalt	\$173,380.00
Armstrong Paving	\$176,825.00
Poblocki Paving	\$196,069.004; and


WHEREAS, the City Engineer has reviewed the bids and determined that the low bid, from Munson Inc., met all of the specifications.

NOW, THEREFORE, BE IT RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached contract with Munson Inc. for the reconstruction of the tennis and pickleball courts at Vollrath Park in the amount of \$170,710.00 and are authorized to draw funds from the following accounts:

Public Works
adopt

Acct. No. 26553000-631100 (Park, Forestry and Open
Space Fund - Improvements Other Than Buildings) \$ 70,000.00

Acct. No. 47853000-631100 (Capital Improvements Fund -
Improvements Other Than Buildings) \$100,710.00



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the
Common Council of the City of Sheboygan, Wisconsin, on the _____ day of
_____, 20____.

Dated _____ 20 . _____, City Clerk

Approved _____ 20 . _____, Mayor

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Sheboygan ("Owner") and _____ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: Vollrath Park – 2019 Tennis and Pickleball Court Reconstruction.

ARTICLE 2 – THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Pulverizing the existing pavement, base aggregate, asphalt pavement, fencing, surface painting, and tennis and pickleball nets.

2.02 City of Sheboygan Resolution: _____

2.03 City of Sheboygan Account Number: _____

ARTICLE 3 – ENGINEER

3.01 The part of the Project that pertains to the Work has been designed by the Fred Kolkman Tennis & Sport Surfaces, LLC, of Grafton, WI and is designated as Designer.

3.02 The Engineering Division, Department of Public Works, City of Sheboygan, Sheboygan, WI will assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

If ENGINEER is undesignated, OWNER shall assume the duties and responsibilities of ENGINEER through OWNER's Director of Public Works (DPW), or the DPW's designee.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The work will be substantially complete no later than October 18, 2019, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the 14th day following substantial completion.

4.03 Liquidated Damages

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. Substantial Completion: Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
 2. Completion of Remaining Work: After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after such time until the Work is completed and ready for final payment.
 3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.
 4. Milestones: Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for achievement of Milestone 1, until Milestone 1 is achieved.

4.04 Special Damages

- A. In addition to the amount provided for liquidated damages, Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.
- B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

ARTICLE 5 – CONTRACT PRICE

- 5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

- A. For all Work, at the prices stated in Contractor's Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 Submittal and Processing of Payments

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 Progress Payments; Retainage

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor's Applications for Payment on or about the 1st day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract
 - a. 95 percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
 - b. 0 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 100 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 200 percent of Engineer's estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 Final Payment

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

- 7.01 All amounts not paid when due shall bear interest at the rate of 0 percent per annum.

ARTICLE 8 – CONTRACTOR’S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor’s safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor’s entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 Contents

- A. The Contract Documents consist of the following:
1. This Agreement (pages 00 52 00-1 to 7, inclusive).
 2. Performance bond (pages 00 61 13-1 to 00 61 13 - ____, inclusive).
 3. Payment bond (pages 00 61 14-1 to 00 61 14- ____, inclusive).
 4. General Conditions (EJCDC C-700, 2013 Edition) Supplementary Conditions, Specifications, and Drawings, not attached but incorporated by reference, as listed in the attached table of contents of the Project Manual.
 5. Addenda (not attached but incorporated by reference) (number 1, inclusive).
 6. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor's Bid (pages 1, inclusive).
 7. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed,
 - b. Work Change Directives,
 - c. Change Orders,
 - d. Field Order,
 - e. Task Orders.
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Contractor's Certifications

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 Other Provisions

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or "track changes" (redline/strikeout), or in the Supplementary Conditions.

(Continued on next page)

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _____ (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

City of Sheboygan

By: _____
(signature)

By: _____
(signature)

Name,
Title: Darrell Hofland , City Administrator

Name,
Title: _____
(printed)

Date: _____

Date: _____

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Address for giving notices:

City of Sheboygan - Engineering
2026 New Jersey Avenue
Sheboygan, WI 53081

Address for giving notices:

License No.: _____
(where applicable)

Signed by:

Approved as to form and Execution:

By: _____
(signature)

By: _____
(signature)

Name,
Title: Michael Vandersteen, Mayor

Name,
Title: Charles C. Adams, City Attorney

Date: _____

Date: _____

Countersigned by:

By: _____
(signature)

Name,
Title: Meredith DeBruin, City Clerk

Date: _____

VOLLRATH PARK
2019 TENNIS AND PICKLEBALL COURT RECONSTRUCTION

SECTION	TITLE	PAGES
00 00 00	PROCUREMENT AND CONTRACTING REQUIREMENTS	
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00 11 13	Advertisements for Bids	00 11 13-1
00 21 13	Instructions for Bidders	00 21 13-1 to 00 21 13-10
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00 41 44	Unit Price Worksheet	00 41 44-1
00 41 44.1	Quest Unit Price Worksheet	1 Page
00 42 13	Bid Bond	00 42 13-1 to 00 42 13-2
00 45 13	Bidder's Proof of Responsibility	00 45 13-1 to 00 45-13-5
00 45 19	Non-Collusion Affidavit of Bidder	00 45 19-1
00 45 20	Non-Collusion Affidavit of Subcontractor	00 45 20-1
00 45 50	List of Subcontractors	00 45 50-1
00 52 00	Agreement	00 52 00-1 to 00 52 00-7
00 55 00	Notice to Proceed	00 55 00-1
00 61 13	Performance Bond	00 61 13-1 to 00 61 13-3
00 61 14	Payment Bond	00 61 14-1 to 00 61 14-3
00 62 11	Submittal Cover	00 62 11-1
00 62 76	Application for Payment	00 62 76-1 to 00 62 76-2
00 63 13	Request for Information	00 63 13-1
00 63 49	Work Change Directive	00 63 49-1
00 63 63	Change Order Form	00 63 63-1 to 00 63 63-2
00 65 16	Certificate of Substantial Completion	00 65 16-1
00 65 18	Certificate of Compliance	00 65 13-1
00 65 19	Consent of Surety to Final Payment	00 65 19-1
00 72 00	General Conditions	00 72 00 -1 to 00 72 00-72
00 73 00	Supplementary Conditions	00 73 00-1 to 00 73 00-13
01 00 00	GENERAL REQUIREMENTS	
01 11 00	Summary of Work	01 11 00-1 to 01 11 00-2
01 14 00	Work Restrictions	01 14 00-1 to 01 14 00-6
01 22 00	Unit Prices	01 22 00-1 to 01 22 00-2
01 23 00	Alternates	01 23 00-1
01 55 26	Traffic Control	01 55 26-1 to 01 55 26-2
01 57 19	Temporary Environmental Controls	01 57 19-1 to 01 57 19-2
01 71 23	Construction Staking	01 71 23-1 to 01 71 23-2
02 00 00		
02 10 00	Selective Demolition	2 Pages

CITY OF SHEBOYGAN
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 SECTION 00 01 10

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31 00 00	EARTHWORK	
31 20 00	Excavation	3 Pages
31 25 00	Erosion Control	2 Pages
32 00 00	EXTERIOR IMPROVEMENT	
30 05 00	Aggregates	5 Pages
32 10 00	Plant Mix Asphalt	7 Pages
32 35 50	Armor Crack Repair System for Tennis Courts	2 Pages
32 36 25	Acrylic Resurfacer	3 Pages
32 36 50	Flexible Tennis Court Color Finish System	5 Pages
32 36 75	Line Primer	3 Pages
32 37 00	Tennis Court Net Posts and Center Tie Down	2 Pages
32 37 75	Pickleball Net Posts and Center Tie Down	2 Pages
32 37 80	Pickleball Center Tie Downs	2 Pages
32 38 00	Tennis Court Nets	1 Page
32 38 75	Pickleball Nets	1 Pages
32 50 00	Fences and Gates (Galvanized Coated)	7 Pages
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32 55 10	Fence Slats	1 Page
Drawings		11 Pages

VIII

R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. June 17, 2019.

Your Committee to whom was referred Res. No. 37-19-20 by Alderpersons Wolf and Sorenson informing the Wisconsin Department of Natural Resources (WDNR) that the 2018 Compliance Maintenance Annual Report (CMAR) has been reviewed; recommends adopting the Resolution.

Consent

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

5.3

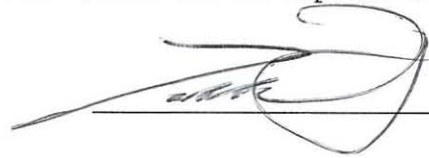
Res. No. 37- 19 - 20. By Alderpersons Wolf and Sorenson. June 3, 2019.

A RESOLUTION informing the Wisconsin Department of Natural Resources (WDNR) that the 2018 Compliance Maintenance Annual Report (CMAR) has been reviewed.

RESOLVED: That the City of Sheboygan hereby informs the WDNR that the Common Council has reviewed the 2018 CMAR, which is attached to this resolution.

BE IT FURTHER RESOLVED: That the Sheboygan Regional Wastewater Treatment Facility received an "A" grade for each section of the 2018 CMAR, and require no further action by council.

BE IT FURTHER RESOLVED: That the 2018 CMAR be accepted and placed on file.



Public Works
adopt

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Influent Flow and Loading

1. Monthly Average Flows and (C)BOD Loadings

1.1 Verify the following monthly flows and (C)BOD loadings to your facility.

Influent No. 701	Influent Monthly Average Flow, MGD	x	Influent Monthly Average (C)BOD Concentration mg/L	x	8.34	=	Influent Monthly Average (C)BOD Loading, lbs/day
January	7.8759	x	198	x	8.34	=	13,021
February	8.2052	x	187	x	8.34	=	12,800
March	8.6496	x	176	x	8.34	=	12,725
April	11.8354	x	138	x	8.34	=	13,572
May	13.9784	x	110	x	8.34	=	12,818
June	10.0381	x	150	x	8.34	=	12,579
July	9.1005	x	165	x	8.34	=	12,498
August	11.2501	x	151	x	8.34	=	14,178
September	11.8781	x	116	x	8.34	=	11,467
October	12.6884	x	106	x	8.34	=	11,195
November	11.2504	x	126	x	8.34	=	11,828
December	10.7019	x	153	x	8.34	=	13,687

2. Maximum Monthly Design Flow and Design (C)BOD Loading

2.1 Verify the design flow and loading for your facility.

Design	Design Factor	x	%	=	% of Design
Max Month Design Flow, MGD	25.2	x	90	=	22.68
		x	100	=	25.2
Design (C)BOD, lbs/day	27940	x	90	=	25146
		x	100	=	27940

2.2 Verify the number of times the flow and (C)BOD exceeded 90% or 100% of design, points earned, and score:

	Months of Influent	Number of times flow was greater than 90% of	Number of times flow was greater than 100% of	Number of times (C)BOD was greater than 90% of design	Number of times (C)BOD was greater than 100% of design
January	1	0	0	0	0
February	1	0	0	0	0
March	1	0	0	0	0
April	1	0	0	0	0
May	1	0	0	0	0
June	1	0	0	0	0
July	1	0	0	0	0
August	1	0	0	0	0
September	1	0	0	0	0
October	1	0	0	0	0
November	1	0	0	0	0
December	1	0	0	0	0
Points per each		2	1	3	2
Exceedances		0	0	0	0
Points		0	0	0	0
Total Number of Points					0

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

3. Flow Meter

3.1 Was the influent flow meter calibrated in the last year?

- Yes Enter last calibration date (MM/DD/YYYY)

No

If No, please explain:

4. Sewer Use Ordinance

4.1 Did your community have a sewer use ordinance that limited or prohibited the discharge of excessive conventional pollutants ((C)BOD, SS, or pH) or toxic substances to the sewer from industries, commercial users, hauled waste, or residences?

- Yes
- No

If No, please explain:

4.2 Was it necessary to enforce the ordinance?

- Yes
- No

If Yes, please explain:

5. Septage Receiving

5.1 Did you have requests to receive septage at your facility?

- | Septic Tanks | Holding Tanks | Grease Traps |
|--------------------------------------|--------------------------------------|-------------------------------------|
| <input checked="" type="radio"/> Yes | <input checked="" type="radio"/> Yes | <input type="radio"/> Yes |
| <input type="radio"/> No | <input type="radio"/> No | <input checked="" type="radio"/> No |

5.2 Did you receive septage at your facility? If yes, indicate volume in gallons.

- Septic Tanks
- Yes gallons
 - No

- Holding Tanks
- Yes gallons
 - No

- Grease Traps
- Yes gallons
 - No

5.2.1 If yes to any of the above, please explain if plant performance is affected when receiving any of these wastes.

6. Pretreatment

6.1 Did your facility experience operational problems, permit violations, biosolids quality concerns, or hazardous situations in the sewer system or treatment plant that were attributable to commercial or industrial discharges in the last year?

- Yes
- No

If yes, describe the situation and your community's response.

6.2 Did your facility accept hauled industrial wastes, landfill leachate, etc.?

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

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<p><input checked="" type="radio"/> Yes <input type="radio"/> No</p> <p>If yes, describe the types of wastes received and any procedures or other restrictions that were in place to protect the facility from the discharge of hauled industrial wastes.</p> <p>Food processing wastes, landfill leachate and industrial septage, were accepted and discharged directly to the plant influent through the septage receiving stations. Samples were collected from each waste type and analyzed to determine waste load allocation and waste strength.</p>
--

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Effluent Quality and Plant Performance (BOD/CBOD)

1. Effluent (C)BOD Results

1.1 Verify the following monthly average effluent values, exceedances, and points for BOD or CBOD

Outfall No. 001	Monthly Average Limit (mg/L)	90% of Permit Limit > 10 (mg/L)	Effluent Monthly Average (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	25	22.5	3	1	0	0
February	25	22.5	3	1	0	0
March	25	22.5	2	1	0	0
April	25	22.5	2	1	0	0
May	25	22.5	2	1	0	0
June	25	22.5	1	1	0	0
July	25	22.5	0	1	0	0
August	25	22.5	2	1	0	0
September	25	22.5	1	1	0	0
October	25	22.5	1	1	0	0
November	25	22.5	2	1	0	0
December	25	22.5	2	1	0	0

* Equals limit if limit is <= 10

Months of discharge/yr	12		
Points per each exceedance with 12 months of discharge		7	3
Exceedances		0	0
Points		0	0
Total number of points			0

NOTE: For systems that discharge intermittently to state waters, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge. Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is 12/6 = 2.0

1.2 If any violations occurred, what action was taken to regain compliance?

2. Flow Meter Calibration

2.1 Was the effluent flow meter calibrated in the last year?

Yes Enter last calibration date (MM/DD/YYYY)

No

If No, please explain:

The facility does not have an effluent flow meter and is required to report the influent flow only.

3. Treatment Problems

3.1 What problems, if any, were experienced over the last year that threatened treatment?

None

4. Other Monitoring and Limits

4.1 At any time in the past year was there an exceedance of a permit limit for any other pollutants such as chlorides, pH, residual chlorine, fecal coliform, or metals?

Yes

No

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Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
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If Yes, please explain:

4.2 At any time in the past year was there a failure of an effluent acute or chronic whole effluent toxicity (WET) test?
 Yes
 No

If Yes, please explain:

4.3 If the biomonitoring (WET) test did not pass, were steps taken to identify and/or reduce source(s) of toxicity?
 Yes
 No
 N/A

Please explain unless not applicable:

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Effluent Quality and Plant Performance (Total Suspended Solids)

1. Effluent Total Suspended Solids Results						
1.1 Verify the following monthly average effluent values, exceedances, and points for TSS:						
Outfall No. 001	Monthly Average Limit (mg/L)	90% of Permit Limit >10 (mg/L)	Effluent Monthly Average (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	30	27	4	1	0	0
February	30	27	4	1	0	0
March	30	27	3	1	0	0
April	30	27	4	1	0	0
May	30	27	4	1	0	0
June	30	27	3	1	0	0
July	30	27	1	1	0	0
August	30	27	3	1	0	0
September	30	27	2	1	0	0
October	30	27	3	1	0	0
November	30	27	3	1	0	0
December	30	27	5	1	0	0
* Equals limit if limit is <= 10						
Months of Discharge/yr				12		
Points per each exceedance with 12 months of discharge:					7	3
Exceedances					0	0
Points					0	0
Total Number of Points						0
NOTE: For systems that discharge intermittently to state waters, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge. Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is 12/6 = 2.0						
1.2 If any violations occurred, what action was taken to regain compliance?						

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Effluent Quality and Plant Performance (Phosphorus)

1. Effluent Phosphorus Results

1.1 Verify the following monthly average effluent values, exceedances, and points for Phosphorus

Outfall No. 001	Monthly Average phosphorus Limit (mg/L)	Effluent Monthly Average phosphorus (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance
January	.9	0.487	1	0
February	.9	0.432	1	0
March	.9	0.558	1	0
April	.9	0.477	1	0
May	.9	0.471	1	0
June	.9	0.487	1	0
July	.9	0.442	1	0
August	.9	0.512	1	0
September	.9	0.459	1	0
October	.9	0.403	1	0
November	.9	0.362	1	0
December	.9	0.436	1	0
Months of Discharge/yr			12	
Points per each exceedance with 12 months of discharge:				10
Exceedances				0
Total Number of Points				0

NOTE: For systems that discharge intermittently to waters of the state, the points per monthly exceedance for this section shall be based upon a multiplication factor of 12 months divided by the number of months of discharge.

Example: For a wastewater facility discharging only 6 months of the year, the multiplication factor is $12/6 = 2.0$

1.2 If any violations occurred, what action was taken to regain compliance?

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
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Biosolids Quality and Management

1. Biosolids Use/Disposal

1.1 How did you use or dispose of your biosolids? (Check all that apply)

- Land applied under your permit
 Publicly Distributed Exceptional Quality Biosolids
 Hauled to another permitted facility
 Landfilled
 Incinerated
 Other

NOTE: If you did not remove biosolids from your system, please describe your system type such as lagoons, reed beds, recirculating sand filters, etc.

1.1.1 If you checked Other, please describe:

Exceptional Quality dried biosolids from outfall 004 were supplied to Kiel Sand and Gravel as well as Sure-Grow LLC for use as a soil conditioner and agricultural fertilizer. As small amount was used by the facility and some of the excess sample taken from the silo for fecal coliform testing were disposed of.

3. Biosolids Metals

Number of biosolids outfalls in your WPDES permit:

3.1 For each outfall tested, verify the biosolids metal quality values for your facility during the last calendar year.

Outfall No. 004 - EQ Dried Sludge

Parameter	80% of Limit	H.Q. Limit	Ceiling Limit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	80% Value	High Quality	Ceiling
Arsenic		41		6.5		5.5			6.1	4.35			4.07	5.53			0	0
Cadmium		39		1		.89			1.3	.707			.38	.658			0	0
Copper		1500		427		452			409	451			394	426			0	0
Lead		300		27.5		30.4			37.3	32.5			28.5	36.3			0	0
Mercury		17		.38		.4			.42	.507			.352	.39			0	0
Molybdenum	60		75	11.8		12.1			10	10.9			8.68	11.4		0		0
Nickel				32.7		33.2			26.9	31.3			27.9	31.1		0		0
Selenium				3.4		<5.1			2.3	4.75			<3.11	<2.83		0		0
Zinc		2800		656		717			680	611			587	696			0	0

3.1.1 Number of times any of the metals exceeded the high quality limits OR 80% of the limit for molybdenum, nickel, or selenium = 0

Exceedence Points

- 0 (0 Points)
- 1-2 (10 Points)
- > 2 (15 Points)

3.1.2 If you exceeded the high quality limits, did you cumulatively track the metals loading at each land application site? (check applicable box)

- Yes
- No (10 points)
- N/A - Did not exceed limits or no HQ limit applies (0 points)
- N/A - Did not land apply biosolids until limit was met (0 points)

3.1.3 Number of times any of the metals exceeded the ceiling limits = 0

Exceedence Points

- 0 (0 Points)
- 1 (10 Points)
- > 1 (15 Points)

3.1.4 Were biosolids land applied which exceeded the ceiling limit?

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Yes (20 Points)

No (0 Points)

3.1.5 If any metal limit (high quality or ceiling) was exceeded at any time, what action was taken? Has the source of the metals been identified?

0

4. Pathogen Control (per outfall):

4.1 Verify the following information. If any information is incorrect, use the Report Issue button under the Options header in the left-side menu.

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Colliform
Sample Dates:	01/01/2018 - 02/28/2018
Density:	0
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Colliform
Sample Dates:	03/01/2018 - 04/30/2018
Density:	3
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Colliform
Sample Dates:	05/01/2018 - 06/30/2018
Density:	19
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2018 - 08/31/2018
Density:	0
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	09/01/2018 - 10/31/2018
Density:	2
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

Outfall Number:	004
Biosolids Class:	A
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	11/01/2018 - 12/31/2018
Density:	2
Sample Concentration Amount:	MPN/G TS
Requirement Met:	Yes
Land Applied:	Yes
Process:	Heat Drying
Process Description:	Exceptional quality sludge from the sludge dryer.

4.2 If exceeded Class B limit or did not meet the process criteria at the time of land application.

4.2.1 Was the limit exceeded or the process criteria not met at the time of land application?

Yes (40 Points)

No

If yes, what action was taken?

5. Vector Attraction Reduction (per outfall):

5.1 Verify the following information. If any of the information is incorrect, use the Report Issue button under the Options header in the left-side menu.

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Outfall Number:	004
Method Date:	01/29/2018
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids
Requirement Met:	Yes
Land Applied:	Yes
Limit (if applicable):	>90
Results (if applicable):	94.30
Outfall Number:	004
Method Date:	03/22/2018
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids
Requirement Met:	Yes
Land Applied:	Yes
Limit (if applicable):	>90
Results (if applicable):	96.60
Outfall Number:	004
Method Date:	06/05/2018
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids
Requirement Met:	Yes
Land Applied:	Yes
Limit (if applicable):	>90
Results (if applicable):	98.20
Outfall Number:	004
Method Date:	07/30/2018
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids
Requirement Met:	Yes
Land Applied:	Yes
Limit (if applicable):	>90
Results (if applicable):	95.10
Outfall Number:	004
Method Date:	10/01/2018
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids
Requirement Met:	Yes
Land Applied:	Yes
Limit (if applicable):	>90
Results (if applicable):	99.60

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Outfall Number:	004	0
Method Date:	11/26/2018	
Option Used To Satisfy Requirement:	Drying With Unstabilized Solids	
Requirement Met:	Yes	
Land Applied:	Yes	
Limit (if applicable):	>90	
Results (if applicable):	96.50	
<p>5.2 Was the limit exceeded or the process criteria not met at the time of land application?</p> <p><input type="radio"/> Yes (40 Points)</p> <p><input checked="" type="radio"/> No</p> <p>If yes, what action was taken?</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
<p>6. Biosolids Storage</p> <p>6.1 How many days of actual, current biosolids storage capacity did your wastewater treatment facility have either on-site or off-site?</p> <p><input checked="" type="radio"/> >= 180 days (0 Points)</p> <p><input type="radio"/> 150 - 179 days (10 Points)</p> <p><input type="radio"/> 120 - 149 days (20 Points)</p> <p><input type="radio"/> 90 - 119 days (30 Points)</p> <p><input type="radio"/> < 90 days (40 Points)</p> <p><input type="radio"/> N/A (0 Points)</p> <p>6.2 If you checked N/A above, explain why.</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>		
<p>7. Issues</p> <p>7.1 Describe any outstanding biosolids issues with treatment, use or overall management:</p> <div style="border: 1px solid black; padding: 5px;"> <p>All biosolids generated during 2018 were dried to produce a Class A biosolids. No issues were encountered during the year.</p> </div>		

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

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Staffing and Preventative Maintenance (All Treatment Plants)

<p>1. Plant Staffing</p> <p>1.1 Was your wastewater treatment plant adequately staffed last year?</p> <ul style="list-style-type: none">● Yes○ No <p>If No, please explain:</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>Could use more help/staff for:</p> <div style="border: 1px solid black; padding: 2px;">Present staffing levels are adequate to successfully operate and maintain the wastewater plant.</div> <p>1.2 Did your wastewater staff have adequate time to properly operate and maintain the plant and fulfill all wastewater management tasks including recordkeeping?</p> <ul style="list-style-type: none">● Yes○ No <p>If No, please explain:</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	
<p>2. Preventative Maintenance</p> <p>2.1 Did your plant have a documented AND implemented plan for preventative maintenance on major equipment items?</p> <ul style="list-style-type: none">● Yes (Continue with question 2) <input type="checkbox"/>○ No (40 points) <input type="checkbox"/> <p>If No, please explain, then go to question 3:</p> <div style="border: 1px solid black; height: 20px; width: 100%;"></div> <p>2.2 Did this preventative maintenance program depict frequency of intervals, types of lubrication, and other tasks necessary for each piece of equipment?</p> <ul style="list-style-type: none">● Yes○ No (10 points) <p>2.3 Were these preventative maintenance tasks, as well as major equipment repairs, recorded and filed so future maintenance problems can be assessed properly?</p> <ul style="list-style-type: none">● Yes○ Paper file system○ Computer system● Both paper and computer system○ No (10 points)	0
<p>3. O&M Manual</p> <p>3.1 Does your plant have a detailed O&M and Manufacturer Equipment Manuals that can be used as a reference when needed?</p> <ul style="list-style-type: none">● Yes○ No	
<p>4. Overall Maintenance /Repairs</p> <p>4.1 Rate the overall maintenance of your wastewater plant.</p> <ul style="list-style-type: none">○ Excellent○ Very good● Good○ Fair○ Poor <p>Describe your rating:</p>	

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The plant is adequately maintained and has adequate in-line spares available to take down and maintain individual pieces of equipment. We continue to work on improving our PM program and have made major strides during the year to ensure that we have all required PM's captured as well as ensuring that the scope is adequate. We also made significant strides utilizing the maintenance management system. Plant staff is experienced and capable of most repairs.

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

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Operator Certification and Education

1. Operator-In-Charge

1.1 Did you have a designated operator-in-charge during the report year?

- Yes (0 points)
- No (20 points)

Name:

Steve Jossart

Certification No:

12990

0

2. Certification Requirements

2.1 In accordance with Chapter NR 114.56 and 114.57, Wisconsin Administrative Code, what level and subclass(es) were required for the operator-in-charge (OIC) to operate the wastewater treatment plant and what level and subclass(es) were held by the operator-in-charge?

Sub Class	SubClass Description	WWTP	OIC		
		Advanced	OIT	Basic	Advanced
A1	Suspended Growth Processes	X			
A2	Attached Growth Processes				
A3	Recirculating Media Filters				
A4	Ponds, Lagoons and Natural				
A5	Anaerobic Treatment Of Liquid				
B	Solids Separation	X			
C	Biological Solids/Sludges	X			
P	Total Phosphorus	X			
N	Total Nitrogen				
D	Disinfection	X			
L	Laboratory	X			
U	Unique Treatment Systems				
SS	Sanitary Sewage Collection	X	NA	NA	NA

0

2.2 Was the operator-in-charge certified at the appropriate level and subclass(es) to operate this plant? (Note: Certification in subclass SS, N and A5 not required in 2018; subclass SS is basic level only.)

- Yes (0 points)
- No (20 points)

3. Succession Planning

3.1 In the event of the loss of your designated operator-in-charge, did you have a contingency plan to ensure the continued proper operation and maintenance of the plant that includes one or more of the following options (check all that apply)?

- One or more additional certified operators on staff
- An arrangement with another certified operator
- An arrangement with another community with a certified operator
- An operator on staff who has an operator-in-training certificate for your plant and is expected to be certified within one year
- A consultant to serve as your certified operator
- None of the above (20 points)

If "None of the above" is selected, please explain:

0

4. Continuing Education Credits

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<p>4.1 If you had a designated operator-in-charge, was the operator-in-charge earning Continuing Education Credits at the following rates?</p> <p>OIT and Basic Certification:</p> <ul style="list-style-type: none"><input type="radio"/> Averaging 6 or more CECs per year.<input type="radio"/> Averaging less than 6 CECs per year. <p>Advanced Certification:</p> <ul style="list-style-type: none"><input checked="" type="radio"/> Averaging 8 or more CECs per year.<input type="radio"/> Averaging less than 8 CECs per year.	
--	--

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

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Financial Management

<p>1. Provider of Financial Information Name: <input style="width: 200px;" type="text" value="Marty Halverson"/> Telephone: <input style="width: 100px;" type="text" value="(920) 459-3304"/> (XXX) XXX-XXXX E-Mail Address (optional): <input style="width: 200px;" type="text" value="Marty.Halverson@sheboyganwl.gov"/></p>														
<p>2. Treatment Works Operating Revenues 2.1 Are User Charges or other revenues sufficient to cover O&M expenses for your wastewater treatment plant AND/OR collection system ? <input checked="" type="radio"/> Yes (0 points) <input type="checkbox"/> <input type="radio"/> No (40 points) If No, please explain: <input style="width: 100%; height: 20px;" type="text"/></p> <p>2.2 When was the User Charge System or other revenue source(s) last reviewed and/or revised? Year: <input style="width: 50px;" type="text" value="2018"/> <input checked="" type="radio"/> 0-2 years ago (0 points) <input type="checkbox"/> <input type="radio"/> 3 or more years ago (20 points) <input type="checkbox"/> <input type="radio"/> N/A (private facility)</p> <p>2.3 Did you have a special account (e.g., CWF required segregated Replacement Fund, etc.) or financial resources available for repairing or replacing equipment for your wastewater treatment plant and/or collection system? <input checked="" type="radio"/> Yes (0 points) <input type="radio"/> No (40 points)</p>	0													
REPLACEMENT FUNDS [PUBLIC MUNICIPAL FACILITIES SHALL COMPLETE QUESTION 3]														
<p>3. Equipment Replacement Funds 3.1 When was the Equipment Replacement Fund last reviewed and/or revised? Year: <input style="width: 50px;" type="text" value="2018"/> <input checked="" type="radio"/> 1-2 years ago (0 points) <input type="checkbox"/> <input type="radio"/> 3 or more years ago (20 points) <input type="checkbox"/> <input type="radio"/> N/A If N/A, please explain: <input style="width: 100%; height: 20px;" type="text"/></p> <p>3.2 Equipment Replacement Fund Activity</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">3.2.1 Ending Balance Reported on Last Year's CMAR</td> <td style="width: 5%; text-align: right;">\$</td> <td style="width: 35%; text-align: right;"><input style="width: 100%;" type="text" value="6,134,358.64"/></td> </tr> <tr> <td>3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)</td> <td style="text-align: right;">-</td> <td style="text-align: right;">\$ <input style="width: 100%;" type="text" value="9,258.03"/></td> </tr> <tr> <td>3.2.3 Adjusted January 1st Beginning Balance</td> <td style="text-align: right;">\$</td> <td style="text-align: right;"><input style="width: 100%;" type="text" value="6,125,100.61"/></td> </tr> <tr> <td>3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)</td> <td style="text-align: right;">+</td> <td style="text-align: right;">\$ <input style="width: 100%;" type="text" value="0.00"/></td> </tr> </table>	3.2.1 Ending Balance Reported on Last Year's CMAR	\$	<input style="width: 100%;" type="text" value="6,134,358.64"/>	3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)	-	\$ <input style="width: 100%;" type="text" value="9,258.03"/>	3.2.3 Adjusted January 1st Beginning Balance	\$	<input style="width: 100%;" type="text" value="6,125,100.61"/>	3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)	+	\$ <input style="width: 100%;" type="text" value="0.00"/>		
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<p>3.2.5 Subtractions from Fund (e.g., equipment replacement, major repairs - use description box 3.2.6.1 below*)</p> <p style="text-align: right;">\$ <input style="width: 100px;" type="text" value="0.00"/></p> <p>3.2.6 Ending Balance as of December 31st for CMAR Reporting Year</p> <p style="text-align: right;">\$ <input style="width: 100px;" type="text" value="6,125,100.61"/></p> <p>All Sources: This ending balance should include all Equipment Replacement Funds whether held in a bank account(s), certificate(s) of deposit, etc.</p> <p>3.2.6.1 Indicate adjustments, equipment purchases, and/or major repairs from 3.2.5 above.</p> <div style="border: 1px solid black; padding: 2px; margin-bottom: 5px;">The change is due to an audit correction.</div> <p>3.3 What amount should be in your Replacement Fund? 0</p> <p style="text-align: right;">\$ <input style="width: 100px;" type="text" value="1,500,000.00"/></p> <p>Please note: If you had a CWWP loan, this amount was originally based on the Financial Assistance Agreement (FAA) and should be regularly updated as needed. Further calculation instructions and an example can be found by clicking the SectionInstructions link under Info header in the left-side menu.</p> <p>3.3.1 Is the December 31 Ending Balance in your Replacement Fund above, (#3.2.6) equal to, or greater than the amount that should be in it (#3.3)?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p>If No, please explain.</p> <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>																																	
<p>4. Future Planning</p> <p>4.1 During the next ten years, will you be involved in formal planning for upgrading, rehabilitating, or new construction of your treatment facility or collection system?</p> <p><input checked="" type="radio"/> Yes - If Yes, please provide major project information, if not already listed below. <input type="checkbox"/> <input type="checkbox"/></p> <p><input type="radio"/> No</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr> <th style="width: 8%;">Project #</th> <th style="width: 55%;">Project Description</th> <th style="width: 15%;">Estimated Cost</th> <th style="width: 22%;">Approximate Construction Year</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td>Replacing/refurbishing primary and secondary clarifier drives. The plan is to replace each clarifier drive over the course of the next 4 - 5 years.</td> <td style="text-align: center;">800000</td> <td style="text-align: center;">2023</td> </tr> <tr> <td style="text-align: center;">2</td> <td>Fine bubble diffuser system maintenance and aeration basin repairs. The scope will also include the replacement of the beams supporting the walls in the anoxic and anaerobic zones.</td> <td style="text-align: center;">900000</td> <td style="text-align: center;">2022</td> </tr> <tr> <td style="text-align: center;">3</td> <td>Sanitary Sewer Lining Projects. The city of Sheboygan is setting aside money annually to line sanitary sewers in conjunction with street replacement projects over the next five years. The estimated cost is the total cost of the work over the next five years.</td> <td style="text-align: center;">3000000</td> <td style="text-align: center;">2023</td> </tr> <tr> <td style="text-align: center;">4</td> <td>Re-building/replacing secondary digester #6 floating cover.</td> <td style="text-align: center;">450000</td> <td style="text-align: center;">2020</td> </tr> <tr> <td style="text-align: center;">5</td> <td>Replacement aeration blower.</td> <td style="text-align: center;">250000</td> <td style="text-align: center;">2021</td> </tr> <tr> <td style="text-align: center;">6</td> <td>Influent Building HVAC Replacement.</td> <td style="text-align: center;">300000</td> <td style="text-align: center;">2022</td> </tr> <tr> <td style="text-align: center;">7</td> <td>Replace #3 Raw Influent Pump.</td> <td style="text-align: center;">200000</td> <td style="text-align: center;">2025</td> </tr> </tbody> </table>		Project #	Project Description	Estimated Cost	Approximate Construction Year	1	Replacing/refurbishing primary and secondary clarifier drives. The plan is to replace each clarifier drive over the course of the next 4 - 5 years.	800000	2023	2	Fine bubble diffuser system maintenance and aeration basin repairs. The scope will also include the replacement of the beams supporting the walls in the anoxic and anaerobic zones.	900000	2022	3	Sanitary Sewer Lining Projects. The city of Sheboygan is setting aside money annually to line sanitary sewers in conjunction with street replacement projects over the next five years. The estimated cost is the total cost of the work over the next five years.	3000000	2023	4	Re-building/replacing secondary digester #6 floating cover.	450000	2020	5	Replacement aeration blower.	250000	2021	6	Influent Building HVAC Replacement.	300000	2022	7	Replace #3 Raw Influent Pump.	200000	2025
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<p>5. Financial Management General Comments</p> <div style="border: 1px solid black; height: 20px; width: 100%; margin-top: 5px;"></div>																																	
<p>ENERGY EFFICIENCY AND USE</p> <p>6. Collection System</p> <p>6.1 Energy Usage</p> <p>6.1.1 Enter the monthly energy usage from the different energy sources:</p>																																	

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COLLECTION SYSTEM PUMPAGE: Total Power Consumed

Number of Municipally Owned Pump/Lift Stations:

	Electricity Consumed (kWh)	Natural Gas Consumed (therms)
January	45,928	521
February	36,769	378
March	36,973	203
April	48,676	207
May	54,437	33
June	37,342	4
July	31,407	0
August	32,491	0
September	36,817	0
October	42,897	1
November	41,394	54
December	43,732	168
Total	488,863	1,569
Average	40,739	174

6.1.2 Comments:

6.2 Energy Related Processes and Equipment

6.2.1 Indicate equipment and practices utilized at your pump/lift stations (Check all that apply):

- Comminution or Screening
- Extended Shaft Pumps
- Flow Metering and Recording
- Pneumatic Pumping
- SCADA System
- Self-Priming Pumps
- Submersible Pumps
- Variable Speed Drives
- Other:

6.2.2 Comments:

6.3 Has an Energy Study been performed for your pump/lift stations?

- No
- Yes

Year:

By Whom:

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Describe and Comment:

6.4 Future Energy Related Equipment

6.4.1 What energy efficient equipment or practices do you have planned for the future for your pump/lift stations?

We have plans to update some of the lift station pumps with VFD's in the next five to 10 years. We are working with Wisconsin Focus on Energy and are a member of the DOE's Better Plants Program.

7. Treatment Facility

7.1 Energy Usage

7.1.1 Enter the monthly energy usage from the different energy sources:

TREATMENT PLANT: Total Power Consumed/Month

	Electricity Consumed (kWh)	Total Influent Flow (MG)	Electricity Consumed/Flow (kWh/MG)	Total Influent BOD (1000 lbs)	Electricity Consumed/Total Influent BOD (kWh/1000lbs)	Natural Gas Consumed (therms)
January	412,812	244.15	1,691	403.65	1,023	7,704
February	456,454	229.75	1,987	358.40	1,274	11,838
March	483,210	268.14	1,802	394.48	1,225	22,689
April	559,101	355.06	1,575	407.16	1,373	26,100
May	537,229	433.33	1,240	397.36	1,352	17,229
June	549,098	301.14	1,823	377.37	1,455	13,642
July	505,498	282.12	1,792	387.44	1,305	5,899
August	624,604	348.75	1,791	439.52	1,421	7,814
September	467,932	356.34	1,313	344.01	1,360	8,618
October	476,162	393.34	1,211	347.05	1,372	5,066
November	482,732	337.51	1,430	354.84	1,360	6,496
December	508,459	331.76	1,533	424.30	1,198	18,467
Total	6,063,291	3,881.39		4,635.58		151,562
Average	505,274	323.45	1,599	386.30	1,310	12,630

7.1.2 Comments:

7.2 Energy Related Processes and Equipment

7.2.1 Indicate equipment and practices utilized at your treatment facility (Check all that apply):

- Aerobic Digestion
- Anaerobic Digestion
- Biological Phosphorus Removal
- Coarse Bubble Diffusers
- Dissolved O2 Monitoring and Aeration Control
- Effluent Pumping
- Fine Bubble Diffusers
- Influent Pumping

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- Mechanical Sludge Processing
- Nitrification
- SCADA System
- UV Disinfection
- Variable Speed Drives
- Other:

We also operate a 200 Kw microturbine which automatically starts and generates electricity when we have excess digester gas.

7.2.2 Comments:

7.3 Future Energy Related Equipment

7.3.1 What energy efficient equipment or practices do you have planned for the future for your treatment facility?

Modifications to the aeration system to allow for better turn down. We are also looking at a new blower which will operate off a VFD and has improved turn down.

8. Biogas Generation

8.1 Do you generate/produce biogas at your facility?

- No
- Yes

If Yes, how is the biogas used (Check all that apply):

- Flared Off
- Building Heat
- Process Heat
- Generate Electricity
- Other:

9. Energy Efficiency Study

9.1 Has an Energy Study been performed for your treatment facility?

- No
- Yes

Entire facility

Year:

2005

By Whom:

Focus on Energy

Describe and Comment:

We are currently working with both Wisconsin Focus on Energy and the Dept of Energy Better Plants Program to help us with future upgrades.

- Part of the facility

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Year:	<input type="text"/>
By Whom:	<input type="text"/>
Describe and Comment:	<input type="text"/>

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

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Sanitary Sewer Collection Systems

1. Capacity, Management, Operation, and Maintenance (CMOM) Program

1.1 Do you have a CMOM program that is being implemented?

- Yes
- No

If No, explain:

1.2 Do you have a CMOM program that contains all the applicable components and Items according to Wisc. Adm Code NR 210.23 (4)?

- Yes
- No (30 points)
- N/A

If No or N/A, explain:

1.3 Does your CMOM program contain the following components and items? (check the components and items that apply)

Goals [NR 210.23 (4)(a)]

Describe the major goals you had for your collection system last year:

Provide the proper resources for effective system management, operations and maintenance.

Improve sewer infrastructure through sewer replacement and sewer lining work.

Eliminate sanitary sewer overflows.

Did you accomplish them?

- Yes
- No

If No, explain:

Organization [NR 210.23 (4) (b)]

Does this chapter of your CMOM include:

- Organizational structure and positions (eg. organizational chart and position descriptions)
- Internal and external lines of communication responsibilities
- Person(s) responsible for reporting overflow events to the department and the public

Legal Authority [NR 210.23 (4) (c)]

What is the legally binding document that regulates the use of your sewer system?

City of Sheboygan Sewer Use Ordinance

If you have a Sewer Use Ordinance or other similar document, when was it last reviewed and revised? (MM/DD/YYYY) 2016-12-05

Does your sewer use ordinance or other legally binding document address the following:

- Private property inflow and infiltration
- New sewer and building sewer design, construction, installation, testing and inspection
- Rehabilitated sewer and lift station installation, testing and inspection
- Sewage flows satellite system and large private users are monitored and controlled, as necessary
- Fat, oil and grease control
- Enforcement procedures for sewer use non-compliance

Operation and Maintenance [NR 210.23 (4) (d)]

Does your operation and maintenance program and equipment include the following:

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- Equipment and replacement part inventories
- Up-to-date sewer system map
- A management system (computer database and/or file system) for collection system information for O&M activities, investigation and rehabilitation
- A description of routine operation and maintenance activities (see question 2 below)
- Capacity assessment program
- Basement back assessment and correction
- Regular O&M training

Design and Performance Provisions [NR 210.23 (4) (e)]

What standards and procedures are established for the design, construction, and inspection of the sewer collection system, including building sewers and interceptor sewers on private property?

- State Plumbing Code, DNR NR 110 Standards and/or local Municipal Code Requirements
- Construction, Inspection, and Testing
- Others:

Overflow Emergency Response Plan [NR 210.23 (4) (f)]

Does your emergency response capability include:

- Responsible personnel communication procedures
- Response order, timing and clean-up
- Public notification protocols
- Training
- Emergency operation protocols and implementation procedures

Annual Self-Auditing of your CMOM Program [NR 210.23 (5)]

Special Studies Last Year (check only those that apply):

- Infiltration/Inflow (I/I) Analysis
- Sewer System Evaluation Survey (SSES)
- Sewer Evaluation and Capacity Management Plan (SECAP)
- Lift Station Evaluation Report
- Others:

2. Operation and Maintenance

2.1 Did your sanitary sewer collection system maintenance program include the following maintenance activities? Complete all that apply and indicate the amount maintained.

Cleaning	83.5	% of system/year
Root removal	2.1	% of system/year
Flow monitoring	75	% of system/year
Smoke testing	0	% of system/year
Sewer line televising	3.8	% of system/year
Manhole inspections	70	% of system/year
Lift station O&M	55	# per L.S./year
Manhole rehabilitation	0.7	% of manholes rehabbed
Mainline rehabilitation	1.5	% of sewer lines rehabbed

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Private sewer inspections % of system/year
 Private sewer I/I removal % of private services
 River or water crossings % of pipe crossings evaluated or maintained

Please include additional comments about your sanitary sewer collection system below:

Manhole inspections are estimated based off of sewer cleaning data.

3. Performance Indicators

3.1 Provide the following collection system and flow information for the past year.

42.85	Total actual amount of precipitation last year in inches
32	Annual average precipitation (for your location)
171	Miles of sanitary sewer
5	Number of lift stations
0	Number of lift station failures
2	Number of sewer pipe failures
11	Number of basement backup occurrences
52	Number of complaints
10.63	Average daily flow in MGD (if available)
13.98	Peak monthly flow in MGD (if available)
	Peak hourly flow in MGD (if available)

3.2 Performance ratios for the past year:

0.00	Lift station failures (failures/year)
0.01	Sewer pipe failures (pipe failures/sewer mile/yr)
0.00	Sanitary sewer overflows (number/sewer mile/yr)
0.06	Basement backups (number/sewer mile)
0.30	Complaints (number/sewer mile)
1.3	Peaking factor ratio (Peak Monthly:Annual Daily Avg)
0.0	Peaking factor ratio (Peak Hourly:Annual Daily Avg)

4. Overflows

LIST OF SANITARY SEWER (SSO) AND TREATMENT FACILITY (TFO) OFERFLOWS REPORTED **

Date	Location	Cause	Estimated Volume (MG)
None reported			

** If there were any SSOs or TFOs that are not listed above, please contact the DNR and stop work on this section until corrected.

5. Infiltration / Inflow (I/I)

5.1 Was infiltration/inflow (I/I) significant in your community last year?

- Yes
- No

If Yes, please describe:

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Increased flow from infiltration and storm water can increase the flow to the WWTP by 2 - 3 times the average flow. During peak events, influent screening and grit removal may be bypassed for short periods of time.

5.2 Has infiltration/inflow and resultant high flows affected performance or created problems in your collection system, lift stations, or treatment plant at any time in the past year?

Yes

No

If Yes, please describe:

5.3 Explain any infiltration/inflow (I/I) changes this year from previous years:

Average flows to plan remain consistent with previous years.

5.4 What is being done to address infiltration/inflow in your collection system?

The city continues to rehabilitate sewers and repair man holes each year, to improve the integrity of the sewer system. Last year, the force main from the North Avenue Lift station was replaced.

Total Points Generated	0
Score (100 - Total Points Generated)	100
Section Grade	A

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Grading Summary

WPDES No: 0025411

SECTIONS	LETTER GRADE	GRADE POINTS	WEIGHTING FACTORS	SECTION POINTS
Influent	A	4	3	12
BOD/CBOD	A	4	10	40
TSS	A	4	5	20
Phosphorus	A	4	3	12
Biosolids	A	4	5	20
Staffing/PM	A	4	1	4
OpCert	A	4	1	4
Financial	A	4	1	4
Collection	A	4	3	12
TOTALS			32	128
GRADE POINT AVERAGE (GPA) = 4.00				

Notes:

- A = Voluntary Range (Response Optional)
- B = Voluntary Range (Response Optional)
- C = Recommendation Range (Response Required)
- D = Action Range (Response Required)
- F = Action Range (Response Required)

Compliance Maintenance Annual Report

Sheboygan Wastewater Treatment Plant

Last Updated: Reporting For:
5/29/2019 2018

Resolution or Owner's Statement

Name of Governing Body or Owner:	<input type="text"/>
Date of Resolution or Action Taken:	<input type="text"/>
Resolution Number:	<input type="text"/>
Date of Submittal:	<input type="text"/>
ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO SPECIFIC CMAR SECTIONS (Optional for grade A or B. Required for grade C, D, or F):	
Influent Flow and Loadings: Grade = A	<input type="text"/>
Effluent Quality: BOD: Grade = A	<input type="text"/>
Effluent Quality: TSS: Grade = A	<input type="text"/>
Effluent Quality: Phosphorus: Grade = A	<input type="text"/>
Biosolids Quality and Management: Grade = A	<input type="text"/>
Staffing: Grade = A	<input type="text"/>
Operator Certification: Grade = A	<input type="text"/>
Financial Management: Grade = A	<input type="text"/>
Collection Systems: Grade = A (Regardless of grade, response required for Collection Systems If SSOs were reported)	<input type="text"/>
ACTIONS SET FORTH BY THE GOVERNING BODY OR OWNER RELATING TO THE OVERALL GRADE POINT AVERAGE AND ANY GENERAL COMMENTS (Optional for G.P.A. greater than or equal to 3.00, required for G.P.A. less than 3.00) G.P.A. = 4.00	
<input type="text"/>	

VIII

R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. June 17, 2019.

Your Committee to whom was referred Res. No. 38-19-20 by Alderpersons Wolf and Sorenson authorizing the appropriate City Officials to enter into a contract with Abacus Architects for architectural services and engineering services for the renovation of the Municipal Service Building locker room; recommends adopting the Resolution.

Consent

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III


5.4

Res. No. 38 - 19 - 20. By Alderpersons Wolf and Sorenson. June 3, 2019.

A RESOLUTION authorizing the appropriate City Officials to enter into a contract with Abacus Architects for architectural services and engineering services for the renovation of the Municipal Service Building locker room.

RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached contract with Abacus Architects for architectural and engineering services related to the renovation of the Municipal Service Building's locker room.

BE IT FURTHER RESOLVED: That the appropriate City officials are hereby authorized to draw funds in the amount of \$29,000.00 from Account No. 40033110-621200 (Capital Project Fund - Building Improvements) in payment of same.



Public Works
adopt.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



May 17th, 2019

City of Sheboygan
Department of Public Works
Attn: Michael Willmas, Superintendent Facilities and Traffic
2026 New Jersey Avenue
Sheboygan, WI 53081

Contract for Professional Design Services

*DPW – Locker Room Renovation
Sheboygan, WI*

Project No. 2019-22

On behalf of the entire Abacus Architects, Inc. team (Abacus), we are pleased to present this Contract for professional design services to you. To address the unique facets of your project, Abacus has assembled a talented group of professionals that will work diligently to exceed your expectations, providing project design services as further described below.

1. PROJECT DESCRIPTION

Provision of:

- Yes No Architectural
- Yes No Structural engineering
- Yes No Mechanical engineering
- Yes No Electrical engineering
- Yes No Plumbing engineering
- Yes No Fire protection
- Yes No Interior
- Yes No Food service
- Yes No Civil Engineering
- Yes No Landscaping
- Yes No Traffic/parking
- Yes No Security systems (fire, emergency call, monitor, perimeter)
- Yes No Information technology
- Yes No Environmental

Design services for approximately 700 s.f. of space to be used for a new female locker room and a renovation to the existing men's shower room. The project is located at the Department of Public works building 2026 New Jersey Avenue, Sheboygan.

The bid package will also include alternate designs for renovated men's toilet room and possibly a separation of space in the men' locker room. Total square footage of Base Bid and Alternate Bid is approx. 1,000 S.F.



2. SCOPE OF SERVICES & DELIVERABLES

The following is a summary of design deliverables for each phase of architectural and engineering services Abacus will be furnishing for your Project. In the provision of design services, Abacus and its consultants will work cooperatively with Owner to determine the best value for the project.

Design Phase – Phase 1 - COMPLETE

During Design Phase, Abacus will provide services as indicated below.

(1) Pre-Design Conceptual Planning – The following services are included:

- Yes No Review of Existing Programming Materials, Project Criteria and other Owner Project Requirements
- Yes No Existing Structure(s) Evaluation
- Yes No Owner Needs Analysis
- Yes No Assistance with Project Site Selection
- Yes No Master Planning and Phasing Analysis
- Yes No Preliminary Analysis of Existing Site Conditions and Use Restrictions, if any
- Yes No Preliminary Site Plan
- Yes No Preliminary Floor Plan
- Yes No Preliminary Storm Water Analysis
- Yes No Preliminary Erosion Control Analysis
- Yes No Project Schedule Development
- Yes No Evaluation of Feasibility of Owner's Project Budget
- Yes No Conceptual 3D Massing Model

(2) Design Development - The following services are included:

- Yes No Preliminary Grading Plan
- Yes No Preliminary Landscape Plan
- Yes No Dimensioned Floor Plan
- Yes No Building Elevations
- Yes No Building Cross Sections
- Yes No Interior and Exterior 3D Renderings
- Yes No Coordination with Engineers Retained by Abacus (HVAC, Electrical and Plumbing Engineers)
- Yes No Feasibility/ Preliminary Budget Evaluation by Engineers Retained by Abacus
- Yes No Meeting with Local Regulatory Authorities to Determine Project Compliance Requirements and Secure Project Approvals
- Yes No Evaluation Project Budget Requirements
- Yes No Final Building Code Review

Upon completion of the Design Development Documents, the Design Professional shall identify in writing for the Owner's approval all material changes, and deviations from initial Programming. The Project Schedule shall also be updated. Design will be submitted in electronic form along with (1) additional hard copy for Owner's review



and approval. Abacus shall not proceed with Construction Documents Phase until Owner has approved Design Drawings. At this point in time the drawings attached are considered to be approved by City of Sheboygan.

Construction Documents – Phase 2

During Construction Document Phase, Abacus will provide services as indicated below.

- Yes No Project Title Sheet
- Yes No Architectural Site Plan, including;
 - Property lines and easements - boundaries
 - Building Setbacks
 - Location of new buildings
- Yes No Civil Engineering Site Plan, including;
 - Location, size and floor elevation of existing and new buildings and structures
 - Existing and new paving locations
 - Topographical information (grades and contours) (existing vs. new)
 - Existing and new utilities (sewer, storm, water, gas, electric, telephone, data)
 - Existing and new trees and vegetation
 - Existing and new private service locations are the responsibility of the Owner and will not be depicted
- Yes No Storm Water Management Plan
- Yes No Landscape Plan
- Yes No Demolition Plan
- Yes No Floor Plan – Overall Code Plan
- Yes No Room Finish Schedule
- Yes No Interior Design – Material Selections, Flooring Plan, Paint Schedule, and interior Design Elevations
- Yes No Architectural Floor Plan(s) Detailed with Dimensions and Notes
- Yes No Enlarged Floor Plans (toilet rooms, stairs, etc. as needed)
- Yes No Reflected Ceiling Plan (Material Intent Only)
- Yes No Interior Elevation and Section Details
- Yes No Final Door Schedule
- Yes No Final Hardware Schedule (hardware is by Owner)
- Yes No Exterior Window and Door Elevation Details
- Yes No Building Wall Sections and Details
- Yes No Roof Plan and Details
- Yes No Manufactured Casework Design and Details
- Yes No Custom Cabinetry Design and Details
- Yes No Specification Manual
- Yes No Specifications included in Construction Documents
- Yes No Coordination with Engineers Retained by Abacus: (HVAC, Electrical and Plumbing Engineers)
- Yes No Structural Engineering Designs (If Required will be Time and Material)
- Yes No Plumbing Engineering Designs



- Yes No Fire Protection Engineering Designs (Final Coordination by Owner)
- Yes No Mechanical (HVAC) Engineering Designs
- Yes No Electrical Engineering Designs
- Yes No Food Service Engineering Designs
- Yes No Information Technology Engineering Designs
- Yes No Specialty Designs: [specify]

Construction Documents shall conform to code requirements in effect as of the date of their issuance. Revisions due to changes in code requirements thereafter shall be provided as an additional service.

Upon completion of the above-listed Construction Documents, Abacus shall identify in writing for the Owner's approval all material changes and deviations that have been incorporated into the Construction Documents. The Project Schedule shall also be updated. The Construction Documents will be submitted in electronic form along with (1) printed set for Owner's review and approval. Abacus shall not proceed with Construction Administration Phase until Owner has approved Construction Documents.

Construction Administration – Phase 3

During Construction Administration Phase, Abacus will provide services as indicated below.

Observe and document construction progress as it relates to the intent of the plans and specifications. The architect is not responsible for means and methods of construction.

- Yes No Submit Designs to Permitting Agencies for Approval
- Yes No Prepare Bid Documents
- Yes No Fast Track Construction Delivery Method
- Yes No Multiple Bid Packages
- Yes No Prepare Addenda
- Yes No Prepare Written Responses to Bidder Requests
- Yes No Coordination with Engineers Retained by Abacus: (HVAC, Electrical and Plumbing Engineers)
- Yes No Architectural or Engineering Services for Re-design
- Yes No Site Visits and Site Observation Reports – [2] visits included
- Yes No Review Shop Drawings for: architectural related items
- Yes No Prepare Written Responses to Contractor RFIs
- Yes No Review and Processing of Contractor Applications for Payment
- Yes No Review and Processing of Project Change Orders
- Yes No Review Masonry Test Reports
- Yes No Review Concrete Test Reports
- Yes No Punch list Review and Documentation
- Yes No Compliance Statement Submittal
- Yes No Preparation of Record Designs
- Yes No Preparation of "as constructed drawings"



Abacus shall be given access to the Project site and all work in progress. Abacus is not responsible for means methods, techniques and sequences of construction.

3. **SCHEDULE**

The Project schedule is currently anticipated to be as follows:

Approval of Contract	June 3 rd , 2019
Phase I (Architect and Engineers)	Complete
Phase II Completion – Construction Documents (Architect and Engineers)	4 weeks
State Review	July 15 th , 2019
Phase III – Construction Administration (City has requested that plans be out to bid no later than October 2019 – but may send them out earlier)	TBD

Abacus and its consultants will produce their designs consistent with the milestones set forth above, except that these milestones may be extended for reasonable cause.

4. **COMPENSATION**

A. **Fees**

Abacus compensation is based upon the types of design services requested and the responsibilities assumed related to design of the Project. In setting both fees and hourly rates, we have taken into consideration: (1) the complexity of design involved; (2) nature of services provided; (3) the format for Project design deliverables; and (4) the experience level of the individuals that will be assigned to the Project.

In consideration for performance of services, Abacus shall be paid the following fees:

Phase I – Design - Complete

Phase II – Construction Documents and Phase III Construction Administration

Construction Cost (est. \$250,000 - \$300,000)

*construction cost will fluctuate based on accepted Alternates being approved or not.

Lump Sum of \$29,000

Architectural	\$12,500
Electrical Engineering	\$ 2,900
HVAC Engineering	\$ 9,800
Plumbing Engineering	\$ 3,800



Abacus shall invoice every two weeks based on services performed and reimbursable disbursements incurred. Payment shall be made within thirty (30) days after the billing date. Invoices will be sent to:

Department of Public Works
Attn: Michael Willmas, Superintendent Facilities and Traffic
2026 New Jersey Avenue
Sheboygan, WI 53081

We reserve the right to charge 1% interest per month (12% per year) on balances past 30 days. We reserve the right to stop work immediately if invoices are not paid when due.

All costs to restart work if work is stopped, collection costs, including reasonable attorney fees, shall be paid by Owner.

B. Owner Direct Costs

You will be directly responsible for the following costs related to this Project:

- Printing of plans and specifications for bidding purposes

C. Reimbursable Expenses

Reimbursable expenses shall be charged at 1.1 times cost and shall include the following:

- Photocopying and duplication of plans, specifications and bid documents
- State Division of Industry Services, County and Local – application, regulatory and design approvals and permit fees for:
 - o building, HVAC, electrical, plumbing, component submittals, storm water design
 - o Impact fees associated with sanitation or storm water design
-
- Testing and consultation services not otherwise included in scope of services compensated by Fee above
- Other costs approved by Owner.

D. Additional Services

Our goal in identifying a detailed scope of services above is to minimize the need for unexpected fees for our services. Should additional services nevertheless be needed because of requests for additional services, hidden conditions, changes in laws or other scope changes, we will notify you of the changes before providing these additional services. In addition, all services listed in Section 2 but not selected to be included in Scope of Services at the time this Agreement is executed, which are later required to achieve Project requirements, will be provided as additional services.



Unless otherwise arranged before the additional services are performed, the following hourly rates will apply to additional services:

Senior Project Designer, Robert Heimerl	\$135.00/ hour
Project Designer, Eric Halbur	\$130.00/ hour
Senior Project Manager, Paul Mentink	\$135.00/ hour
Senior Project Manager, Kyle Karstaedt	\$135.00/ hour
Senior Project Manager, Kurt Davis	\$135.00/ hour
Project Manager, Gavin Dorsch	\$115.00/ hour
Project Manager, Justin Marquis	\$ 85.00/ hour
Architectural Technician, Gurpreet Riedel	\$ 80.00/ hour
Architectural Technician, David Gauthier	\$ 75.00/ hour
Citizen Architect, Chad Wleczyk	\$ 60.00/ hour
Interior Design, Anne Blanke	\$110.00/ hour
LEED AP Design, Anne Blanke	\$125.00/ hour
Senior Civil Engineer, Joel Van Ess	\$135.00/ hour
Project Engineer, Mathew Weiss	\$ 95.00/ hour
Civil Technician II, Wayne Seifert	\$ 75.00/ hour

Engineering and other consultant rates provided upon request.

Additional Services will also include:

Design and Construction Document Phase

All architectural and engineering services:

- Inconsistent with approvals or instructions you have previously given, including revisions made necessary by adjustments in program, project budget, cost implications, alternative designs, alternative delivery methods, and value engineering.
- Requiring extensive environmentally responsible design alternatives, such as unique system designs, in-depth material research, energy modeling, LEED® or other green building certification.
- Required by the enactment or revision of codes, laws or regulations or official interpretations.
- Resulting from failure to render decisions by you, the contractor or any applicable reviewing agency.
- For preparing and providing digital data for transmission to the Owner's consultants and contractors, or to other Owner-authorized recipients, including the cost of dedicated and firewalled transmissions, project websites, cloud storage and related infrastructure necessary for accessing digital or electronic data.
- For preparation and coordination of special drawings or specifications for obtaining alternate bid pricing for changes in scope of work, value engineering, or out of sequence/phased bidding.



- For attendance at a public presentation, meeting or hearing.
- For attendance at a dispute resolution proceeding or legal proceeding, except where the Abacus is named party.
- For evaluation of the qualifications of bidders.

Construction Administration Phase

Unless Owner determines that such services are not needed and provides notice to Abacus indicating they should not be performed, Abacus will proceed with the following additional services to avoid delay in Project when necessary:

- Assist Owner in Local Land Use and Zoning Approvals
- Reviewing or responding to a Contractor's/ Owner's
 - o Submittal out of sequence from the submittal schedule agreed to by Abacus.
 - o Requests for information that are not prepared in accordance with the submittal requirements in the Contract Documents.
 - o Substitution requests that result in changes to original Construction Documents.
- Evaluating an extensive number of Claims as the Initial Decision Maker.
- Providing Construction Administration Services 30 days after the original date scheduled for Substantial Completion of the Contractor's work.
- Providing construction administration services related to unqualified contractors or subcontractors or defective work, including meetings, additional site visits by Abacus or its engineers or other consultants, and assistance regarding corrective measures.

If any other additional services not specifically listed above are needed, Abacus will consult with the Owner to explain the services and proceed with them upon Owner's approval.

It is acknowledged by both parties that Abacus' scope of services does not include any services related to asbestos, PCBs, lead or any other hazardous or toxic materials. Owner shall indemnify Abacus for any damages or losses arising out of the existence of such materials on this Project.

5. CONSEQUENTIAL DAMAGES

In no event shall Abacus or its consultants be liable in contract, tort, strict liability, warranty, equity or otherwise for any special, indirect, incidental or consequential damages, such as, but not limited to, loss of product, loss of use of the equipment or system, loss of anticipated profit or revenue, non-operation or increased expense of operation of other equipment or systems.



6. STANDARD OF CARE

The services performed by Abacus shall be conducted in a manner consistent with that level of care and skill ordinarily exercised by members of architecture, engineering and consulting professions in the same locale acting under similar circumstances and conditions as of the date of this Agreement.

7. CONTRACTOR WORK ACTIVITIES

Abacus shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by the Contractor, or the safety precautions and programs incident to the Contractor's work. Abacus shall not be responsible for the acts or omissions of any person (except its own employees or agents) at Project site or others otherwise performing any of the work of the Project.

8. OWNERSHIP AND COPYRIGHT

Abacus is the author, creator and owner of its design documents, whether in paper or electronic form, and retains all common law, statutory and other reserved rights, including copyrights. Upon payment as provided in this Agreement, a license for use of the designs solely for this Project is hereby created and granted to Owner. It may be assigned to a successor upon written agreement of Abacus, which shall not be unreasonably withheld. Reuse of the designs by Owner for future modifications of this Project shall be Owner's sole risk and Owner shall indemnify and defend Abacus for such use, unless Abacus acts as architect of record for these modifications.

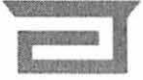
9. PROJECT SUSPENSION/TERMINATION

If Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination, or at the Architects option, cause for suspension of performance of services under this agreement. If the Architect elects to suspend services, the Architect shall give seven days written notice to the Owner before suspending services. Abacus shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services.

If Owner suspends the Project for more than 30 consecutive days, Abacus shall cease its services and be compensated for services performed prior to the notice of suspension. When the Project is resumed, Abacus shall be compensated for expenses incurred in the interruption and resumption of the Architect's services. The Architect's fees for the remaining services and the time schedules will be equitably adjusted.

If the Project is suspended for more than 90 days in the aggregate, Abacus may terminate this Agreement by giving not less than seven (7) days written notice and shall within 7 days be compensated for any outstanding and unpaid services performed prior to notice of such termination.

In the event that Owner terminates this Project prior to completion, you hereby agree to pay for all services provided through the date of Project termination.



10. CLAIM RESOLUTION

Any dispute, claim or controversy arising out of this Agreement or involving an interpretation of it (Claims) shall be resolved through the following procedures:

- A. Good Faith Negotiations.** Both parties shall meet in person to discuss any Claims promptly and shall use best efforts to resolve them. Any resolutions reached shall be documented in writing.

- B. Mediation.** If good faith negotiations do not fully resolve a Claim, either party may send a notice to the other and the parties will meet within 30 days to mediate the Claim. If the parties agree on a mediator within 14 days after notice of mediation, that mediator shall serve, otherwise, American Arbitration Association shall furnish a mediator under its then-current Rules. Cost of mediation shall be borne equally by the parties. Any resolutions shall be documented in writing and signed by the parties.



11. ACCEPTANCE

Please sign both copies of this Agreement and return one signed copy to our office as your authorization for Abacus to begin services. The person(s) executing this Agreement on behalf of the Owner hereby confirm(s) that they have authority to bind the Owner.

Owner: _____

By (Signature): _____

Date: _____

Name (Print): _____

Title: _____

We are excited about this opportunity and look forward to working with you. If you have any questions, please feel free to call us.

Sincerely,

Kurt Davis, Senior Vice President
Abacus Architects, Inc.

FLOOR PLAN KEYNOTES

1. ALL EXISTING WALLS OPENING UPON CONSTRUCTION TO MATCH EXISTING EXTERIOR SURFACES.

2. SEE LOCKING BY OTHERS.

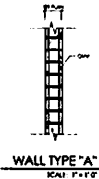
GENERAL PLAN NOTES

1. ALL EXISTING WALLS OPENING UPON CONSTRUCTION TO MATCH EXISTING EXTERIOR SURFACES.

2. SEE LOCKING BY OTHERS.

3. ALL EXISTING WALLS OPENING UPON CONSTRUCTION TO MATCH EXISTING EXTERIOR SURFACES.

4. SEE LOCKING BY OTHERS.



GENERAL DEMO PLAN NOTES

1. DEMO CONTRACTOR TO MATCH CONSTRUCTION TO MATCH EXISTING EXTERIOR SURFACES.

2. SEE LOCKING BY OTHERS.

3. ALL EXISTING WALLS OPENING UPON CONSTRUCTION TO MATCH EXISTING EXTERIOR SURFACES.

4. SEE LOCKING BY OTHERS.

DEMOLITION PLAN KEYNOTES

1. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

2. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

3. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

4. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

5. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

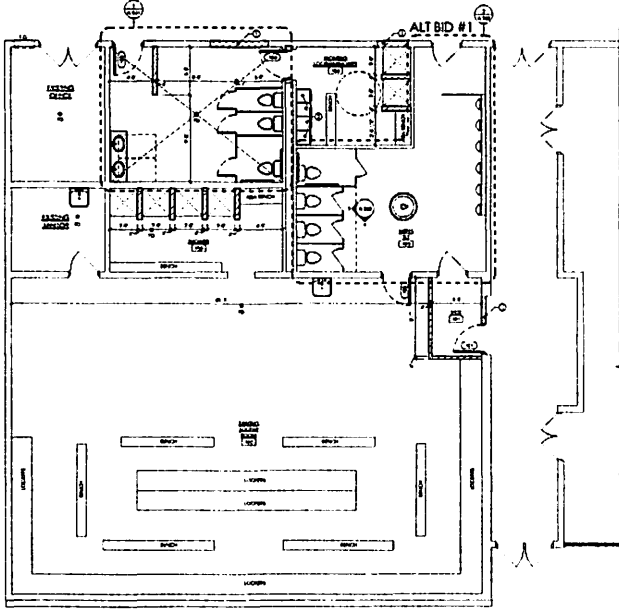
6. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

7. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

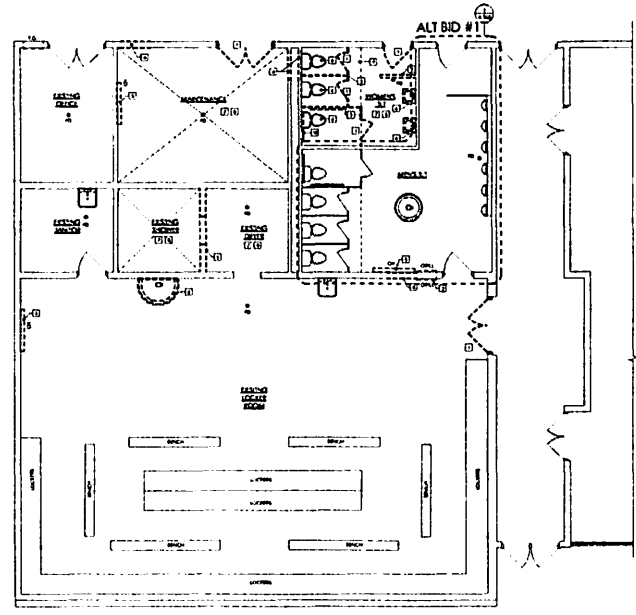
8. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

9. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.

10. REMOVE EXISTING WALLS TO MATCH EXISTING EXTERIOR SURFACES.



PARTIAL FIRST FLOOR
SCALE 1/4" = 1'-0"



DEMO PARTIAL FIRST FLOOR
SCALE 1/4" = 1'-0"

ABACUS ARCHITECTS

REVISIONS:

LOCKER ROOM RENOVATION
SHEROYCAN DPW RENOVATION

DRAWN BY: GUY
CHECKED BY: TEO

A
301

PROJ. NO. 2019-22

REVISIONS:

PROJECT:
SHEBOYGAN DPW RENOVATION
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081

LOCKER ROOM RENOVATION
SHEBOYGAN DPW RENOVATION
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081
1200 N. WISCONSIN AVE., SHEBOYGAN, WI 53081

DRAWN BY: []
CHECKED BY: []
A
302
PROJ. NO. 2019-22

GENERAL PLAN NOTES

1. ALL WORK SHALL BE ACCORDING TO THE 2018 IBC AND ALL APPLICABLE CODES AND REGULATIONS.
2. ALL WORK SHALL BE ACCORDING TO THE 2018 IBC AND ALL APPLICABLE CODES AND REGULATIONS.
3. ALL WORK SHALL BE ACCORDING TO THE 2018 IBC AND ALL APPLICABLE CODES AND REGULATIONS.
4. ALL WORK SHALL BE ACCORDING TO THE 2018 IBC AND ALL APPLICABLE CODES AND REGULATIONS.
5. ALL WORK SHALL BE ACCORDING TO THE 2018 IBC AND ALL APPLICABLE CODES AND REGULATIONS.

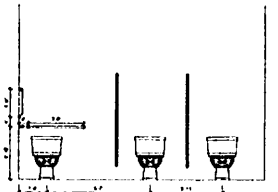
TOILET ROOM KEYNOTES

NO.	DESCRIPTION
1	1/2" GANGE BAR
2	1/2" GANGE BAR
3	1/2" GANGE BAR
4	SEE ELEVATION FOR SIZE

DEMOLITION PLAN KEYNOTES

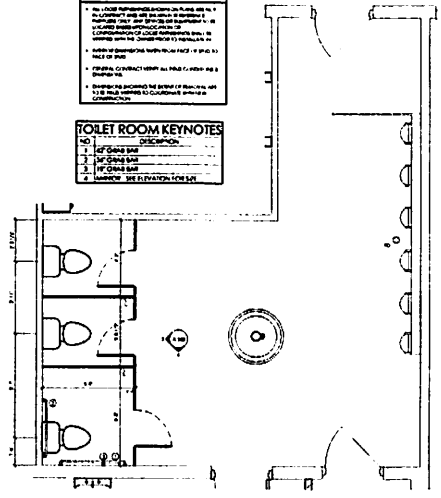
NO.	DESCRIPTION
1	REMOVE EXISTING DOOR & FRAME (1/2" GANGE BAR) AS REQUIRED FOR NEW CONSTRUCTION.
2	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
3	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
4	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
5	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
6	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
7	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
8	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
9	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.
10	REMOVE EXISTING WALL AND PREP AGING SURFACE AS REQUIRED FOR NEW CONSTRUCTION.

TOILET ROOM ELEVATION
SCALE: 1/4" = 1'-0"

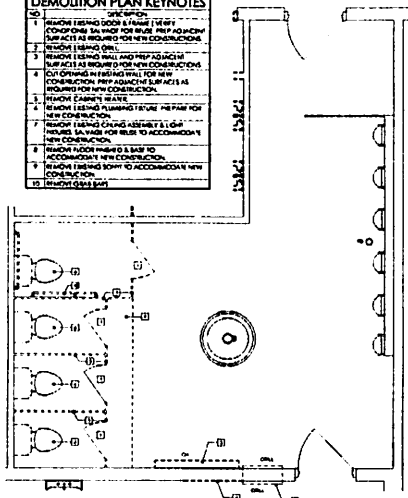


TOILET ROOM ELEVATION
SCALE: 1/4" = 1'-0"

ALT BID #1 MENS TL
SCALE: 1/4" = 1'-0"



DEMO ALT BID #1 MENS TL
SCALE: 1/4" = 1'-0"



ROOM FINISH SCHEDULE											
NO.	ROOM	FLOOR	WALL	WALL FINISH / MATERIAL			CEILING	CEILING HEIGHT	FLOOR FINISH	WOOD	STAIRS
				BASE	UPPER	TRIM					
001	OFFICE										
002	TRASH ROOM										
003	RESTROOM										
004	STORAGE										
005	MECHANICAL										
006	MECHANICAL										

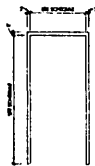
ROOM FINISH LEGEND	
001	ACRYLIC CEILING NET, 24" x 24"
002	1/2" FACED GYP BOARD, 3/4" JMF
003	CONCRETE MASONRY UNIT
004	CONCRETE
005	CAPIST
006	1/2" GYP BOARD
007	1/2" GYP BOARD
008	1/2" GYP BOARD
009	PAINT FINISH
010	WOOD FINISH
011	WOOD FINISH
012	WOOD FINISH
013	WOOD FINISH
014	WOOD FINISH
015	WOOD FINISH
016	WOOD FINISH
017	WOOD FINISH
018	WOOD FINISH
019	WOOD FINISH
020	WOOD FINISH

REFLECTED CEILING PLAN LEGEND	
[Symbol]	24" x 24" ACRYLIC NET CEILING
[Symbol]	1/2" GYP BOARD

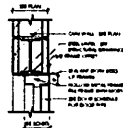
DOOR SCHEDULE											
DOOR NO.	DOOR SIZE	SLIP	MATERIAL	GLASS TYPE	HORIZONTAL SET			FRAME		FIRE RATING	STAIRS
					NO.	DEPTH	HEIGHT	HEAD	BASE		
001	2'-0" x 7'-0"	D-1	W/1		1	2 1/2"	80"	W/1	W/1		
002	2'-0" x 7'-0"	D-1	W/1		1	2 1/2"	80"	W/1	W/1		
003	2'-0" x 7'-0"	D-1	W/1		1	2 1/2"	80"	W/1	W/1		
004	2'-0" x 7'-0"	D-1	W/1		1	2 1/2"	80"	W/1	W/1		



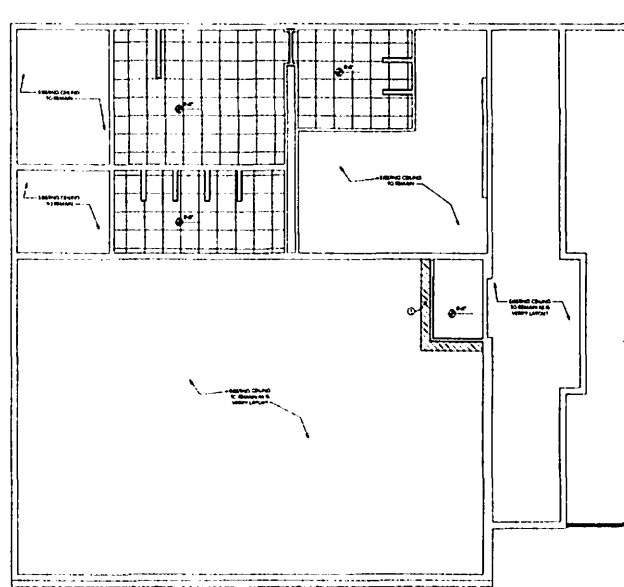
D-1
DOOR TYPES
SCALE 1/4" = 1'-0"



F-1
FRAME TYPE
SCALE 1/4" = 1'-0"



HEAD/JAMB DETAIL
SCALE 1/4" = 1'-0"



REFLECTED CEILING
SCALE 1/4" = 1'-0"



ABACUS
ARCHITECTS

REVISIONS:

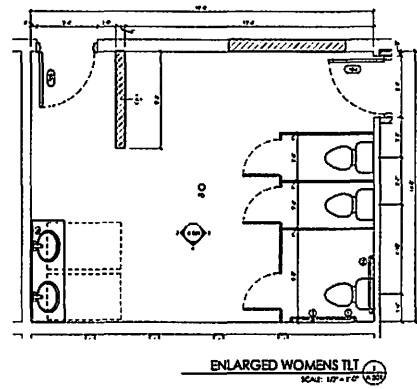
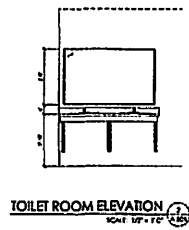
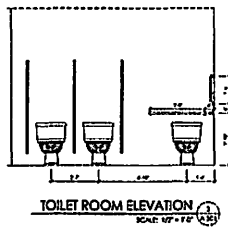
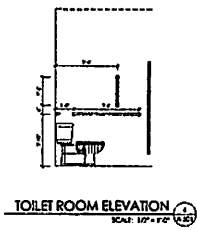
LOCKER ROOM RENOVATION
SHEBOYGAN DPW RENOVATION

DESIGNED BY: DEW
CHECKED BY: ED
A
303
PROJ. NO. 2019-22

REVISIONS:

NO. DATE DESCRIPTION

TOILET ROOM KEYNOTES	
NO.	DESCRIPTION
1	1/2" Glass Part
2	3/4" Glass Part
3	1/2" Glass Part
4	Aluminum 3/4" x 1/2" x 1/2" x 1/2" Part



LOCKER ROOM RENOVATION
SHEROYGAN DPW RENOVATION
1100 WASHINGTON AVE. BOSTON, MA 02111 | TEL: 617.552.1100 | FAX: 617.552.1101

DRAWN BY: G22
CHECKED BY: H20
A
501
PROJ. NO. 2019-22



R. C. No. _____ - 19 - 20. By PUBLIC WORKS COMMITTEE. June 17, 2019.

Your Committee to whom was referred Res. No. 39-19-20 by Alderpersons Wolf and Sorenson authorizing the appropriate City Officials to enter into a contract for concrete paving of N. 15th Street from Niagara Avenue to Wisconsin Avenue; recommends adopting the Resolution.

Consent

_____	_____
_____	_____
_____	_____

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Res. No. 39 - 19 - 20. By Alderpersons Wolf and Sorenson. June 3, 2019.

A RESOLUTION authorizing the appropriate City officials to enter into a contract for concrete paving of N. 15th Street from Niagara Avenue to Wisconsin Avenue.

WHEREAS, pursuant to Resolution No. 165-18-19, the Engineering Division of the Department of Public Works has advertised for bids for the concrete paving of North 15th Street from Niagara Avenue to Wisconsin Avenue; and

WHEREAS, this bid was assigned City Bid No. 2434-19; and

WHEREAS, two bids were received from:

Vinton Construction Company, Inc.	\$456,842.88
Buteyn Peterson Construction Company	\$486,496.14; and

WHEREAS, the City Engineer has reviewed the bids and determined that the low bid, from Vinton Construction Company, Inc., met all of the specifications.


NOW, THEREFORE, BE IT RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached contract with Vinton Construction Company, Inc. for the concrete paving of N. 15th Street from Niagara Avenue to Wisconsin Avenue in the amount of \$456,842.88.

Public Works
adopt

BE IT FURTHER RESOLVED: That the appropriate City officials are authorized to draw funds from the following accounts in payment of the contract with Vinton Construction Company, Inc.:

Acct. No. 42933140-631200 (TID 19 - Streets - Street Improvements) \$403,300.21

Acct. No. 60134110-980099 (Wastewater - Sanitary Maintenance Replacement Costs) \$ 53,542.67



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20 . _____, City Clerk

Approved _____ 20 . _____, Mayor

**AGREEMENT
BETWEEN OWNER AND CONTRACTOR
FOR CONSTRUCTION CONTRACT (STIPULATED PRICE)**

THIS AGREEMENT is by and between City of Sheboygan ("Owner") and _____ ("Contractor").

Owner and Contractor hereby agree as follows:

ARTICLE 1 – WORK

1.01 Contractor shall complete all Work as specified or indicated in the Contract Documents. The Work is generally described as follows: 2019 Concrete Pavement Projects, N. 15th Street – Wisconsin to Niagara.

ARTICLE 2 – THE PROJECT

2.01 The Project, of which the Work under the Contract Documents is a part, is generally described as follows: Excavation, Concrete Paving, Concrete Curb and Gutter, Storm Sewer, Sanitary Sewer, Concrete Sidewalk and Lawn Restoration.

2.02 City of Sheboygan Resolution: _____

2.03 City of Sheboygan Account Number: _____

ARTICLE 3 – ENGINEER

3.01 The part of the Project that pertains to the Work has been designed by the Engineering Division, Department of Public Works, City of Sheboygan.

3.02 The Engineering Division, Department of Public Works, City of Sheboygan, Sheboygan, WI will assume all duties and responsibilities, and have the rights and authority assigned to Engineer in the Contract Documents in connection with the completion of the Work in accordance with the Contract Documents.

If ENGINEER is undesignated, OWNER shall assume the duties and responsibilities of ENGINEER through OWNER's Director of Public Works (DPW), or the DPW's designee.

ARTICLE 4 – CONTRACT TIMES

4.01 *Time of the Essence*

A. All time limits for Milestones, if any, Substantial Completion, and completion and readiness for final payment as stated in the Contract Documents are of the essence of the Contract.

4.02 *Contract Times: Dates*

A. The work will be substantially complete no later than October 31, 2019, and completed and ready for final payment in accordance with Paragraph 15.06 of the General Conditions on or before the 14th day following substantial completion.

B. Milestones 1: N. 15th Street sanitary sewer to be completed no later than July 26, 2019.

4.03 *Liquidated Damages*

- A. Contractor and Owner recognize that time is of the essence as stated in Paragraph 4.01 above and that Owner will suffer financial and other losses if the Work is not completed and Milestones not achieved within the times specified in Paragraph 4.02 above, plus any extensions thereof allowed in accordance with the Contract. The parties also recognize the delays, expense, and difficulties involved in proving in a legal or arbitration proceeding the actual loss suffered by Owner if the Work is not completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor agree that as liquidated damages for delay (but not as a penalty):
1. **Substantial Completion:** Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after the time (as duly adjusted pursuant to the Contract) specified in Paragraph 4.02.A above for Substantial Completion until the Work is substantially complete.
 2. **Completion of Remaining Work:** After Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times (as duly adjusted pursuant to the Contract) for completion and readiness for final payment, Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after such time until the Work is completed and ready for final payment.
 3. Liquidated damages for failing to timely attain Substantial Completion and final completion are not additive and will not be imposed concurrently.
 4. **Milestones:** Contractor shall pay Owner the amount identified in paragraph 19.01 of the Supplementary Conditions for each day that expires after the time (as duly adjusted pursuant to the Contract) specified above for achievement of Milestone 1, until Milestone 1 is achieved.

4.04 *Special Damages*

- A. In addition to the amount provided for liquidated damages, Contractor shall reimburse Owner (1) for any fines or penalties imposed on Owner as a direct result of the Contractor's failure to attain Substantial Completion according to the Contract Times, and (2) for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Substantial Completion (as duly adjusted pursuant to the Contract), until the Work is substantially complete.
- B. After Contractor achieves Substantial Completion, if Contractor shall neglect, refuse, or fail to complete the remaining Work within the Contract Times, Contractor shall reimburse Owner for the actual costs reasonably incurred by Owner for engineering, construction observation, inspection, and administrative services needed after the time specified in Paragraph 4.02 for Work to be completed and ready for final payment (as duly adjusted pursuant to the Contract), until the Work is completed and ready for final payment.

ARTICLE 5 – CONTRACT PRICE

5.01 Owner shall pay Contractor for completion of the Work in accordance with the Contract Documents the amounts that follow, subject to adjustment under the Contract:

- A. For all Work, at the prices stated in Contractor’s Bid, attached hereto as an exhibit.

ARTICLE 6 – PAYMENT PROCEDURES

6.01 *Submittal and Processing of Payments*

- A. Contractor shall submit Applications for Payment in accordance with Article 15 of the General Conditions. Applications for Payment will be processed by Engineer as provided in the General Conditions.

6.02 *Progress Payments; Retainage*

- A. Owner shall make progress payments on account of the Contract Price on the basis of Contractor’s Applications for Payment on or about the 1st day of each month during performance of the Work as provided in Paragraph 6.02.A.1 below, provided that such Applications for Payment have been submitted in a timely manner and otherwise meet the requirements of the Contract. All such payments will be measured by the Schedule of Values established as provided in the General Conditions (and in the case of Unit Price Work based on the number of units completed) or, in the event there is no Schedule of Values, as provided elsewhere in the Contract.

- 1. Prior to Substantial Completion, progress payments will be made in an amount equal to the percentage indicated below but, in each case, less the aggregate of payments previously made and less such amounts as Owner may withhold, including but not limited to liquidated damages, in accordance with the Contract

- a. 95 percent of Work completed (with the balance being retainage). If the Work has been 50 percent completed as determined by Engineer, and if the character and progress of the Work have been satisfactory to Owner and Engineer, then as long as the character and progress of the Work remain satisfactory to Owner and Engineer, there will be no additional retainage; and
- b. 0 percent of cost of materials and equipment not incorporated in the Work (with the balance being retainage).

- B. Upon Substantial Completion, Owner shall pay an amount sufficient to increase total payments to Contractor to 100 percent of the Work completed, less such amounts set off by Owner pursuant to Paragraph 15.01.E of the General Conditions, and less 200 percent of Engineer’s estimate of the value of Work to be completed or corrected as shown on the punch list of items to be completed or corrected prior to final payment.

6.03 *Final Payment*

- A. Upon final completion and acceptance of the Work in accordance with Paragraph 15.06 of the General Conditions, Owner shall pay the remainder of the Contract Price as recommended by Engineer as provided in said Paragraph 15.06.

ARTICLE 7 – INTEREST

7.01 All amounts not paid when due shall bear interest at the rate of 0 percent per annum.

ARTICLE 8 – CONTRACTOR'S REPRESENTATIONS

8.01 In order to induce Owner to enter into this Contract, Contractor makes the following representations:

- A. Contractor has examined and carefully studied the Contract Documents, and any data and reference items identified in the Contract Documents.
- B. Contractor has visited the Site, conducted a thorough, alert visual examination of the Site and adjacent areas, and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- C. Contractor is familiar with and is satisfied as to all Laws and Regulations that may affect cost, progress, and performance of the Work.
- D. Contractor has carefully studied all: (1) reports of explorations and tests of subsurface conditions at or adjacent to the Site and all drawings of physical conditions relating to existing surface or subsurface structures at the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings, and (2) reports and drawings relating to Hazardous Environmental Conditions, if any, at or adjacent to the Site that have been identified in the Supplementary Conditions, especially with respect to Technical Data in such reports and drawings.
- E. Contractor has considered the information known to Contractor itself; information commonly known to contractors doing business in the locality of the Site; information and observations obtained from visits to the Site; the Contract Documents; and the Site-related reports and drawings identified in the Contract Documents, with respect to the effect of such information, observations, and documents on (1) the cost, progress, and performance of the Work; (2) the means, methods, techniques, sequences, and procedures of construction to be employed by Contractor; and (3) Contractor's safety precautions and programs.
- F. Based on the information and observations referred to in the preceding paragraph, Contractor agrees that no further examinations, investigations, explorations, tests, studies, or data are necessary for the performance of the Work at the Contract Price, within the Contract Times, and in accordance with the other terms and conditions of the Contract.
- G. Contractor is aware of the general nature of work to be performed by Owner and others at the Site that relates to the Work as indicated in the Contract Documents.
- H. Contractor has given Engineer written notice of all conflicts, errors, ambiguities, or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.
- I. The Contract Documents are generally sufficient to indicate and convey understanding of all terms and conditions for performance and furnishing of the Work.
- J. Contractor's entry into this Contract constitutes an incontrovertible representation by Contractor that without exception all prices in the Agreement are premised upon performing and furnishing the Work required by the Contract Documents.

ARTICLE 9 – CONTRACT DOCUMENTS

9.01 Contents

- A. The Contract Documents consist of the following:
1. This Agreement (pages 00 52 00-1 to -7, inclusive).
 2. Performance bond (pages 00 61 13-1 to 00 61 13 - ____, inclusive).
 3. Payment bond (pages 00 61 14-1 to 00 61 14- ____, inclusive).
 4. General Conditions (EJCDC C-700, 2013 Edition) Supplementary Conditions, Specifications, and Drawings, not attached but incorporated by reference, as listed in the attached table of contents of the Project Manual and Drawings.
 5. Addenda (not attached but incorporated by reference) (numbers 1 to -4, inclusive).
 6. Exhibits to this Agreement (enumerated as follows):
 - a. Contractor’s Bid (pages 1, inclusive).
 7. The following which may be delivered or issued on or after the Effective Date of the Contract and are not attached hereto:
 - a. Notice to Proceed,
 - b. Work Change Directives,
 - c. Change Orders,
 - d. Field Order,
 - e. Task Orders.
- B. The documents listed in Paragraph 9.01.A are attached to this Agreement (except as expressly noted otherwise above).
- C. There are no Contract Documents other than those listed above in this Article 9.
- D. The Contract Documents may only be amended, modified, or supplemented as provided in the General Conditions.

ARTICLE 10 – MISCELLANEOUS

10.01 Terms

- A. Terms used in this Agreement will have the meanings stated in the General Conditions and the Supplementary Conditions.

10.02 Assignment of Contract

- A. Unless expressly agreed to elsewhere in the Contract, no assignment by a party hereto of any rights under or interests in the Contract will be binding on another party hereto without the written consent of the party sought to be bound; and, specifically but without limitation, money that may become due and money that is due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law), and unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

10.03 Successors and Assigns

- A. Owner and Contractor each binds itself, its successors, assigns, and legal representatives to the other party hereto, its successors, assigns, and legal representatives in respect to all covenants, agreements, and obligations contained in the Contract Documents.

10.04 Severability

- A. Any provision or part of the Contract Documents held to be void or unenforceable under any Law or Regulation shall be deemed stricken, and all remaining provisions shall continue to be valid and binding upon Owner and Contractor, who agree that the Contract Documents shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

10.05 Contractor's Certifications

- A. Contractor certifies that it has not engaged in corrupt, fraudulent, collusive, or coercive practices in competing for or in executing the Contract. For the purposes of this Paragraph 10.05:
1. "corrupt practice" means the offering, giving, receiving, or soliciting of any thing of value likely to influence the action of a public official in the bidding process or in the Contract execution;
 2. "fraudulent practice" means an intentional misrepresentation of facts made (a) to influence the bidding process or the execution of the Contract to the detriment of Owner, (b) to establish Bid or Contract prices at artificial non-competitive levels, or (c) to deprive Owner of the benefits of free and open competition;
 3. "collusive practice" means a scheme or arrangement between two or more Bidders, with or without the knowledge of Owner, a purpose of which is to establish Bid prices at artificial, non-competitive levels; and
 4. "coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the bidding process or affect the execution of the Contract.

10.06 Other Provisions

- A. Owner stipulates that if the General Conditions that are made a part of this Contract are based on EJCDC® C-700, Standard General Conditions for the Construction Contract, published by the Engineers Joint Contract Documents Committee®, and if Owner is the party that has furnished said General Conditions, then Owner has plainly shown all modifications to the standard wording of such published document to the Contractor, through a process such as highlighting or "track changes" (redline/strikeout), or in the Supplementary Conditions.

(Continued on next page)

IN WITNESS WHEREOF, Owner and Contractor have signed this Agreement.

This Agreement will be effective on _____ (which is the Effective Date of the Contract).

OWNER:

CONTRACTOR:

City of Sheboygan

By: _____
(signature)

By: _____
(signature)

Name,
Title: Darrell Hofland , City Administrator

Name,
Title: _____
(printed)

Date: _____

Date: _____

(If Contractor is a corporation, a partnership, or a joint venture, attach evidence of authority to sign.)

Address for giving notices:

City of Sheboygan - Engineering
2026 New Jersey Avenue
Sheboygan, WI 53081

Address for giving notices:

License No.: _____
(where applicable)

Signed by:

Approved as to form and Execution:

By: _____
(signature)

By: _____
(signature)

Name,
Title: Michael Vandersteen, Mayor

Name,
Title: Charles C. Adams, City Attorney

Date: _____

Date: _____

Countersigned by:

By: _____
(signature)

Name,
Title: Meredith DeBruin, City Clerk

Date: _____

2434-19 2019 Concrete Pavement Project (#6170450)

Owner: Sheboygan WI, City of

Solicitor: Sheboygan WI, City of

03/14/2019 11:00 AM CDT

							Vinton Construction Company	
Section Title	Line Item	Item Code	Item Description	UofM	Quantity	Unit Price	Extension	
N. 15th Street								
	1	N15-1	Mobilization	LS	1	\$16,500.00	\$16,500.00	
	2	N15-2	Traffic Control	LS	1	\$5,000.00	\$5,000.00	
	3	N15-3	Excavation (Pay Plan Quantity)	CY	2000	\$18.50	\$37,000.00	
	4	N15-4	Removing Pavement	SY	3400	\$4.40	\$14,960.00	
	5	N15-5	Base Aggregate	Tons	2500	\$14.30	\$35,750.00	
	6	N15-6	Concrete Curb and Gutter	LF	1350	\$16.50	\$22,275.00	
	7	N15-7	Concrete Pavement, 7-inch Doweled	SY	3064	\$46.16	\$141,434.24	
	8	N15-8	Concrete Sidewalk, 5-inch	SF	1230	\$6.00	\$7,380.00	
	9	N15-9	Detectable Warning Fields	LF	30	\$35.00	\$1,050.00	
	10	N15-10	Driveways	SF	760	\$6.80	\$5,168.00	
	11	N15-11	Restoration (Topsoil, Seed, Fertilizer and Mulch)	LS	1	\$10,400.00	\$10,400.00	
	12	N15-12	EC - Silt Fence	LF	400	\$3.00	\$1,200.00	
	13	N15-13	EC - Inlet Protection	EA	6	\$70.00	\$420.00	
	14	N15-14	Removing Storm Sewer	LS	1	\$9,500.00	\$9,500.00	
	15	N15-15	Manholes	EA	3	\$2,600.00	\$7,800.00	
	16	N15-16	Modification to Existing Storm Manhole	EA	2	\$600.00	\$1,200.00	
	17	N15-17	Catchbasins	EA	3	\$2,200.00	\$6,600.00	
	18	N15-18	12" Storm Sewer Pipe	LF	8	\$91.00	\$728.00	
	19	N15-19	15" Storm Sewer Pipe	LF	91	\$91.00	\$8,281.00	
	20	N15-20	18" Storm Sewer Pipe	LF	333	\$93.00	\$30,969.00	
	21	N15-21	Rip Rap at Outfall	CY	12	\$100.00	\$1,200.00	
	22	N15-22	Adjusting Manholes	EA	4	\$450.00	\$1,800.00	
	23	N15-23	Removing Sanitary Sewer	LS	1	\$5,700.00	\$5,700.00	
	24	N15-24	8" PVC Sanitary Sewer	LF	347.5	\$76.00	\$26,410.00	
	25	N15-25	48" Sanitary Manhole	EA	2	\$2,700.00	\$5,400.00	
	26	N15-26	6" Sanitary Lateral	LF	40	\$118.00	\$4,720.00	
	27	N15-27	Sanitary Wye	EA	1	\$900.00	\$900.00	
	28	N15-28	Lighting Control Cabinet and Electrical Meter	EA	1	\$7,500.00	\$7,500.00	
	29	N15-29	Street Lights (Base, Pole, Luminaire and Wire in Pole)	EA	6	\$3,820.00	\$22,920.00	
	30	N15-30	Wire - 6 AWG	LF	3339	\$1.10	\$3,672.90	
	31	N15-31	Conduit - 2-Inch	LF	1113	\$6.00	\$6,678.00	
	32	N15-32	Pull Box	EA	1	\$700.00	\$700.00	
	33	N15-33	Construction Staking	LS	1	\$3,126.74	\$3,126.74	
	34	N15-34	Clearing and Grubbing	LS	1	\$2,500.00	\$2,500.00	
							N. 15th Total	\$456,842.88

2019 Concrete Paving Projects

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00 00 00	PROCUREMENT AND CONTRACTING REQUIREMENTS	
00 01 01	Cover	00 01 01-1
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00 21 13	Instructions for Bidders	00 21 13-1 to 00 21 13-10
00 41 43	Bid Form	00 41 43-1 to 00 41 43-5
00 41 44	Unit Price Worksheet	00 41 44-1
00 41 44.1	Quest Unit Price Worksheet	1 Page
00 42 13	Bid Bond	00 42 13-1 to 00 42 13-2
00 45 13	Bidder's Proof of Responsibility	00 45 13-1 to 00 45-13-5
00 45 19	Non-Collusion Affidavit of Bidder	00 45 19-1
00 45 20	Non-Collusion Affidavit of Subcontractor	00 45 20-1
00 45 50	List of Subcontractors	00 45 50-1
00 52 00	Agreement	00 52 00-1 to 00 52 00-7
00 55 00	Notice to Proceed	00 55 00-1
00 61 13	Performance Bond	00 61 13-1 to 00 61 13-3
00 61 14	Payment Bond	00 61 14-1 to 00 61 14-3
00 62 11	Submittal Cover	00 62 11-1
00 62 76	Application for Payment	00 62 76-1 to 00 62 76-2
00 63 13	Request for Information	00 63 13-1
00 63 49	Work Change Directive	00 63 49-1
00 63 63	Change Order Form	00 63 63-1 to 00 63 63-2
00 65 16	Certificate of Substantial Completion	00 65 16-1
00 65 18	Certificate of Compliance	00 65 13-1
00 65 19	Consent of Surety to Final Payment	00 65 19-1
00 72 00	General Conditions	00 72 00 -1 to 00 72 00-72
00 73 00	Supplementary Conditions	00 73 00-1 to 00 73 00-13
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01 11 00	Summary of Work	01 11 00-1 to 01 11 00-2
01 14 00	Work Restrictions	01 14 00-1 to 01 14 00-6
01 22 00	Unit Prices	01 22 00-1
01 23 00	Alternates	01 23 00-1
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01 57 19	Temporary Environmental Controls	01 57 19-1 to 01 57 19-2
01 71 23	Construction Staking	01 71 23-1 to 01 71 23-2
26 00 00	ELECTRICAL	
26 56 00	Street Lighting	26 56 00-1 to 26 56 00-5

SECTION	TITLE	PAGES
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31 25 00	Erosion Control and Site Maintenance	31 25 00-1 to 31 25 00-3
32 00 00	EXTERIOR IMPROVEMENT	
32 10 00	Grading, Pavement, Curb and Cutter, and Sidewalk	32 10 00-1 to 32 10 00-5
33 00 00	UTILITIES	
33 00 00	Storm and Sanitary Utilities	33 00 00-1 to 33 00 00-3



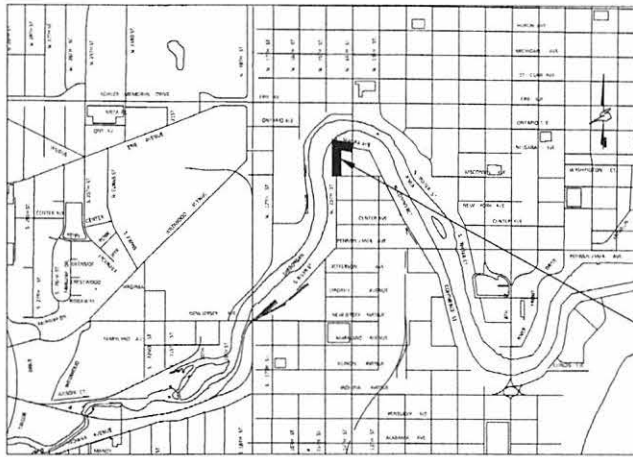
CITY OF SHEBOYGAN DEPARTMENT OF PUBLIC WORKS

NORTH 15 STREET AND NIAGARA AVENUE
WISCONSIN AVENUE TO N. 14TH STREET

FEBRUARY 2019

BID NUMBER: 2434-19
DPW NUMBER: 2019.00.004

Sheet Number	Drawing Number	Drawing Description
1	000CV-1	TITLE SHEET
2	001GN-1	GENERAL NOTES
3	032TS-1	TYPICAL SECTIONS
4	032SC-1	SURVEY CONTROL
5	040D-1	PROJECT DETAILS
6	040D-2	PROJECT DETAILS
7	040D-3	PROJECT DETAILS
8	040D-4	PROJECT DETAILS
9	040D-5	PROJECT DETAILS
10	040D-6	PROJECT DETAILS
11	040D-7	PROJECT DETAILS
12	110EC-1	EROSION CONTROL
13	110EC-2	EROSION CONTROL
14	200SP-1	SANITARY SEWER
15	200SP-2	STORM SEWER
16	200SP-3	STORM SEWER
17	400PP-1	PLAN AND PROFILE
18	400PP-2	PLAN AND PROFILE
19	500LP-1	STREET LIGHTING
20	900S-1	CROSS SECTIONS
21	900S-2	CROSS SECTIONS
22	900S-3	CROSS SECTIONS
23	900S-4	CROSS SECTIONS
24	900S-5	CROSS SECTIONS
25	900S-6	CROSS SECTIONS
26	900S-7	CROSS SECTIONS
27	900S-8	CROSS SECTIONS
28	900S-9	CROSS SECTIONS
29	900S-10	CROSS SECTIONS
30	900S-11	CROSS SECTIONS



NOT TO SCALE
PROJECT PLS. LOCATION
NORTHEAST 1/4 AND SOUTHWEST 1/4 OF SECTIONS 22,
TOWNSHIP 15 NORTH, RANGE 23 EAST,
CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN

N. 15TH STREET
WISCONSIN AVE TO NIAGARA AVE.

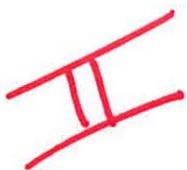


City of Sheboygan
Department of Public Works
Engineering Division
2015 New Apple Avenue
Sheboygan, WI 53081

Project Name: TC - City Engineer

Designed By	tc
Drawn By	tc
Plot Date	2/28/2019
Plot No.	2019.00
DPW No.	2019.00.004
Project Date	11.8.2018
Sheet No.	1
Drawing No.	000CV-1

11810001 - 20190208 - 15TH AND NIAGARA - 20190208 - 000CV-1 - SHEET 1 OF 1 - 11:15 AM - 2/28/2019



R. O. No. _____ - 19 - 20. By CITY CLERK. June 17, 2019.

Submitting a Summons and Complaint in the matter of U.S. Bank National Association vs. Darren J. Weimann et al.

*Finances
Personnel*

CITY CLERK

FILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4

STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY

U.S. Bank National Association successor by merger to
U.S. Bank National Association ND
4801 Fredetica Street
Owensboro, KY 42301

Plaintiff,

vs.

Case No.

Darren J. Weimann
302 Wahgouly Road
Sheboygan, WI 53081

Personal Substitutue
 Posted Corporate

Lisa K. Weimann
302 Wahgouly Road
Sheboygan, WI 53081

City of Sheboygan *606 North*
~~810 Center Avenue, Suite 100~~
Sheboygan, WI 53081

Process Server: TC
Time: 3:27pm Date: 6.11.19
Address of serve: _____
Person Served: _____

United States of America
Attorney General, USA Department of Justice
950 Pennsylvania Avenue NW, Room B-103
Washington, DC 20530

United States Attorney, Eastern District of Wisconsin
517 East Wisconsin Avenue
Room 530
Milwaukee, WI 53202

State of Wisconsin, Department of Revenue
c/o Attorney General of Wisconsin
114 East State Capitol
Madison, WI 53703

State of Wisconsin, Department of Workforce Development
c/o Attorney General of Wisconsin
114 East State Capitol
Madison, WI 53703

Olsen Kloet Gunderson & Conway
602 North Sixth Street
Sheboygan, WI 53081

Sysco Eastern Wisconsin, LLC
c/o Corporation Service Company
Registered Agent
8040 Excelsior Drive, Suite 400
Madison, WI 53717

Andre Fire Equipment Inc.
c/o Steven P. Kohls, registered agent
2317 North 15th Street
Sheboygan, WI 53083

Holiday Wholesale, Inc.
c/o Joseph Gussel, registered agent
225 Pioneer Drive
Wisconsin Dells, WI 53965

Wisconsin Bank & Trust
1160 Fond du Lac Avenue
Sheboygan Falls, WI 53085

Defendants.

SUMMONS

Foreclosure of Mortgage: 30404
The Amount Claimed Exceeds \$10,000.00

THE STATE OF WISCONSIN,

To each person named above as a defendant:

You are hereby notified that the plaintiff named above has filed a lawsuit or other legal action against you. The Complaint, which is attached, states the nature and basis of the legal action.

Within 20 days, or within 45 days if you are the State of Wisconsin or an insurance company, or within 60 days if you are the United States of America, after receiving this Summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to the Complaint. The Court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the Court, which address is Sheboygan County Courthouse, 615 North

Sixth Street, Sheboygan, WI 53081, and to Bass & Moglowsky, S.C., plaintiff's attorneys, whose address is Bass & Moglowsky, S.C., 501 West Northshore Drive, Suite 300, Milwaukee, WI 53217. You may have an attorney help or represent you.

If you do not provide a proper answer within 20 days, or within 45 days if the defendant is the State of Wisconsin or an insurance company, or within 60 days if the defendant is the United States of America, the Court may grant judgment against you for the award of money or other legal action requested in the Complaint, and you may lose your right to object to anything that is or may be incorrect in the Complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future and may also be enforced by garnishment or seizure of property.

DATED at Milwaukee, Wisconsin, on May 30, 2019.

P.O. Address:

501 West Northshore Drive
Suite 300
Milwaukee, WI 53217
Telephone: 414-228-6700
contactus@basmog.com

Bass & Moglowsky, S.C.
Attorneys for Plaintiff



Steven W. Moglowsky
WI State Bar No. 1017104

FILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4

STATE OF WISCONSIN

CIRCUIT COURT

SHEBOYGAN COUNTY

U.S. Bank National Association successor by merger to
U.S. Bank National Association ND
4801 Frederica Street
Owensboro, KY 42301

Plaintiff,

vs.

Case No.

Darren J. Weimann
302 Wahgouly Road
Sheboygan, WI 53081

Lisa K. Weimann
302 Wahgouly Road
Sheboygan, WI 53081

City of Sheboygan
810 Center Avenue, Suite 100
Sheboygan, WI 53081

United States of America
Attorney General, USA Department of Justice
950 Pennsylvania Avenue NW, Room B-103
Washington, DC 20530

United States Attorney, Eastern District of Wisconsin
517 East Wisconsin Avenue
Room 530
Milwaukee, WI 53202

State of Wisconsin, Department of Revenue
c/o Attorney General of Wisconsin
114 East State Capitol
Madison, WI 53703

State of Wisconsin, Department of Workforce Development
c/o Attorney General of Wisconsin
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c/o Joseph Gussel, registered agent
225 Pioneer Drive
Wisconsin Dells, WI 53965

Wisconsin Bank & Trust
1160 Fond du Lac Avenue
Sheboygan Falls, WI 53085

Defendants.

COMPLAINT

Foreclosure of Mortgage: 30404
The Amount Claimed Exceeds \$10,000.00

NOW COMES the plaintiff, by its attorneys, and alleges:

1. Plaintiff is a national association organized and existing under the laws of the United States of America, is the successor to U.S. Bank National Association ND, and is engaged in the lending business with offices at the address stated in the captions of the Summons and Complaint.
2. Mortgagor defendants, Darren J. Weimann and Lisa K. Weimann, are husband and wife whose last-known address is the address stated in the captions of the Summons and Complaint.
3. Mortgagor defendants executed and delivered a Note and Mortgage to plaintiff for the consideration expressed therein, copies being attached as Exhibits, and said Mortgage was recorded in the office of the Register of Deeds on March 25, 2008, as Document No. 1848865.

4. On February 20, 2017, the Note matured and became fully due and payable.
5. Plaintiff is owed the sum of \$25,920.26, as of May 31, 2019, plus accrued interest to the date of entry of judgment.
6. The mortgaged premises consist of a one- to 4-family residence with a common address of 1813 South 14th Street, Sheboygan, WI 53081, is not owner occupied at the commencement of this action, and cannot be sold in parcels without injury to the interests of the parties.
7. Plaintiff, for the purpose of obtaining a shortened redemption period pursuant to Chapter 846 of the Wisconsin Statutes, elects to waive judgment for any deficiency which remains due to the plaintiff after sale of the mortgaged premises in this action against every party who is personally liable for the debt secured by the Mortgage, and consents that mortgagor defendants, unless they abandon the property, may remain in possession of the mortgaged property and be entitled to all rents, issues, and profits therefrom to the date of confirmation of sale by the Court.
8. The following defendants may claim some lien or interest in and to the mortgaged premises, including, but not limited to the interest listed below, but any such claim, lien, or interest is junior and subordinate to plaintiff's mortgage:

State of Wisconsin, Department of Revenue by virtue of the following Tax Warrants:

Warrant No. 59-11983766 docketed on March 25, 2016, in Case No. 2016TW000047, in the sum of \$3,482.78;

Warrant No. 59-11997675 docketed on March 25, 2016, in Case No. 2016TW000042, in the sum of \$2,649.49;

Warrant No. 59-12185097 docketed on March 25, 2016, in Case No. 2016TW000046, in the sum of \$4,080.75;

Warrant No. 59-11975713 docketed on March 25, 2016, in Case No. 2016TW000051, in the sum of \$4,090.75;

Warrant No. 59-11957937 docketed on March 25, 2016, in Case No. 2016TW000052, in the sum of \$3,112.34;

Warrant No. 59-12178118 docketed on May 14, 2016, in Case No. 2016TW000096, in the sum of \$3,938.73;

Warrant No. 59-12051303 docketed on May 14, 2016, in Case No. 2016TW000097, in the sum of \$3,920.20;

Warrant No. 59-11949984 docketed in May 14, 2016, in Case No. 2016TW000100, in the sum of \$3,545.83;

Warrant No. 59-12218001 docketed on February 21, 2017, in Case No. 2017TW000037, in the sum of \$5,396.47;

Warrant No. 59-12186146 docketed on February 21, 2017, in Case No. 2017TW000035, in the sum of \$4,023.96;

Warrant No. 59-12216006 docketed on February 21, 2017, in Case No. 2017TW000036, in the sum of \$3,314.69; and

Warrant No. 59-12217001 docketed on February 21, 2017, in Case No. 2017TW000033, in the sum of \$5,445.96;

Sysco Eastern Wisconsin, LLC by virtue of a judgment docketed on April 11, 2016, in Case No. 2016CV000107, in the sums of \$10,977.39, \$3,830.52, and \$14,509.91;

Andre Fire Equipment Inc. by virtue of a judgment docketed on April 25, 2016, in Case No. 2016SC000617, in the sum of \$1,375.47;

State of Wisconsin, Department of Workforce Development by virtue of the following liens:

Warrant No. 6418490-02 docketed on May 2, 2016, in Case No. 2016WC000009, in the sum of \$782.50;

Warrant No. 6418490-03 docketed on July 27, 2016, in Case No. 2016WC000012, in the sum of \$814.23; and

Judgment docketed on March 26, 2018, in Case No. 2018WC000002, in the sum of \$2,578.36;

Holiday Wholesale, Inc. by virtue of a judgment docketed on March 16, 2017, in Case No. 2017CV000011, in the sum of \$26,987.65;

Olsen Kloet Gunderson & Conway by virtue of a judgment docketed on April 6, 2017, in Case No. 2017SC000627, in the sum of \$5,979.50;

City of Sheboygan by virtue of the following judgments:

Judgment docketed on August 16, 2018, in Case No. 2018TJ000185, in the sum of \$691.00;

Judgment docketed on August 16, 2018, in Case No. 2018TJ000183, in the sum of \$250.00;

Judgment docketed on August 16, 2018, in Case No. 2018TJ000179, in the sum of \$250.00;

Judgment docketed on August 16, 2018, in Case No. 2018TJ000184, in the sum of \$691.00;

Judgment docketed on August 16, 2018, in Case No. 2018TJ000180, in the sum of \$250.00;

Judgment docketed on August 16, 2018, in Case No. 2018TJ000182, in the sum of \$619.43;
and

Judgment docketed on August 16, 2018, in Case No. 2018TJ000181, in the sum of \$691.00;

United States of America by virtue of the following Federal Tax Liens:

Serial No. 981033814, recorded on February 4, 2014, as Document No. 1982237, in the sum of \$64,278.03;

Serial No. 107092814, recorded on July 8, 2014, as Document No. 1988580, in the sum of \$23,638.47; and

Serial No. 211761716, recorded on May 16, 2016, as Document No. 2020637, in the sum of \$3,891.79; and

Wisconsin Bank & Trust by virtue of a mortgage to Community Bank & Trust, n/k/a Wisconsin Bank & Trust, in the original stated amount of \$300,000.00 dated November 8, 2010, and recorded on November 11, 2010, as Document No. 1913636; and any and all judgments entered in Sheboygan County Case No. 2016CV0278.

WHEREFORE, plaintiff demands judgment:

(1) For the foreclosure and sale of the mortgaged premises in accordance with Sec. 846.103(2), Wis.

Stats.;

(2) If mortgagor defendants or their assigns abandon the property, for foreclosure and sale of the mortgaged premises in accordance with Sec. 846.102, Wis. Stats.; and

(3) That mortgagor defendants, or persons occupying the premises, be enjoined and restrained from committing waste during the pendency of the action, and that plaintiff have such other and further relief as may be just and equitable.

Dated: May 30, 2019.

P. O. Address:
501 West Northshore Drive
Suite 300
Milwaukee, WI 53217
Telephone: 414-228-6700
contactus@basnog.com

Bass & Moglowsky, S.C.
Attorneys for Plaintiff



Steven W. Moglowsky
WI State Bar No. 1017104

Borrower(s) DARRELL J WISNIAK LISA K WISNIAK 320 WARGOUILY RD SHILOH WISCONSIN 53081-4721	Lender U.S. Bank National Association ND 1450 S 42TH ST SHILOH WISCONSIN 53081-0000	Loan Number _____ Date <u>05/28/2019</u> Maturity Date <u>7/20/2019</u> Loan Amount \$ <u>244,000.00</u> Remarks Of _____
--	---	---

** If more than one borrower, jointly and severally. * You must be 18 or older, in agreement and capable.*

Note - For value received, I promise to pay to you, or your order, or your orders above, the principal sum of: \$244,000.00

plus interest from 7/20/2019 **at the rate of** 6.500 **per year with** monthly

Additional Finance Charge - I also agree to pay a non-refundable fee of \$ _____ and it will be _____ paid in cash.

Variable Rate - The (annual) interest rate may change any change as set to be _____

Timing and Frequency of Interest Rate Changes - The rate can first change on _____ and can change as often as _____ after that.

Interest Rate Change Limitation - The rate cannot ever exceed _____ The rate cannot ever be less than _____

Payment Changes - A change in the interest rate will cause a change in: The amount of each scheduled payment. The amount due at maturity.

And Maturity Interest - Interest will accrue after maturity on the unpaid balance of this loan on the date listed as Maturity unless stated before maturity.

Trust - If checked, more provided collect an application to the lowest annual percentage rate available for this loan product. This adjustment reflects a higher rate of interest or finance charge due to information described in a consumer credit report. You checked this report from, and I am attaching a free copy of it by contacting: _____

Payments - I will pay this loan as follows:

Interest payments will be due _____

Principal payments will be due _____

This note has _____ payments. The first payment will be in the amount of \$ 222.52 and will be due on 7/20/2019. A payment of \$ 222.52 will be due on the 20th day of each month thereafter. The final payment of the loan would include principal and interest will be due 7/20/2019.

The Purpose of This Loan is: Reference

Late Charge - I agree to pay a late charge of any scheduled payment for each day that is more than _____ days after it is due equal to \$ 20.00.

Early Closure Fee - If I pay this loan in whole, I will pay you an early closure fee equal to _____ of the original loan amount with a minimum of \$ 250 and a maximum of \$ 500 if closed within the first three years.

Prepayment Penalty Charge - I agree to pay a fee of \$ 225.00 for each check, negotiable order of withdrawal, draft or electronic payment I arrange in connection with this loan that is returned because it has been delinquent.

Security - If either of the most two options are checked, this loan is not specifically secured except by 1. through credit enhancement from other loans and 2. a security interest in all deposit accounts with U.S. Bank, N.A.

Security Agreement - This loan is secured by security interest in the property described below. The date I am giving you in this Property and the jurisdiction this agreement governs are defined on page 4 of this agreement.

1450 S 42TH ST
SHILOH WISCONSIN 53081

This property will be used for Collateral purposes. Date of 05

© 2017, 2018, 2019 United States Federal Reserve Bank. Form 888-0001-0001. 05/2019

[The main body of the document contains extremely faint and illegible text, likely due to a very low quality scan or significant redaction.]

EXHIBIT A -
[Illegible text within the exhibit box]

EXHIBIT B -
[Illegible text within the exhibit box]

<p>THIRD PARTY AGREEMENT For the purposes of the payment card, the purchaser, "I," "we," or "us," accept the terms hereby set forth. I/We accept the terms and conditions set forth herein.</p> <p>I/We agree that I/we are a party to this agreement and I/we agree to be bound by the terms and conditions of this agreement. I/We agree that the terms and conditions of this agreement shall apply to all transactions made with the payment card, including but not limited to the following: (a) the use of the payment card for purchases; (b) the use of the payment card for cash advances; (c) the use of the payment card for ATM withdrawals; (d) the use of the payment card for recurring payments; (e) the use of the payment card for contactless payments; (f) the use of the payment card for mobile payments; (g) the use of the payment card for peer-to-peer payments; (h) the use of the payment card for any other transactions that may be made with the payment card.</p> <p>I HAVE RECEIVED A COMPLETED COPY OF THIS NOTE AND I AGREE TO THESE TERMS.</p> <p>NAME: _____</p>	<p>AUTOMATIC WITHDRAWAL: <input type="checkbox"/> DO <input checked="" type="checkbox"/> DO NOT with Automatic Withdrawal. By checking below, I authorize you to automatically withdraw my regular payment from my transaction account listed below on each payment due.</p> <p>Bank Name: <u>US Bank</u> Account Type: <input type="checkbox"/> Checking <input checked="" type="checkbox"/> Savings Account Number: _____ Bank Routing Number: _____</p> <p><i>[Signature]</i> J. K. Williams</p> <p>ACH CANCELLATION FEE: I agree that if I request for automatic payments on this Note, either on the term or otherwise, and if any automatic payments are stopped for any reason, not your fault, I agree to pay you an ACH cancellation fee of \$ ____.</p> <p>I understand this automatic payment stop, and upon its occurrence, I will be responsible for making my payments on time and in full. I agree to pay you an ACH cancellation fee of \$ ____.</p>
<p>NOTICE TO CREDITORS Your other creditors may be asking you to pay this debt. Think carefully before you do. If you borrow money to pay this debt, you will have to pay the lender back. If you have to, and that you want to accept this responsibility.</p> <p>You may have to pay me to the full amount of the debt if the borrower does not pay. You also may have to pay into the account of the lender, which increases the amount.</p> <p>The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is over \$1,000, that fact may become part of your credit record.</p> <p>This notice is not the contract that makes you liable for the debt.</p>	<p>This note is a "transferable record" as defined in applicable law relating to electronic transactions. Therefore, the holder of this note may, on behalf of the maker of this note, create a reproduction or optical disk or other electronic image of this note that is an authoritative copy as defined in such law. The holder of this note may store the authoritative copy of such note in its electronic form and then destroy the paper original as part of the holder's normal business practices. The holder, on its own behalf, may control and transfer such authoritative copy as permitted by such law.</p>

© 2017, Bank USA. 2200 Western Avenue, Denver, Colorado 80202-1500. FD-1040-18

Page 6 of 10

1848865

SHEBOYGAN COUNTY, WI
RECORDED ON
03/25/2008 01:41PM

ELLEN R. SCHLEICHER
REGISTER OF DEEDS

RECORDING FEE: 23.00
TRANSFER FEE:
EXEMPTION #

STAFF ID 5
TRANS # 112825
OF PAGES: 7

Return Address:

EW
U.S. Recordings, Inc.
2025 Country Drive, Suite 201
ST. Paul MN 55117

Parcel Number: 59281401670

MORTGAGE
(With Future Advance Clause)

Construction Mortgage. This is a Construction Mortgage which secures an obligation incurred for the construction of an improvement on the Property, which may include the Property's acquisition cost. This obligation provides for future advances made for the completion of the contemplated improvement on the mortgaged Property.

State of Wisconsin

Space Above This Line For Recording Data

ALS#:

1. DATE AND PARTIES. The date of this Mortgage (Security Instrument) is 02/20/2008.
The parties and their addresses are:

MORTGAGOR: DARREN J. WEIMANN AND LISA K. WEIMANN, HUSBAND AND WIFE

LENDER:

U.S. Bank National Association N.D.
4355 17th Avenue, S.W.
Fargo, ND 58103

2. CONVEYANCE. For good and valuable consideration, the receipt and sufficiency of which is acknowledged, and to secure the Secured Debt (defined below) and Mortgagor's performance under this Security Instrument, Mortgagor grants, bargains, conveys and mortgages to Lender the following described property:

The real estate mortgage herein is described in Exhibit "A" which is attached hereto and hereby incorporated herein by reference.

The property is located in SHEBOYGAN at 1813 S 14TH ST
(County)
SHEBOYGAN Wisconsin 53081
(Address) (City) (ZIP Code)

Together with all rights, easements, appurtenances, royalties, mineral rights, oil and gas rights, all water and riparian rights, ditches, and water stock and all existing and future improvements, structures, fixtures, and replacements that may now, or at any time in the future, be part of the real estate described above (all referred to as "Property").

3. **MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 64,800.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security.
4. **SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:
- A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. (When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)
- Borrower's Name(s): DARREN WEIMANN AND LISA WEIMANN

Note Date: 02/29/2008

Maturity Date: 02/20/2017

Principal/Maximum Line Amount: 64,800.00

- B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt executed by Mortgagor in favor of Lender after this Security Instrument whether or not this Security Instrument is specifically referenced, and whether or not the purpose of the future advances or future obligations is related to the purpose of the Secured Debt. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.
- C. All obligations Mortgagor owes to Lender, which may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.
- D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.
- This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.
5. **PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.
6. **WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.
7. **PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:
- A. To make all payments when due and to perform or comply with all covenants.
- B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.
- C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.
8. **CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.
9. **DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of all or any part of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. § 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.
- If Lender exercises this option, Lender shall give Mortgagor notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which Mortgagor must pay all sums secured by this Security Instrument. If Mortgagor fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Mortgagor.

(page 2 of 8)

10. **PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims and actions against Mortgagor, and of any loss or damage to the Property. Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.
11. **AUTHORITY TO PERFORM.** If Mortgagor fails to perform the covenants and agreements contained in this Security Instrument regarding preserving or insuring the Property, then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's right in the Property, and after sending Mortgagor written notice and allowing Mortgagor a reasonable opportunity for performance, when legally required. Notice is not required for an agricultural transaction where the collateral is perishable and threatens to decline speedily in value. If there is a legal proceeding that may significantly affect Lender's right in the Property (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture or to enforce laws or regulations), the Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property, after sending Mortgagor a written notice of the right to cure and waiting 15 days, if applicable. Lender's actions under this section may include paying any sums secured by a lien that has priority over this Security Instrument, appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this covenant, Lender does not have to do so, nor does it preclude Lender from exercising any other of Lender's rights under the law or this Security Instrument. Any amount paid by Lender to protect Lender's security interest, in accordance with the terms of this Security Instrument, shall be secured by this Security Instrument. These sums will be due on demand and will accrue interest at the highest rate in effect from time to time on the Secured Debt from the date of payment until paid in full.
12. **ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (all referred to as "Property"): all existing or future leases, subleases, licenses, guarantees and any other written or verbal agreements for the use and occupancy of the Property, including any extensions, renewals, modifications or replacements (all referred to as "Leases"); and rents, issues and profits (all referred to as "Rents"). In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement. Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided with this Assignment, and all future Leases and any other information with respect to future Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Upon default, Mortgagor will receive any Rents in trust for Lender and will not commingle the Rents with any other funds. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment. As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants.
13. **LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium, time share estate or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium, time share estate or planned unit development.
14. **DEFAULT.** Mortgagor will be in default if any of the following occur with regard to the Secured Debt which is secured by this Security Instrument: (1) with respect to a transaction other than one pursuant to an open-end plan, (a) if the interval between scheduled payments is 2 months or less, to have an outstanding amount exceeding one full payment which has remained unpaid for more than 10 days after the scheduled or deferred due dates, or the failure to pay the first payment or the last payment, within 40 days of its scheduled or deferred due date, (b) if the interval between scheduled payments is more than 2 months, to have all or any part of one scheduled payment unpaid for more than 60 days after its scheduled or deferred due date, (c) if the transaction is scheduled to be repaid in a single payment, to have all or any part of the payment unpaid for more than 40 days after its scheduled or deferred due date; (2) with respect to a transaction pursuant to an open end plan, failure to pay when due on 2 occasions within any 12-month period; or (3) if any other condition in this Security Instrument is violated, and such breach materially impairs the condition, value or protection of or Lender's right in the Property, or materially impairs Mortgagor's ability to pay amounts due.

15. **NOTICE OF DEFAULT AND RIGHT TO CURE.** Where required by law, Lender will send Mortgagor written notice of default and right to cure. The notice shall specify (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 15 days from the date the notice is mailed to Mortgagor, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and the sale of the Property. The notice shall further inform Mortgagor of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the nonexistence of a default or any other defense of Mortgagor to acceleration and sale. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.
16. **ACCELERATION.** If the breach is not cured on or before the date specified in the notice of default, Lender, at Lender's option, may declare all of the sums secured by this Security Instrument to be immediately due and payable without further demand and may invoke the power of sale and other remedies permitted by applicable law.
17. **DEFAULT CHARGES AND ATTORNEYS' FEES.** Lender shall be entitled to collect all statutory collection expenses incurred in the disposition of the Property and such other charges as are specifically authorized by Wis. Stat. Ch. 421 to 427, or if the Property is secured by a first lien real estate mortgage or its equivalent security interest as defined in Wis. Stat. Ch. 428, those expenses authorized by that chapter, including attorneys' fees, to the extent permitted. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. After Mortgagor has paid all sums secured by this Security Instrument, and Lender has terminated any commitments for future advances, Lender shall release this Security Instrument without charge to Mortgagor. Mortgagor agrees to pay for any recordation costs of such release.
18. **POWER OF SALE.** If Lender invokes the power of sale, Lender shall give notice of sale in the manner prescribed by applicable law to Mortgagor and to the other persons prescribed by applicable law. Lender shall publish the notice of sale and the Property shall be sold in the manner prescribed by applicable law. Lender or Lender's designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all statutory collection expenses as described in section 17 above; (b) to all sums secured by this Security Instrument; and (c) the excess, if any, to the clerk of the Circuit Court of the County in which the sale is held.
19. **MORTGAGOR'S RIGHT TO REINSTATE.** The Mortgagor may redeem the Property at any time before the sale by paying the following: (a) the amount of the judgment, with interest and statutory collection expenses as described in section 17 above; (b) any statutory collection expenses incurred after the judgment; and (c) any taxes paid by the Lender after the judgment, with interest from the date of payment. The rate of interest paid will be the same rate of interest as found in the Secured Debt.
20. **FORECLOSURE WITHOUT DEFICIENCY.** If this Property is a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. § 846.101, as amended, permitting Lender to waive its right to a judgment for a deficiency on real estate of 20 acres or less, and to hold a sale of the Property six months after the foreclosure judgment is entered. If this Property is not a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. § 846.103, as amended, permitting Lender to waive its right to a judgment for a deficiency, and to hold a sale of the Property three months after a foreclosure judgment is entered. Regardless of terms to the contrary, if Mortgagor abandons the Property, then the sale of the Property shall be after two months from the date a foreclosure judgment is entered.
21. **ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), and all other federal, state of Wisconsin and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.
- Mortgagor represents, warrants and agrees that:
- Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance is or will be located, stored or released on or in the Property. This restriction does not apply to small quantities of Hazardous Substances that are generally recognized to be appropriate for the normal use and maintenance of the Property.
 - Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are, and shall remain in full compliance with any applicable Environmental Law.
 - Mortgagor shall immediately notify Lender if a release or threatened release of a Hazardous Substance occurs on, under or about the Property or there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor shall take all necessary remedial action in accordance with any Environmental Law.
 - Mortgagor shall immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any pending or threatened investigation, claim, or proceeding relating to the release or threatened release of any Hazardous Substance or the violation of any Environmental Law.

22. **CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.
23. **INSURANCE.** Mortgagor shall keep Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt(s). The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument, after sending Mortgagor written notice and allowing Mortgagor a reasonable opportunity for performance, when legally required. Notice is not required for an agricultural transaction where the collateral is perishable and threatens to decline speedily in value. All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor. Unless otherwise agreed in writing, all insurance proceeds shall be applied to the restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of the scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.
24. **ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.
25. **FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.
26. **JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.
27. **APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the state of Wisconsin, except that repossession will be governed, to the extent permitted by Wis. Stat. § 421.201(5), as amended, by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed from the remaining provisions to the extent not prohibited by the Wisconsin Consumer Act and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.
28. **NOTICE.** Any statutorily required notice may be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to the last address furnished to Lender by Mortgagor. Such a notice may be sent to only one address if all parties reside at that address and the notice is addressed to each party or, if required by Wis. Banking Rule 80.37, any party who resides at a different address shall be sent a separate notice.
29. **WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all appraisal and homestead exemption rights relating to the Property.
30. **MORTGAGOR'S COPY.** Mortgagor shall be furnished an exact copy of the Note and of this Security Instrument at the time of execution.


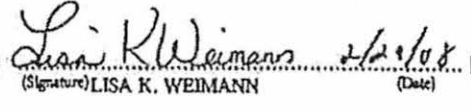
31. OTHER TERMS. If checked, the following are applicable to this Security Instrument:

- Line of Credit. The Secured Debt includes a revolving line of credit provision. Although the Secured Debt may be reduced to a zero balance, this Security Instrument will remain in effect until Lender has terminated all commitments for future advances.
- Fixture Filing. Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property. This Security Instrument suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.
- Additional Terms.

SIGNATURES: By signing below, Mortgagor agrees to the terms and covenants contained in this Security Instrument. Mortgagor also acknowledges receipt of a copy of this Security Instrument on the date stated on page 1.

NOTICE TO CUSTOMER

- (a) DO NOT SIGN THIS IF IT CONTAINS BLANK SPACES.
- (b) YOU ARE ENTITLED TO AN EXACT COPY OF ANY AGREEMENT YOU SIGN.
- (c) YOU HAVE THE RIGHT AT ANY TIME TO PAY IN ADVANCE THE UNPAID BALANCE DUE UNDER THIS AGREEMENT AND YOU MAY BE ENTITLED A PARTIAL REFUND OF THE FINANCE CHARGE.

 2/29/08 [Seal] (Signature) DARREN J. WEIMANN (Date)
 2/29/08 [Seal] (Signature) LISA K. WEIMANN (Date)


..... [Seal] [Seal]
 (Signature) (Date) (Signature) (Date)

..... [Seal] [Seal]
 (Signature) (Date) (Signature) (Date)

ACKNOWLEDGMENT

STATE OF Wisconsin COUNTY OF Sherborn ss.
 This instrument was acknowledged before me this 29th day of February 2008
 by DARREN WEIMANN AND LISA WEIMANN




 (Notary Public)
 Steven P. Wisse

This instrument was drafted by First American 1100 Superior Ave, Suite 210 Cleveland, OH 44114 (name).

EXHIBIT A

SITUATED IN THE COUNTY OF SHEBOYGAN AND STATE OF WISCONSIN:

A PARCEL OF LAND BEING LOT 1 OF VOLUME 13 OF CERTIFIED SURVEY
MAPS, PAGE 107/8, BEING PART OF LOTS 16 AND 18, BLOCK 7,
ASSESSMENT SUBDIVISION NUMBER 18, CITY OF SHEBOYGAN.

Permanent Parcel Number: 59281401670
DARREN J. WEIMANN AND LISA K. WEIMANN, HUSBAND AND WIFE, AS
SURVIVORSHIP MARITAL PROPERTY

1813 SOUTH 14TH STREET, SHEBOYGAN WI 53081
Loan Reference Number :
First American Order No:
Identifier: FIRST AMERICAN LENDERS ADVANTAGE



MORTGAGE

US Recordings

STATE OF WISCONSIN**CIRCUIT COURT****SHEBOYGAN COUNTY**

U.S. Bank National Association vs. Darren J. Weimann et al

**Electronic Filing
Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**DARREN J. WEIMANN
302 WAHGOULY ROAD
SHEBOYGAN WI 53081**

Case number 2019CV000304 was electronically filed with/converted by the Sheboygan County Clerk of Circuit Court office. The electronic filing system is designed to allow for fast, reliable exchange of documents in court cases.

Parties who register as electronic parties can file, receive and view documents online through the court electronic filing website. A document filed electronically has the same legal effect as a document filed by traditional means. Electronic parties are responsible for serving non-electronic parties by traditional means.

You may also register as an electronic party by following the instructions found at <http://efiling.wicourts.gov/> and may withdraw as an electronic party at any time. There is a \$ 20.00 fee to register as an electronic party.

If you are not represented by an attorney and would like to register as an electronic party, you will need to enter the following code on the eFiling website while opting in as an electronic party.

Pro Se opt-in code: a1895e

Unless you register as an electronic party, you will be served with traditional paper documents by other parties and by the court. You must file and serve traditional paper documents.

Registration is available to attorneys, self-represented individuals, and filing agents who are authorized under Wis. Stat. 799.06(2). A user must register as an individual, not as a law firm, agency, corporation, or other group. Non-attorney individuals representing the interests of a business, such as gamishees, must file by traditional means or through an attorney or filing agent. More information about who may participate in electronic filing is found on the court website.

If you have questions regarding this notice, please contact the Clerk of Circuit Court at 920-459-3068.

Sheboygan County Circuit Court
Date: May 31, 2019

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U.S. Bank National Association vs. Darren J. Weimann et al

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SHEBOYGAN WI 53081

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Honorable Rebecca L.
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Branch 4UNITED STATES OF AMERICA
ROOM B-103
950 PENNSYLVANIA AVENUE NW
WASHINGTON DC 20530

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Honorable Rebecca L.
Persick
Branch 4**UNITED STATES ATTORNEY, EASTERN DISTRICT OF WISCONSIN
ROOM 530
517 EAST WISCONSIN AVENUE
MILWAUKEE WI 53202**

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U.S. Bank National Association vs. Darren J. Weimann et al

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Case No. 2019CV000304
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**FILED
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Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**

**STATE OF WISCONSIN, DEPARTMENT OF REVENUE
C/O
114 EAST STATE CAPITOL
MADISON WI 53703**

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Pro Se opt-in code: a1895e

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If you have questions regarding this notice, please contact the Clerk of Circuit Court at 920-459-3068.

Sheboygan County Circuit Court
Date: May 31, 2019

STATE OF WISCONSIN**CIRCUIT COURT****SHEBOYGAN COUNTY**

U.S. Bank National Association vs. Darren J. Weimann et al

**Electronic Filing
Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**STATE OF WISCONSIN, DEPARTMENT OF WORKFORCE DEVELOPMENT
C/O ATTORNEY GENERAL OF WI
114 EAST STATE CAPITOL
MADISON WI 53703**

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Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**OLSEN KLOET GUNDERSON & CONWAY
602 NORTH SIXTH STREET
SHEBOYGAN WI 53081**

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Sheboygan County Circuit Court
Date: May 31, 2019

STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY

U.S. Bank National Association vs. Darren J. Weimann et al

Electronic Filing Notice

Case No. 2019CV000304
Class Code: Foreclosure of Mortgage

**FILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**

**SYSCO EASTERN WISCONSIN, LLC
C/O CT CORPORATION SYSTEM, RA
8040 EXCELSIOR DRIVE, SUITE 400
MADISON WI 53717**

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Sheboygan County Circuit Court
Date: May 31, 2019

STATE OF WISCONSIN**CIRCUIT COURT****SHEBOYGAN COUNTY**

U.S. Bank National Association vs. Darren J. Weimann et al

**Electronic Filing
Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**ANDRE FIRE EQUIPMENT INC.
C/O STEVEN P. KOHLS, RA
2317 NORTH 15TH STREET
SHEBOYGAN WI 53083**

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Sheboygan County Circuit Court
Date: May 31, 2019

STATE OF WISCONSIN CIRCUIT COURT SHEBOYGAN COUNTY**U.S. Bank National Association vs. Darren J. Weimann et al****Electronic Filing
Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**HOLIDAY WHOLESALE, INC.
C/O JOSEPH GUSSEL, RA
225 PIONEER DRIVE
WISCONSIN DELLS WI 53965**

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Sheboygan County Circuit Court
Date: May 31, 2019

STATE OF WISCONSIN**CIRCUIT COURT****SHEBOYGAN COUNTY****U.S. Bank National Association vs. Darren J. Weimann et al****Electronic Filing Notice**Case No. 2019CV000304
Class Code: Foreclosure of MortgageFILED
05-30-2019
Sheboygan County
Clerk of Circuit Court
2019CV000304
Honorable Rebecca L.
Persick
Branch 4**WISCONSIN BANK & TRUST
1160 FOND DU LAC AVENUE
SHEBOYGAN FALLS WI 53085**

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Sheboygan County Circuit Court
Date: May 31, 2019

Sheboygan County Courthouse
615 North Sixth Street
Sheboygan, Wisconsin
53081

**Sheboygan County
Foreclosure Mediation Program
Request for Mediation
*Finding Solutions***

To request a mediation conference with the lender, please answer the questions below, sign this request enclose the required \$25 application fee payable to SCFMP Clerk of Circuit Courts and mail or return to:

SCFMP
Clerk of Circuit Court
615 north Sixth Street
Sheboygan WI 53081

You should submit the request within 15 days of receiving the Summons and Complaint, or as early in the foreclosure process as possible. One application per household. The information you provide will be used by the Sheboygan County Mediation Program to make an initial determination of whether your case is suitable for mediation. A non-refundable \$25 fee must accompany the application. Once the case has been accepted for mediation, a non-refundable \$75 fee is charged to the homeowner and a non-refundable fee of \$100 is charged to the lender.

Requesting Mediation does not halt the foreclosure process. You are still required to comply with all mandatory deadlines, including the time to answer the Complaint.

Sheboygan County Case Number (located on your Summons): 20__CV_____

Name of Homeowner(s): _____

Property Address: _____
(street, city or town, zip code)

Mailing address, if different from above: _____
(street, city or town, zip code)

Best telephone number to reach you during the day: _____

Alternate telephone number: _____

Name of Lender/Plaintiff in your case: _____

1. Is the property being foreclosed your primary residence? ____ Yes ____ No

2. Does the property consist of four or fewer dwelling units? ____ Yes ____ No

3. Have you started a Bankruptcy action that is still ongoing? Yes No

4. Have you met with a housing counselor? Yes No

If yes, with whom have you met? _____

5. What is your monthly income from all sources? _____

6. Do you expect your income to change for any reason? If so, please explain:

7. Check all items that have caused you to miss your mortgage payments:

Injury or illness Adjustable interest Rate / Balloon

Loss of Employment Expenses exceed income

Other: _____

8. Is there any other information that would be helpful in determining whether your case would be suitable for mediation? If so, please describe:

9. If English is not your primary language, do you need an interpreter? Yes No

What language? _____

Authorization of Research and Evaluation. Marquette University Law School is compiling anonymous aggregate case file or results information for the purpose of evaluating our services, gathering valuable research information, designing future programs and engaging in academic research, analysis and publication. I consent to the use of my information for these purposes.

I certify that I am the owner of the property that is subject to this foreclosure action and I currently reside in this property.

Property Owner's Signature

Date

Sheboygan County Courthouse
615 North Sixth Street
Sheboygan Wisconsin



Sheboygan County
Foreclosure Mediation Program
Finding Solutions

Notice of Availability of Mediation

Mediation is a confidential and voluntary process where you and the lender seeking to foreclose on your home may discuss ways to resolve your foreclosure case, including reinstatement of the loan and modification of the loan terms.

You must live in and own the property that is subject to this foreclosure action to qualify for mediation under this program and the property must be four or fewer residential units.

To Request a Mediation Conference

Complete the attached Mediation Request form. It must be received within 15 days from the date you received the Summons and Complaint. Send the completed form with the \$25 non-refundable application fee made payable to SCFMP, Clerk of Circuit Court to:

SCFMP
Clerk of Circuit Court
615 North Sixth Street
Sheboygan, WI 53081

A Mediation Request is not a response to the Summons.

A foreclosure action has been started against you. Please read the Summons and Complaint. Make sure you understand your rights and the time period for filing an Answer or Responsive Pleading. If you do not file an Answer or Responsive Pleading the court may grant judgment against you and you may lose your home and your right to object to anything that you disagree with in the complaint.

What happens after you apply for Mediation?

The Mediation Program Coordinator will review your application and notify you and the lender whether the case has been accepted in the program. If the case is accepted, the balance of your non-refundable \$100 fee will be charged and a non-refundable fee of \$100 will also be charged to the lender. You will then be required to meet with a certified Housing Counselor. Following that, the mediation conference between you and the lender will be scheduled with a mediator.

II

R. O. No. _____ - 19 - 20. By CITY ADMINISTRATOR. June 17, 2019.

Submitting a request from Darrell Hofland on behalf of the Sheboygan County Economic Development Corporation (SCEDC) requesting use of one of the City days for 2019, Wednesday, November 13, 2019 for the 2019 SCEDC Annual Meeting to be held at the Blue Harbor Convention Center.

*Finance +
Personnel*

CITY ADMINISTRATOR

III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
June 17, 2019.

RESOLUTION AWARDING THE SALE OF \$6,655,000* GENERAL OBLIGATION CORPORATE PURPOSE BONDS, SERIES 2019A.

WHEREAS, on June 3, 2019, the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") adopted (a) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$1,100,000 for the public purpose of paying the cost of garbage disposal projects, consisting of acquisition of garbage and recycling trucks; (b) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$110,000 for the public purpose of paying the cost of acquisition of fire engines and other equipment of the fire department; (c) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$278,000 for the public purpose of paying the cost of construction of engine houses, consisting of fire station improvements; (d) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$2,722,000 for the public purpose of paying the cost of street improvement projects; (e) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$760,000 for the public purpose of paying the cost of bridge projects; (f) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$107,000 for the public purpose of paying the cost of library projects; and (g) an initial resolution authorizing the issuance of general obligation bonds in an amount not to exceed \$123,000 for the public purpose of paying the cost of parks and public grounds projects (collectively, the "Project") (the above-referenced initial resolutions are referred to herein as the "Initial Resolutions");

WHEREAS, pursuant to the provisions of Section 67.05, Wisconsin Statutes, within 15 days following the adoption of the Initial Resolutions, the City Clerk caused a notice to electors to be published in the Sheboygan Press, stating the purpose and maximum principal amount of the bond issues authorized by the Initial Resolutions and describing the opportunity and procedure for submitting a petition requesting a referendum on the bond issues authorized by the Initial Resolutions;

WHEREAS, no petition for referendum was filed with the City Clerk, and the time to file such a petition has expired;

WHEREAS, on June 3, 2019, the Common Council of the City also adopted a resolution (the "Set Sale Resolution") authorizing the issuance of

* Preliminary, subject to change.

Finance +
Personnel

approximately \$1,455,000 general obligation bonds for the public purpose of refunding obligations of the City, including interest on them, to wit: the General Obligation Promissory Notes, Series 2012A, dated May 10, 2012 (the "Refunded Obligations") (the "Refunding") and providing that such general obligation bonds and the general obligation bond issues authorized by the Initial Resolutions be combined, issued and sold as a single issue of bonds designated as "General Obligation Corporate Purpose Bonds, Series 2019A" (the "Bonds") for the purpose of paying the cost of the Project and the Refunding;

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to refund the Refunded Obligations for the purpose of achieving debt service savings;

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Wisconsin Public Finance Professionals, LLC ("WFPF") to take the steps necessary to sell the Bonds to pay the cost of the Project and the Refunding;

WHEREAS, WFPF, in consultation with the officials of the City, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on July 15, 2019;

WHEREAS, the City Clerk (in consultation with WFPF) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on July 15, 2019;

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation");

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the City. WFPF has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference; and

WHEREAS, the Common Council now deems it necessary, desirable and in the best interest of the City that the Bonds be issued in the aggregate principal amount of \$_____ for the following purposes and in the following amounts: \$_____ for garbage disposal projects, consisting of acquisition of garbage and recycling trucks;

\$ _____ for acquisition of fire engines and other equipment of the fire department; \$ _____ for construction of engine houses, consisting of fire station improvements; \$ _____ for street improvement projects; \$ _____ for bridge projects; \$ _____ for library projects; \$ _____ for parks and public grounds projects; and \$ _____ for refunding the Refunded Obligations.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Ratification of the Official Notice of Sale and Offering Materials. The Common Council hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1A. Award of the Bonds. For the purpose of paying the cost of the Project and the Refunding, there shall be borrowed pursuant to Section 67.04, Wisconsin Statutes, the Initial Resolutions, the Set Sale Resolution, and this Resolution, the principal sum of SIX MILLION SIX HUNDRED FIFTY-FIVE THOUSAND DOLLARS (\$6,655,000)* from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Corporate Purpose Bonds, Series 2019A"; shall be issued in the aggregate principal amount of \$6,655,000*; shall be dated July 29, 2019; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear

*Preliminary, subject to change.

*Preliminary, subject to change.

interest at the rates per annum and mature on December 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds maturing on December 1, 2030 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2029 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2019 through 2033 for payments due in the years 2020 through 2034 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be

paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Corporate Purpose Bonds, Series 2019A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid, or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue

Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and by the Refunded Obligations and the ownership, management and use of the projects will not cause the Bonds or the Refunded Obligations to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an

arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Execution of the Bonds; Closing; Professional Services.

The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 11. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 13. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 15. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final

Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 16. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 17. Redemption of the Refunded Obligations. The Refunded Obligations due April 1, 2020 and thereafter are hereby called for prior payment and redemption on August 16, 2019 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to work with WFPF to cause timely notice of redemption, in substantially the form attached hereto as Exhibit F and incorporated herein by this reference (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice. Any and all actions heretofore taken by the officers and agents of the City to effectuate the redemption of the Refunded Obligations are hereby ratified and approved.

Section 18. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal

bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date.

All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the ____ day of _____, 2019.

Dated _____, 2019. _____, City Clerk

Approved _____, 2019. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-1

Pricing Summary

To be provided by Wisconsin Public Finance Professionals, LLC and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC and
incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R- _____ CITY OF SHEBOYGAN \$ _____
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 2019A

MATURITY DATE: ORIGINAL DATE OF INTEREST RATE: CUSIP:
ISSUE:

December 1, _____ July 29, 2019 _____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for

that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$_____, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, in the amount of \$_____ for the public purpose of paying the cost of garbage disposal projects, consisting of acquisition of garbage and recycling trucks; in the amount of \$_____ for the public purpose of paying the cost of acquisition of fire engines and other equipment of the fire department; in the amount of \$_____ for the public purpose of paying the cost of construction of engine houses, consisting of fire station improvements; in the amount of \$_____ for the public purpose of paying the cost of street improvement projects; in the amount of \$_____ for the public purpose of paying the cost of bridge projects; in the amount of \$_____ for the public purpose of paying the cost of library projects; in the amount of \$_____ for the public purpose of paying the cost of parks and public grounds projects; and in the amount of \$_____ for the public purpose of paying the cost of refunding obligations of the City, as authorized by resolutions adopted on June 3, 2019 and July 15, 2019. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Bonds maturing on December 1, 2030 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2029 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include

but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrevocable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and

interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

DRAFT

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Michael J. Vandersteen
Mayor

(SEAL)

By: _____
Meredith DeBruin
City Clerk

DRAFT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

EXHIBIT F

NOTICE OF FULL CALL*

Regarding

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN
GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2012A,
DATED MAY 10, 2012

NOTICE IS HEREBY GIVEN that the Notes of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on August 16, 2019 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
04/01/2020	\$490,000	2.00 %	82102RAX3
04/01/2021	500,000	2.00	82102RAY1
04/01/2022	510,000	2.125	82102RAZ8

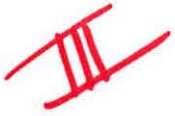
The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before August 16, 2019.

Said Notes will cease to bear interest on August 16, 2019.

By Order of the
Common Council
City of Sheboygan
City Clerk

Dated _____

* To be provided by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by The Depository Trust Company, to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to August 16, 2019 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.



Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
June 17, 2019.

RESOLUTION AWARDING THE SALE OF \$4,225,000 GENERAL OBLIGATION
COMMUNITY DEVELOPMENT BONDS, SERIES 2019B.

WHEREAS, on June 3, 2019, the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") adopted an initial resolution (the "Initial Resolution") authorizing the issuance of general obligation bonds in an amount not to exceed \$4,225,000 for the public purpose of paying the cost of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Tax Incremental Districts (the "Project");

WHEREAS, pursuant to the provisions of Section 67.05, Wisconsin Statutes, within 15 days following the adoption of the Initial Resolution, the City Clerk caused a notice to electors to be published in the Sheboygan Press, stating the purpose and maximum principal amount of the bond issue authorized by the Initial Resolution and describing the opportunity and procedure for submitting a petition requesting a referendum on the bond issue authorized by the Initial Resolution;

WHEREAS, no petition for referendum was filed with the City Clerk, and the time to file such a petition has expired;

WHEREAS, on June 3, 2019, the Common Council of the City also adopted a resolution (the "Set Sale Resolution"), providing that the general obligation bond issue authorized by the Initial Resolution be issued and sold as bonds designated as "General Obligation Community Development Bonds, Series 2019B" (the "Bonds") for the purpose of paying the cost of the Project;

WHEREAS, the Common Council hereby finds and determines that the Project is within the City's power to undertake and therefore serves a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes;

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Wisconsin Public Finance Professionals, LLC ("WPFP") to take the steps necessary to sell the Bonds to pay the cost of the Project;

WHEREAS, WPFP, in consultation with the officials of the City, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on July 15, 2019;

*Finances
Personnel*

WHEREAS, the City Clerk (in consultation with WFPF) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on July 15, 2019;

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation");

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the City. WFPF has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference; and

WHEREAS, the Common Council now deems it necessary, desirable and in the best interest of the City that the Bonds be issued in the aggregate principal amount of \$_____.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Ratification of the Official Notice of Sale and Offering Materials. The Common Council hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1A. Award of the Bonds. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.04, Wisconsin Statutes and the Initial Resolution, the principal sum of FOUR MILLION TWO HUNDRED TWENTY-FIVE THOUSAND DOLLARS (\$4,225,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful

bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "General Obligation Community Development Bonds, Series 2019B"; shall be issued in the aggregate principal amount of \$4,225,000; shall be dated July 29, 2019; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on December 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds maturing on December 1, 2030 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2029 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2019 through 2037 for payments due in the years 2020 through 2038 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for

said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Community Development Bonds, Series 2019B" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be

invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. No Arbitrage. All investments made pursuant to this Resolution shall be Permitted Investments, but no such investment shall be made in such a manner as would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or the Regulations and an officer of the City, charged with the responsibility for issuing the Bonds, shall certify as to facts, estimates, circumstances and reasonable expectations in existence on the date of delivery of the Bonds to the Purchaser which will permit the conclusion that the Bonds are not "arbitrage bonds," within the meaning of the Code or Regulations.

Section 9. Compliance with Federal Tax Laws. (a) The City represents and covenants that the projects financed by the Bonds and the ownership, management and use of the projects will not cause the Bonds to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Bonds including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not

take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Bonds shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.

(b) The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Bonds provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Bonds and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Execution of the Bonds; Closing; Professional Services.

The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 11. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 12. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 13. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 14. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 15. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of

SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 16. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 17. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 18. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 19. Conflicting Resolutions; Severability; Effective Date.

All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

DRAFT

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the ____ day of _____, 2019.

Dated _____, 2019. _____, City Clerk

Approved _____, 2019. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-1

Pricing Summary

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R- _____ CITY OF SHEBOYGAN \$ _____
GENERAL OBLIGATION COMMUNITY DEVELOPMENT BOND, SERIES 2019B

MATURITY DATE: ORIGINAL DATE OF INTEREST RATE: CUSIP:
ISSUE:
December 1, _____ July 29, 2019 _____ % _____

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: _____ THOUSAND DOLLARS
(\$ _____)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$4,225,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the public purposes of paying the cost of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, in the City's Tax Incremental Districts, as authorized by resolutions adopted on June 3, 2019 and July 15, 2019. Said resolutions are recorded in the official minutes of the Common Council for said dates.

The Bonds maturing on December 1, 2030 and thereafter are subject to redemption prior to maturity, at the option of the City, on December 1, 2029 or on any date thereafter. Said Bonds are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Bonds are redeemed prior to maturity, as long as the Bonds are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Bonds of a maturity are to be called for redemption, the Bonds of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Bonds called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Bonds shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Bonds shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Bonds, or (iii) with respect to any particular Bond, after such Bond has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Michael J. Vandersteen
Mayor

(SEAL)

By: _____
Meredith DeBruin
City Clerk

DRAFT

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

III

Res. No. _____ - 19 - 20. By Alderpersons Donohue and Bohren.
June 17, 2019.

RESOLUTION AWARDING THE SALE OF \$3,315,000* TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2019C.

WHEREAS, on June 3, 2019, the Common Council of the City of Sheboygan, Sheboygan County, Wisconsin (the "City") adopted a resolution (the "Set Sale Resolution"), providing for the sale of approximately \$3,315,000 Taxable General Obligation Refunding Bonds, Series 2019C (the "Bonds") for the public purpose of refunding certain outstanding obligations of the City, to wit: Taxable General Obligation Refunding Bonds, Series 2010B, dated June 23, 2010, (the "Refunded Obligations") (hereinafter the refinancing of the Refunded Obligations shall be referred to as the "Refunding");

WHEREAS, the Common Council deems it to be necessary, desirable and in the best interest of the City to refund the Refunded Obligations for the purpose of achieving debt service savings;

WHEREAS, the City is authorized by the provisions of Section 67.04, Wisconsin Statutes, to borrow money and issue general obligation refunding bonds to refinance its outstanding obligations;

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue such Bonds on a taxable rather than tax-exempt basis;

WHEREAS, pursuant to the Set Sale Resolution, the City has directed Wisconsin Public Finance Professionals, LLC ("WPFP") to take the steps necessary to sell the Bonds to pay the cost of the Refunding;

WHEREAS, WPFP, in consultation with the officials of the City, prepared an Official Notice of Sale (a copy of which is attached hereto as Exhibit A and incorporated herein by this reference) setting forth the details of and the bid requirements for the Bonds and indicating that the Bonds would be offered for public sale on July 15, 2019;

WHEREAS, the City Clerk (in consultation with WPFP) caused a form of notice of the sale to be published and/or announced and caused the Official Notice of Sale to be distributed to potential bidders offering the Bonds for public sale on July 15, 2019;

* Preliminary, subject to change.

Finances
Personnel

WHEREAS, the City has duly received bids for the Bonds as described on the Bid Tabulation attached hereto as Exhibit B and incorporated herein by this reference (the "Bid Tabulation"); and

WHEREAS, it has been determined that the bid proposal (the "Proposal") submitted by the financial institution listed first on the Bid Tabulation fully complies with the bid requirements set forth in the Official Notice of Sale and is deemed to be the most advantageous to the City. WFPF has recommended that the City accept the Proposal. A copy of said Proposal submitted by such institution (the "Purchaser") is attached hereto as Exhibit C and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Ratification of the Official Notice of Sale and Offering Materials. The Common Council hereby ratifies and approves the details of the Bonds set forth in Exhibit A attached hereto as and for the details of the Bonds. The Official Notice of Sale and any other offering materials prepared and circulated by WFPF are hereby ratified and approved in all respects. All actions taken by officers of the City and WFPF in connection with the preparation and distribution of the Official Notice of Sale, and any other offering materials are hereby ratified and approved in all respects.

Section 1A. Authorization and Award of the Bonds. For the purpose of paying the cost of the Refunding, there shall be borrowed pursuant to Section 67.04, Wisconsin Statutes, the principal sum of THREE MILLION THREE HUNDRED FIFTEEN THOUSAND DOLLARS (\$3,315,000)* from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal of the Purchaser offering to purchase the Bonds for the sum set forth on the Proposal, plus accrued interest to the date of delivery, resulting in a true interest cost as set forth on the Proposal, is hereby accepted. The Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. The good faith deposit of the Purchaser shall be retained by the City Treasurer and applied in accordance with the Official Notice of Sale, and any good faith deposits submitted by unsuccessful bidders shall be promptly returned. The Bonds shall bear interest at the rates set forth on the Proposal.

Section 2. Terms of the Bonds. The Bonds shall be designated "Taxable General Obligation Refunding Bonds, Series 2019C"; shall be issued in the aggregate principal amount of \$3,315,000*; shall be dated

* Preliminary, subject to change.

* Preliminary, subject to change.

July 29, 2019; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on April 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit D-1 and incorporated herein by this reference. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2020. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Bonds is set forth on the Debt Service Schedule attached hereto as Exhibit D-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Bonds are not subject to optional redemption.

Section 4. Form of the Bonds. The Bonds shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit E and incorporated herein by this reference.

Section 5. Tax Provisions.

(A) Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Bonds as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2019 through 2026 for payments due in the years 2020 through 2027 in the amounts set forth on the Schedule.

(B) Tax Collection. So long as any part of the principal of or interest on the Bonds remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Bonds, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.

(C) Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Bonds when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

Section 6. Segregated Debt Service Fund Account.

(A) Creation and Deposits. There be and there hereby is established in the treasury of the City, if one has not already been created, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Debt service or sinking funds established for obligations previously issued by the City may be considered as separate and distinct accounts within the debt service fund.

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Taxable General Obligation Refunding Bonds, Series 2019C" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Bonds is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Bonds; (ii) any premium not used for the Refunding which may be received by the City above the par value of the Bonds and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Bonds when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Bonds when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

(B) Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Bonds until all such principal and interest has been paid in full and the Bonds canceled; provided (i) the funds to provide for each payment of principal of and interest on the Bonds prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Bonds may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Bonds as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted

Investments"), which investments shall continue to be a part of the Debt Service Fund Account.

(C) Remaining Monies. When all of the Bonds have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 7. Proceeds of the Bonds; Segregated Borrowed Money Fund. The proceeds of the Bonds (the "Bond Proceeds") (other than any premium not used for the Refunding and accrued interest which must be paid at the time of the delivery of the Bonds into the Debt Service Fund Account created above) shall be deposited into a special fund separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed or for the payment of the principal of and the interest on the Bonds. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Bonds have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 8. Execution of the Bonds; Closing; Professional Services. The Bonds shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Bonds may be imprinted on the Bonds in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Bonds, at least one of the signatures appearing on each Bond shall be a manual signature. In the event that either of the officers whose signatures appear on the Bonds shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Bonds and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Bonds, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore

entered into in conjunction with the issuance of the Bonds is hereby ratified and approved in all respects.

Section 9. Payment of the Bonds; Fiscal Agent. The principal of and interest on the Bonds shall be paid by the City Clerk or the City Treasurer (the "Fiscal Agent").

Section 10. Persons Treated as Owners; Transfer of Bonds. The City shall cause books for the registration and for the transfer of the Bonds to be kept by the Fiscal Agent. The person in whose name any Bond shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Bond shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

Any Bond may be transferred by the registered owner thereof by surrender of the Bond at the office of the Fiscal Agent, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing. Upon such transfer, the Mayor and City Clerk shall execute and deliver in the name of the transferee or transferees a new Bond or Bonds of a like aggregate principal amount, series and maturity and the Fiscal Agent shall record the name of each transferee in the registration book. No registration shall be made to bearer. The Fiscal Agent shall cancel any Bond surrendered for transfer.

The City shall cooperate in any such transfer, and the Mayor and City Clerk are authorized to execute any new Bond or Bonds necessary to effect any such transfer.

Section 11. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Bonds (the "Record Date"). Payment of interest on the Bonds on any interest payment date shall be made to the registered owners of the Bonds as they appear on the registration book of the City at the close of business on the Record Date.

Section 12. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Bonds eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 13. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Bonds and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 14. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk, or other officer of the City charged with the responsibility for issuing the Bonds, shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the City's Undertaking.

Section 15. Redemption of the Refunded Obligations. The Refunded Obligations are hereby called for prior payment and redemption on August 16, 2019 at a price of par plus accrued interest to the date of redemption.

The City hereby directs the City Clerk to work with WFPF to cause timely notice of redemption, in substantially the form attached hereto as Exhibit F and incorporated herein by this reference (the "Notice"), to be provided at the times, to the parties and in the manner set forth on the Notice. Any and all actions heretofore taken by the officers and agents of the City to effectuate the redemption of the Refunded Obligations are hereby ratified and approved.

Section 16. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book")

and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Bonds in the Record Book.

Section 17. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Bonds, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Bond proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Bonds by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Bond provided herein.

Section 18. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the ____ day of _____, 2019.

Dated _____, 2019. _____, City Clerk

Approved _____, 2019. _____, Mayor

EXHIBIT A

Official Notice of Sale

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT B

Bid Tabulation

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT C

Winning Bid

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-1

Pricing Summary

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT D-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by Wisconsin Public Finance Professionals, LLC
and incorporated into the Resolution.

(See Attached)

DRAFT

EXHIBIT E

(Form of Bond)

REGISTERED UNITED STATES OF AMERICA DOLLARS
STATE OF WISCONSIN
SHEBOYGAN COUNTY
NO. R- CITY OF SHEBOYGAN \$
TAXABLE GENERAL OBLIGATION REFUNDING BOND, SERIES 2019C

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:

April 1, July 29, 2019 %

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: THOUSAND DOLLARS
(\$)

FOR VALUE RECEIVED, the City of Sheboygan, Sheboygan County, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on April 1 and October 1 of each year commencing on April 1, 2020 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Bond are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Bond is registered on the Bond Register maintained by the City Clerk or City Treasurer (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Bond is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Bond together with interest hereon as aforesaid and for the levy of taxes sufficient for

that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Bond is one of an issue of Bonds aggregating the principal amount of \$3,315,000, all of which are of like tenor, except as to denomination, interest rate and maturity date, issued by the City pursuant to the provisions of Section 67.04, Wisconsin Statutes, for the public purpose of refunding certain obligations of the City, as authorized by a resolution adopted on July 15, 2019. Said resolution is recorded in the official minutes of the Common Council for said date.

This Bond is not subject to optional redemption.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the City, including this Bond and others issued simultaneously herewith, does not exceed any limitation imposed by law or the Constitution of the State of Wisconsin; and that a direct annual irrepealable tax has been levied sufficient to pay this Bond, together with the interest thereon, when and as payable.

This Bond is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Bonds, and the City appoints another depository, upon surrender of the Bond to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Bond in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Bonds after the Record Date. The Fiscal Agent and City may treat and consider the Depository in whose name this Bond is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Bonds are issuable solely as

negotiable, fully-registered Bonds without coupons in the denomination of \$5,000 or any integral multiple thereof.

No delay or omission on the part of the owner hereof to exercise any right hereunder shall impair such right or be considered as a waiver thereof or as a waiver of or acquiescence in any default hereunder.

IN WITNESS WHEREOF, the City of Sheboygan, Sheboygan County, Wisconsin, by its governing body, has caused this Bond to be executed for it and in its name by the manual or facsimile signatures of its duly qualified Mayor and City Clerk; and to be sealed with its official or corporate seal, if any, all as of the original date of issue specified above.

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By: _____
Michael J. Vandersteen
Mayor

(SEAL)

By: _____
Meredith DeBruin
City Clerk

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

(Name and Address of Assignee)

(Social Security or other Identifying Number of Assignee)

the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____, Legal Representative, to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

(e.g. Bank, Trust Company or Securities Firm)

(Depository or Nominee Name)

NOTICE: This signature must correspond with the name of the Depository or Nominee Name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

(Authorized Officer)

EXHIBIT F

NOTICE OF FULL CALL*

Regarding

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN
TAXABLE GENERAL OBLIGATION REFUNDING BONDS,
DATED JUNE 23, 2010

NOTICE IS HEREBY GIVEN that the Bonds of the above-referenced issue which mature on the dates and in the amounts; bear interest at the rates; and have CUSIP Nos. as set forth below have been called by the City for prior payment on August 16, 2019 at a redemption price equal to 100% of the principal amount thereof plus accrued interest to the date of prepayment:

<u>Maturity Date</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>CUSIP No.</u>
04/01/2020	\$340,000	4.25 %	8210228D5
04/01/2021	360,000	4.40	8210228E3
04/01/2022	375,000	4.625	8210228F0
04/01/2023	395,000	4.70	8210228G8
04/01/2024	415,000	4.80	8210228H6
04/01/2025	440,000	5.00	8210228J2
04/01/2026	465,000	5.125	8210228K9
04/01/2027	490,000	5.25	8210228L7

The City shall deposit federal or other immediately available funds sufficient for such redemption at the office of The Depository Trust Company on or before August 16, 2019.

Said Bonds will cease to bear interest on August 16, 2019.

By Order of the
Common Council
City of Sheboygan
City Clerk

Dated _____

* To be provided by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by The Depository Trust Company, to The Depository Trust Company, Attn: Supervisor, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, not less than thirty (30) days nor more than sixty (60) days prior to August 16, 2019 and to the MSRB electronically through the Electronic Municipal Market Access (EMMA) System website at www.emma.msrb.org.

III

Res. No. - 19 - 20. By Alderpersons Wolf and Sorenson. June 17, 2019.

A RESOLUTION authorizing the Purchasing Agent to advertise for bids for the purchase of two online phosphate analyzers and associated filtering accessories at the Wastewater Treatment Facility in order to improve control of effluent total phosphorous.

WHEREAS, the Wastewater Treatment Facility is under an interim limit of 0.9 mg / L for effluent total phosphorous with a requirement to reduce total phosphorous as much as practical in the facilities' discharge; and

WHEREAS, Staff expects that the next permit will impose a limit of 0.6 mg / L of effluent total phosphorous; and

WHEREAS, Staff believes that the most effective way to control total phosphorous levels is to install two online phosphate analyzers, which will be used to provide Staff with real time data which can be used to control chemical feeds in order to control total phosphorous; and

WHEREAS, Staff is requesting permission to seek bids for this project, which will include everything necessary for the complete provision, installation, and commissioning of the two phosphate analyzers and integrating them into the system; and

WHEREAS, Staff proposes using funds in the Sewer Line Reconstruction/Relining Program fund to pay for this project.

NOW, THEREFORE, BE IT RESOLVED: That the Purchasing Agent is hereby authorized to seek bids for the purchase of two online phosphate analyzers and all related services and equipment in order to integrate the two phosphate analyzers into the Wastewater Treatment Facility.

Public Works

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20 . _____, City Clerk

Approved _____ 20 . _____, Mayor

VI

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred DIRECT REFERRAL R. O. No. 35-19-20 by Finance Director submitting the Comprehensive Annual Financial Report of the City of Sheboygan for the year ended December 31, 2018, prepared by CLA; recommends

reg

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

DIRECT REFERRAL TO FINANCE AND PERSONNEL COMMITTEE

R. O. No. 35 - 19 - 20. By FINANCE DIRECTOR. June 17, 2019.

Submitting the Comprehensive Annual Financial Report of the City of Sheboygan for the year ended December 31, 2018, prepared by CLA.

Finance + Personnel

FINANCE DIRECTOR

City of Sheboygan, Wisconsin

ANNUAL FINANCIAL REPORT

December 31, 2018

DRAFT

INTRODUCTORY SECTION

DRAFT

City of Sheboygan, Wisconsin

DECEMBER 31, 2018

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2019

TO: The Mayor, Common Council members and the residents of Sheboygan

The Comprehensive Annual Financial Report (CAFR) for the City of Sheboygan, Wisconsin for the fiscal year ending December 31, 2018 is hereby submitted. The report consists of management's representation concerning the finances of the City of Sheboygan. Consequently, responsibility for both the accuracy of the data and the completeness of the presentation, including all disclosures, rests with management. To the best of our knowledge and belief, the enclosed data accurately presents the financial position and results of operations of the various departments. All disclosures necessary to enable the reader to gain an understanding of the activities of the City of Sheboygan have been included.

Community Profile

The City of Sheboygan was incorporated as a city on April 5, 1846. Located in Sheboygan County, the boundary encompasses 15.78 miles and has a population of 48,329. The city provides the full range of municipal services, including police and fire protection, parks and cultural activities, public works operations, parking and transit utilities, water and sewer utilities, community development and general administrative services.

The City of Sheboygan is a municipal corporation operating under a "Council/Mayor" form of government, with a City Administrator responsible for the day-to-day responsibilities of supervision, coordination, and administration of the city departmental activities, formulation, presentation and administration of the budget. Policy making and legislative authority are vested in a Common Council consisting of 10 members. The council members elect the president of the council at the annual organizational meeting. The standing committees of the council are: Finance and Personnel Committee, Licensing, Hearings and Public Safety Committee, and Public Works Committee. The Common Council is responsible for enacting ordinances, resolutions, and regulations governing the city as well as the appointment of members of various statutory and advisory boards.

The annual program budget serves as the foundation of the city's financial planning, control and support to the city's Strategic Plan. All departments are required to submit requests for appropriations for all government activities to the City Administrator. The departmental requests are used to develop the proposed budget, which is presented to the Common Council. The standing committees of the Common Council review proposed budgets with department managers. A public hearing is held on the proposed budget prior to adoption by the Common Council. The annual program budget serves as a communication tool providing the public and other entities with additional documentation supporting the financial requests. Ultimately, the tax levy is established based on the adopted budget.

Factors Affecting the Local Economy

The city's moderate economic growth has contributed to the community's low unemployment rate of 2.1 percent (February 2019) compared to the State of Wisconsin's unemployment rate of 2.9 percent. With historic low unemployment rates, recruiting talented workforce continues to be a major problem with most local companies. To assist with recruiting workforce, the need for housing has been at the forefront of the city's recent economic development strategy. The low unemployment rate has also contributed to the areas' low poverty rate. An analysis of poverty rates across the United States has found Sheboygan to have the lowest poverty rate in the nation in 2017- 5.4 percent

FINANCE DEPARTMENT

828 Center Avenue,
Suite 205
Sheboygan, WI 53081

920-459-3311 (Phone)
www.sheboyganwi.gov

The City of Sheboygan is located on the west shore of Lake Michigan and is substantially surrounded by the developed areas of the Towns of Wilson and Sheboygan and the Village of Kohler. As such, the City has limited opportunities for geographic expansion. Five annexations occurred in 2017 for a total of 559 acres including a proposed golf course and a municipally-developed business park. The City continues to promote redevelopment of older sections of the community into higher density uses.

Residential units totaling \$52.2 million are in various phases of construction to address both market rate housing and affordable housing needs. 7th/Penn Apartments began construction in November 2018 of 66 market rate apartments with 7,000 square feet of commercial space. Water's Edge Condominiums began construction in December 2018 and consists of 33 units, and Badger State Lofts received approval to convert a former tannery building into 118 affordable apartments and 8,700 square feet of commercial space. Also completing construction in 2019 are the Luxe apartments which consists of 47 units valued at \$8 million. Ten single-family homes were constructed in 2018 at a value of \$2.1 million.

New industrial development was slower in 2018 with one project starting construction of an \$8 million FedEx Freight Distribution Center in the Sheboygan Business Park. Although, the city has become directly involved in attracting new development by investing in the construction of SouthPointe Enterprise Campus, a new business park on the southwest side of the city. With the creation of a new tax incremental district (TID 18), "shovel-ready" sites were available in December 2018.

New commercial development included the start of construction on a \$20 million John Michael Kohler 54,000 square foot state of the art visual storage facility on the western edge of the city limits. This project is scheduled to be completed in 2020. Prevea started construction on a 60,000 square foot medical office building valued at \$17 million on the campus of the St. Nicholas Hospital. Fairfield Inn and Suites began construction on a 108 room hotel valued at \$6.5 million. In addition a 159,253 square foot Meijer store valued at \$12.2 million was substantially completed in 2018 while officially opening in 2019.

The median household income for the city as of 2018 was \$44,710 in comparison to \$54,392 for the State of Wisconsin per the American Community Survey. Median home value in the city is \$110,016, significantly less than the State of Wisconsin value of the \$179,000. However, existing properties for two consecutive years since the Great Recession, existing residential properties have appreciated with a six percent increase in valuation.

The City of Sheboygan and the Sheboygan County Economic Development continue to advance the FreshTech Innovation District with a mission to provide the core programming and coordination necessary to catalyze, support and invigorate the local innovation ecosystem. Multiple facets of the project are underway in the Indiana Avenue Corridor include the recruitment and retention of young professionals to Sheboygan County.

Policies affecting the current financial position

The City of Sheboygan is fiscally conservative, typically budgeting modest revenue expectations and actual expenditures below budgeted appropriations. The 2018 property tax rate for city purposes decreased .40 cents for city residents. State reimbursement for state mandated programs and revenue sharing continue at level amounts. The city participates and receives expenditure restraint funding annually. Revenues are estimated to remain stable. Constant monitoring and emphasis on the budget ensured that overall expenditures were within budget.

The city bargains with four unions and associations, the Sheboygan Professional Police Officers Association; Sheboygan Professional Police Officers Supervisory Association, International Association of Firefighters Local 483 and Amalgamated Transit Union #998. The contract terms for the two Police Associations and the Transit Union expire on December 31, 2019 and the Association of Firefighters expires on December 31, 2020.

The city maintains a Aa2 credit rating by Moody's rating service. General obligation outstanding debt at year end 2018 is \$44.9 million. The ratio of net outstanding debt to debt capacity is 18.09 percent. The city's debt policy has established a limit of an amount not to exceed 60 percent of the city's aggregate statutory borrowing limit as prescribed by State Statute 67.03 (1)(a), in order to maintain a borrowing appropriate with credit rating objectives and

the city's desire to preserve its financial flexibility by maintaining an adequate unused margin to be available for extreme emergencies. The capital improvement program for 2019 includes \$5.2 million of debt to be issued.

The General Fund unassigned fund balance as of December 31, 2018 is \$16.5 million, or 42.7 percent of the 2019 General Fund budget expenditures. The Common Council by resolution established to maintain a minimum of 25 percent. For a more detailed examination of fund balance and results of operations consult the Management Discussion and Analysis section in the Financial Section.

Financial Information

The City of Sheboygan is required to prepare financial statements in conformity with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). Major federal and state programs impose additional audit requirements.

Financial planning and control is maintained through the annual budget process. The city tax levy includes operation of the General Fund, Mead Public Library, General Obligation Debt Service, Capital Projects and Transit Utility. All departments are required to submit a requested budget to the City Administrator. The City Administrator's budget is presented to the Common Council in September for review by the Standing Committees and Committee of the Whole prior to the public hearing and formal adoption of the budget. Budget amendments during the year require approval by the Common Council for transfers between departments or from fund reserves. Approval requires two thirds majority vote of the Common Council. Transfers within a department may not require Common Council approval depending on the amount. Internal controls protect the assets from loss, theft of misuse and to compile sufficient, reliable data for the presentation of financial statements. Internal controls are designed not to outweigh the benefit; therefore controls have been designed to provide reasonable but not absolute assurance.

Cash temporarily idle during the year is invested with the objectives of safeguarding assets, maintaining liquidity for cash flow requirements, and return on investments. All investments must be insured and/or collateralized. Investments are generally within money market accounts, certificates of deposit, repurchase agreements, the State of Wisconsin Investment Pool, and US government agency obligations.

The City Administrator monitors all borrowing plans of the city. All new indebtedness requires a simple majority vote of the Common Council for budgeted borrowing passage. Non-budgeted borrowing requires a two third majority vote for passage. Wisconsin state statute limits general obligation borrowing to an amount equivalent to five percent of the equalized valuation of taxable property. At December 31, 2018, the city had 81.91 percent of the limit available. Equalized value for all property within the city was \$2.810 billion. The statutory debt limit is \$140.5 million and City net debt outstanding (less funds available for debt service) is \$25.4 million.

The city self-insures for workers compensation and health insurance. The city is a member of Cities and Villages Mutual Insurance Company, an organization uniquely designed to overcome the challenges facing Wisconsin municipalities in relation to diverse insurance and service needs. Members utilize insurance products, human resources, safety training and numerous other risk management services to build a successful program. All insurance is funded at the departmental level.

The city annually establishes a five-year Capital Improvement Program to identify and fund capital projects. Departments submit requests to the City Administrator, who presents his recommendations to the Capital Improvements Commission. The commission rates the projects on a variety of measurements. The Common Council approves the final Capital Improvement Program for funding.

The fund balance in the General Fund includes nonspendable, restricted, committed, assigned and unassigned. Fund balance in the Special Revenue, Debt Service, Capital Projects and Fiduciary funds are categorized as nonspendable, restricted, assigned or unassigned (deficit). Net position in the Business-type activities is either restricted or unrestricted. Unassigned funds are available for use and assigned funds are management's intended use, both accounted for separately from committed, includes self-imposed legal restrictions and restricted funds which are imposed by an outside party.

Other Information

The accounting firm of Clifton Larson Allen was engaged to conduct an audit of the basic financial statements and to issue a report on internal controls. The goal of the independent audit was to provide reasonable assurance the financial statements of the City of Sheboygan are free of material misrepresentation. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and any significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concludes, based on the audit, there was a reasonable basis for rendering an unmodified opinion that the City of Sheboygan's financial statements for the fiscal year ending December 31, 2018, are fairly presented in conformity with GAAP and GASB. The independent auditor's report is presented as the first component of the financial section of the CAFR.

The city is required by federal mandate to undergo a "Single Audit" designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require not only a report on the fair presentation of the financial statements but also on the internal controls and compliance with the legal requirements pertaining to internal controls and the administration of federal and state awards.

GAAP and GASB require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A is designed to complement this letter of transmittal and should be read in conjunction with it. The City of Sheboygan's MD&A can be found immediately following the report of the Independent auditor.

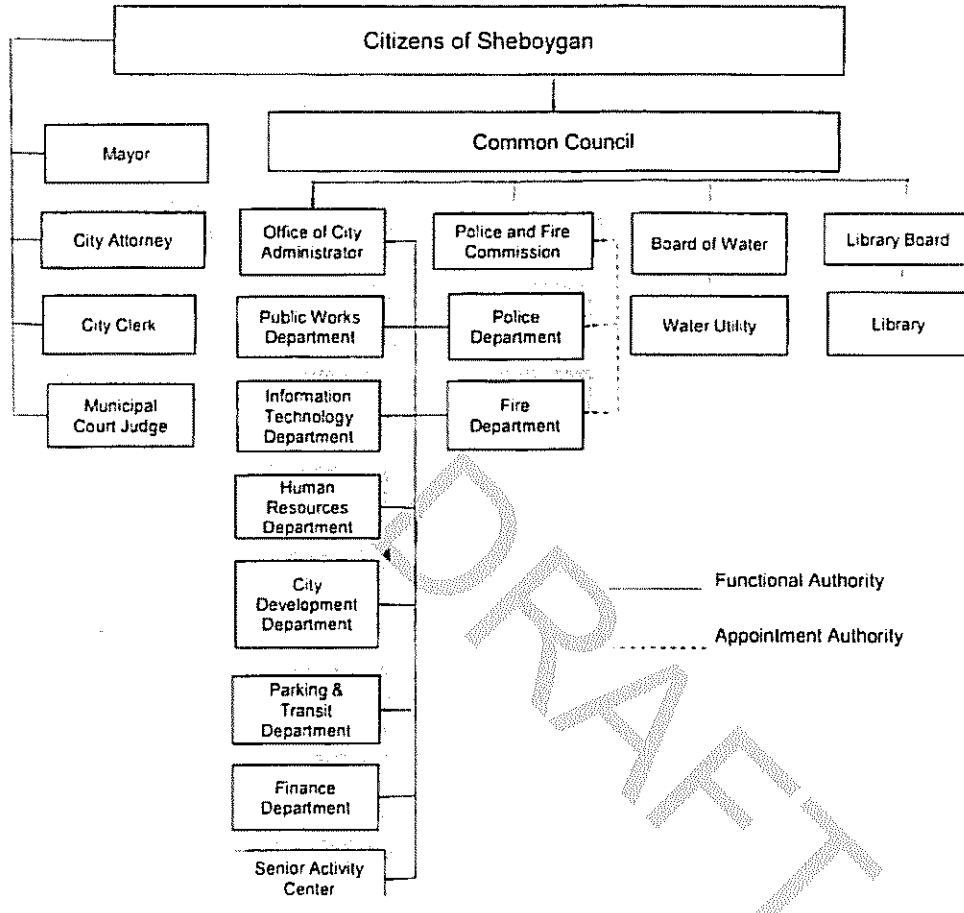
Acknowledgement

The preparation of this report would not have been possible without the dedicated service of the staff of the city, and especially the City Administrator and Common Council members for their support and commitment to maintaining the highest standards of professionalism.

Respectfully submitted,



Marty Halverson
Finance Director, City of Sheboygan



Name

Darrell Hofland
 David Biebel
 Eric Bushman
 Sandra Rohrick
 Chad Pelishek
 Derek Muench
 Marty Halverson
 Christopher Domagalski
 Michael Romas
 Joseph Trueblood
 Garrett Erickson
 Wendy Schmitz

Elected Officials

Mike Vandersteen
 Chuck Adams
 Meredith DeBruin
 Natasha Torry

Title

City Administrator
 Director of Public Works
 Information Technology Director
 Director of Human Resources and Labor Relations
 Director of Planning and Development
 Director of Parking and Transit
 Finance Director
 Police Chief
 Fire Chief
 Water Utility Superintendent
 Library Director
 Senior Activity Center Supervisor

Title

Mayor
 City Attorney
 City Clerk
 Municipal Court Judge

FINANCIAL SECTION

DRAFT



To the City Common Council
City of Sheboygan, Wisconsin

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sheboygan, Wisconsin (the "City") as of and for the year ended December 31, 2018, 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 did not audit the financial statements of the Water Utility Enterprise Fund, which is both a major fund and 59 percent, 62 percent, and 43 percent of the assets, net position, and revenues of the City's business-type activities. We also did not audit the financial statements of the Housing Authority of the City of Sheboygan, Wisconsin. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Water Utility Enterprise Fund and the Housing Authority of the City of Sheboygan, Wisconsin, are based solely on the reports of the other auditors. 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. The financial statements of the Water Utility Enterprise Fund were not audited in accordance with *Government Auditing Standards*.

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 based on our audit and reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

CHANGE IN ACCOUNTING PRINCIPLE

As discussed in Note 3. H. to the financial statements, in 2018 the City adopted new accounting guidance, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. Our opinions are not modified with respect to this matter.

PRIOR YEAR SUMMARIZED FINANCIAL INFORMATION

The 2017 financial statements were audited by Schenck SC, whose practice became part of CliftonLarsonAllen LLP as of January 1, 2019, and whose report dated May 2, 2018, expressed unmodified opinions on those respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information from which the prior year summarized financial information was 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 12 through 21 and the schedules relating to pensions and other postemployment benefits on pages 85 through 88 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 introductory section, the financial information listed in the table of contents as supplementary information and statistical section are presented for purposes of additional analysis and are 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 Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration, are presented for purposes of additional analysis and are also not a required part of the basic financial statements.

The supplementary information 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 by us and other auditors. In our opinion, based on our audit, the procedures performed above, and the reports of other auditors, the supplementary information and 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.

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

Schenck SC previously audited, in accordance with auditing standards generally accepted in the United States of America, the City of Sheboygan, Wisconsin's basic financial statements for the year ended December 31, 2017, which are not presented with the accompanying financial statements and expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information. That audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Sheboygan, Wisconsin's basic financial statements as a whole. The 2017 actual amounts in the combining nonmajor fund financial statements and the combining statement of net position for the agency funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare used to prepare the 2017 basic financial statements. The report of Schenck SC stated that the information has been subjected to the auditing procedures applied in the audit of those 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 their opinion, the 2017 actual amounts in the combining nonmajor fund financial statements and the combining statement of net position for the agency funds were fairly stated in all material respects in relation to the basic financial statements from which they have been derived.

OTHER REPORTING REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

In accordance with *Government Auditing Standards*, we have also issued our report dated _____, 2019, 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

Sheboygan, Wisconsin
_____, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2018

The management's discussion and analysis and financial statements for the fiscal year December 31, 2018 are designed to assist the reader in focusing on significant fiscal issues; provide an overview of the city's financial activity; identify changes in the city's financial position as well as any material deviations from the financial plan (approved budget) and issues and concerns.

The management's discussion and analysis is designed to focus on the current year's activities, resulting changes and currently known facts.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Sheboygan exceeded liabilities and deferred inflows by \$206,812,244 (total net position) for the fiscal year reported, which is an increase of \$2,929,387 from the previous year.
- The 2018 results of governmental activities increased net position by \$1,893,871 and business-type activities increased net position by \$1,035,516, net of the impact of the change in accounting principle due to the implementation of Governmental Accounting Standards Board (GASB) Statement Number 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions.
- As of December 31, 2018, the fund balance for the governmental funds totaled \$53,328,004 and proprietary funds net position totaled \$70,887,401.
- The unassigned fund balance for the general fund was \$16,458,166, which represents 42.8 percent of the total general fund expenditures budgeted in 2019.
- The city's total net general obligation debt at December 31, 2018 was \$44.9 million, an increase of \$9,680,049 from the December 31, 2017 level of \$35.2 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the city's basic financial statements. The basic financial statements include three components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the basic financial statements. The report also contains other supplementary and required supplementary information in addition to the basic financial statement.

Government-Wide Financial Statements

The government-wide financial statements (pages 22 - 24) are designed to be corporate-like in that governmental and business type activities are consolidated for a total of the primary government.

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. Net position is presented in three categories. The categories listed below are presented in order of increasing liquidity:

- 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.

Increasing or decreasing trends in net position may represent an indicator of the city's improving or deteriorating financial position.

The *statement of activities* presents information showing how the city's net position changed during the reported year. Both the gross and net cost of various activities (including governmental and business-type) and funding sources are summarized. All changes in net position are matched to the event in the fiscal period in which it occurs regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in the statements for some events that will result in future cash flows.

Both of these government-wide financial statements distinguish functions of the City of Sheboygan that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a material portion of the costs through user fees and charges (business-type activities). The governmental activities of the city include general government, public safety, public works, health and human services, culture and recreation and conservation and development. The business-type activities include proprietary funds water utility, sewerage system, transit commission, parking facility, and boat facility and internal service funds health self-insurance, worker compensation self-insurance, motor vehicle, data processing and general liability self-insurance.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources segregated for specific activities or objectives. The city, like other state and local governments, utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements. This traditional presentation focuses on the sources and uses of liquid resources and represents the basis for development of the financial plan (the budget). All of the funds can be divided into three categories: governmental, proprietary and fiduciary.

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 fiscal year-end. Such information may be meaningful in evaluating the city's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government'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 government-wide activities.

The city maintains 21 active individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the major funds: General Fund, Capital Projects TIF Districts, Capital Projects Bonded, Capital Projects Tax Levy, Debt Service TIF Districts, and the Debt Service GO Debt Fund. Information from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of the non-major government funds is provided in the form of combining statements elsewhere in the report.

The city adopts an annual appropriated budget for governmental funds including the general fund, certain special revenue funds, debt service funds, capital project funds and fiduciary funds. A budgetary comparison statement has been provided to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 25 - 31 in the report.

Proprietary funds: The city maintains two different types of proprietary funds. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements. The city uses enterprise funds to account for water utility, sewerage system, transit commission, parking facility, and boat facility. Internal service funds are used to accumulate and allocate funds internally among the city's various functions. Internal service funds are used to account for health self-insurance, worker compensation self-insurance, motor vehicle, data processing and general liability self-insurance.

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 sewerage system, water utility and transit commission, which are considered to be major funds. Information on the other enterprise funds are combined in a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 32 - 41 in the report.

Fiduciary funds: Fiduciary and Agency funds are used to account for resources held for the benefit of parties outside the government. Fiduciary and agency funds are included in the government-wide financial statements.

The basic agency fund financial statements can be found on page 42 of the 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 43 - 84 of the report.

Other Information: The required supplementary information relating to pensions and other post-employment benefits and the combining statements are presented immediately following the notes to the basic financial statements. The required supplementary information, combining and individual fund statements and schedules can be found on pages 85 - 125 of the report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The discussion and analysis requires focus on the current-year results in comparison with the prior year and discussion on any positive or negative variance.

The net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Sheboygan, assets and deferred outflows exceed liabilities and deferred inflows by \$206.8 million at the close of the most recent fiscal year.

The largest portion of the city's net position (63 percent) reflects the net investment in capital assets (e.g. land, buildings, improvements, infrastructure, machinery, etc.) at historic cost, less any outstanding related debt used to acquire the assets. The city uses the capital assets to provide services to the citizens; consequently, the assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that resources needed to repay the debt must be provided from other sources since the capital assets themselves cannot be used to liquidate the liabilities.

City of Sheboygan
Condensed Statements of Net Position
For the Year Ended December 31, 2018 and 2017
(in thousand of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 115,798	\$ 95,758	\$ 24,575	\$ 21,104	\$ 140,373	\$ 116,860
Capital assets, net	131,846	107,992	74,146	70,992	205,992	178,984
Total Assets	247,644	203,748	98,721	92,096	346,365	295,844
Deferred outflows of resources	11,323	13,017	1,986	2,298	13,309	15,315
Long-term liabilities outstanding	75,104	44,501	23,745	21,496	98,849	65,997
Other liabilities	8,664	6,752	3,380	1,528	12,044	8,280
Total Liabilities	83,768	51,253	27,125	23,024	110,893	74,277
Deferred inflows of resources	39,327	31,534	2,642	1,465	41,969	32,999
Net Position						
Net investment in capital assets	77,579	73,564	53,254	51,043	130,833	124,607
Restricted	35,153	18,798	1,497	366	36,650	19,164
Unrestricted	23,140	41,610	16,189	18,496	39,330	60,112
Total Net Position	\$ 135,872	\$ 133,978	\$ 70,940	\$ 69,905	\$ 206,812	\$ 203,883

The city's unrestricted position of \$39.3 million may be used to meet the ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the city is able to report positive balances in all categories of net positions; for the city as a whole, as well as for the separate governmental and business-type activities.

City of Sheboygan
Statement of Activities and Change in Net Position
For the Year Ended December 31, 2018 and 2017
(in thousand of dollars)

	Governmental		Business-type		Totals	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 7,976	\$ 7,867	\$ 18,875	\$ 17,073	\$ 26,851	\$ 24,940
Operating grants and contributions	6,216	5,725	2,853	2,800	9,069	8,525
Capital grants and contributions	143	1,125	79	327	222	1,452
General revenues:						
Taxes	25,880	24,116	512	512	26,392	24,628
Other taxes	1,966	1,894			1,966	1,894
Grants and contributions not restricted to specific programs	12,121	12,127			12,121	12,127
Other	2,049	1,116	326	206	2,375	1,322
Total revenue	56,351	53,970	22,645	20,918	78,996	74,888
Expenses:						
General government	4,652	4,708			4,652	4,708
Public safety	23,713	23,940			23,713	23,940
Public works	11,262	14,121			11,262	14,121
Health and human services	220	255			220	255
Culture and recreation	6,877	6,773			6,877	6,773
Conservation and development	5,060	8,172			5,060	8,172
Interest on long-term debt	1,234	1,066			1,234	1,066
Sewerage system			8,128	7,363	8,128	7,363
Water utility			6,430	5,982	6,430	5,982
Transit commission			4,157	4,385	4,157	4,385
Parking utility			444	461	444	461
Boat facility			143	190	143	190
Total expense	53,018	59,035	19,302	18,381	72,320	77,416
Increase (decrease) in net position before transfers	3,333	(5,065)	3,343	2,537	6,676	(2,528)
Net transfers	1,377	1,381	(1,377)	(1,381)	-	-
Change in net position	4,710	(3,684)	1,966	1,156	6,676	(2,528)
Net Position - January 1, as originally stated	133,878	137,662	69,905	68,749	203,883	206,411
Cumulative effect of change in accounting principle	(2,815)		(931)		(3,746)	
Net Position - January 1, as restated	131,163		68,974		200,137	
Net Position - December 31	\$ 135,873	\$ 133,978	\$ 70,940	\$ 69,905	\$ 206,813	\$ 203,883

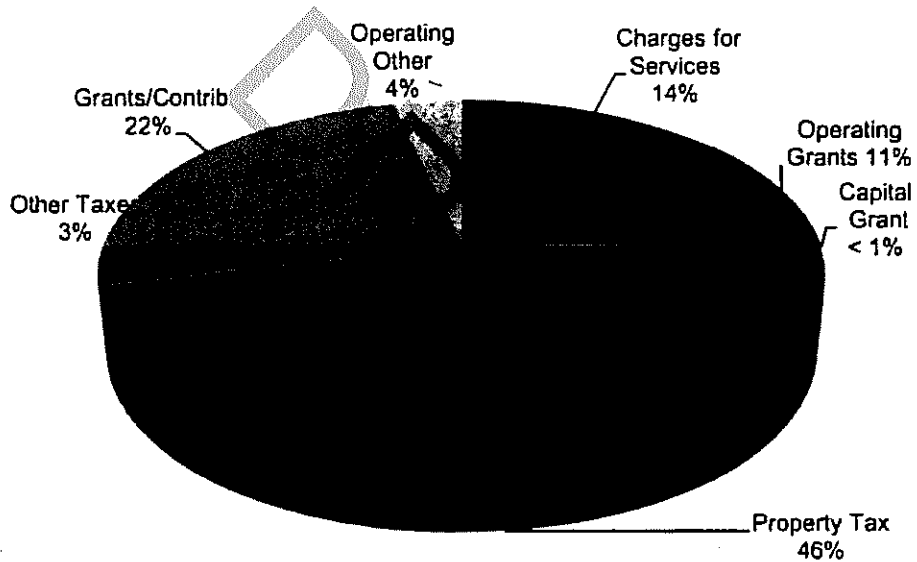
Governmental Activities

Governmental activities increased the city's net position by \$1.9 million (pages 23 - 24), net of the impact of the change in accounting principle due to the implementation of GASB Statement No. 75. Details of significant changes are listed below.

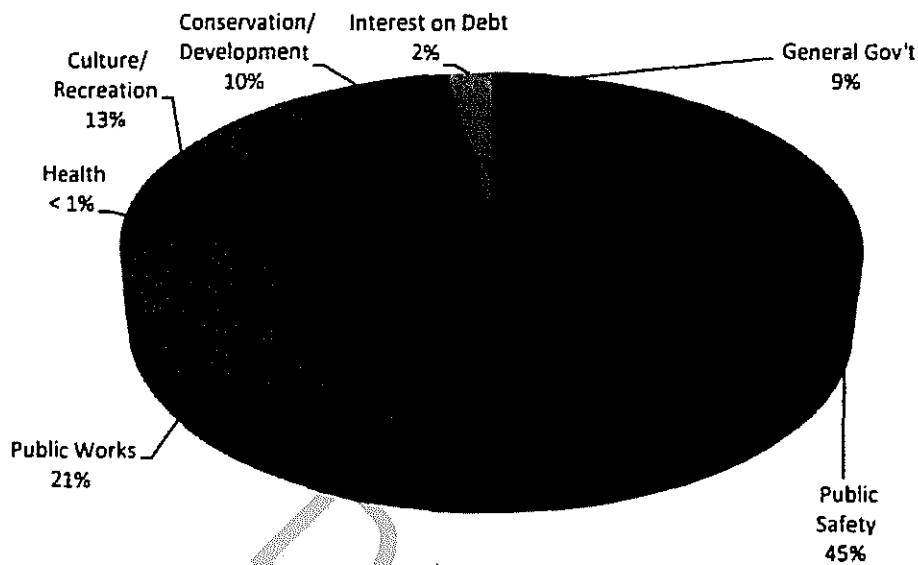
Key elements of change are as follows:

- Governmental activity general revenue taxes increased \$1.8 million, within property taxes and tax increment.
- Governmental activity expenses decreased \$6.0 million over 2017.
 - Public works activities decreased \$2.9 million, largely due to a reduction in noncapital street maintenance and repairs
 - Conservation and development decreased \$3.1 million, primarily due to a reduction in development project expenses and developer incentives.

Governmental activities operating revenue by source include \$25.9 million of tax revenue or 46 percent of total revenue. Operating grants and contribution revenues total \$6.2 million or 11 percent of revenues. The chart below illustrates the revenues by source.



Governmental activities operating expenses totaled \$53 million, a decrease of \$6 million over 2017. The chart below illustrates the largest expense of the city is 45 percent of total expenses for Public Safety.



Business-type Activities

Business-type activities increased the city's net position by \$1.0 million, net of the impact of the implementation of GASB Statement No. 75. Key elements of this change are as follows:

- The Water Utility recorded an increase in net position of \$1.9 million. Operating revenue exceeded operating expenses by \$3.6 million.
- The Sewerage System recorded an operating income of \$544 thousand.
- The Transit Commission, Parking Facility and Boat Facility each experienced reductions in net position totaling \$808 thousand, net of the impact of the implementation of GASB Statement No. 75.

Financial Analysis of the City of Sheboygan's Funds:

The city utilizes fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of city government is to provide information on near-term inflows, outflows and balances of spendable resources. The information is useful to assess financial requirements. The unassigned fund balance serves as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current year, the city's governmental funds reported combined ending fund balances of \$53.3 million, an increase of \$10.6 million. The unassigned fund balance, net of the Harbor Centre Marina and Capital Projects TIF Districts deficits, of \$16.5 million is available for spending at the Common Council's discretion. The remainder of the fund balance is categorized as follows:

- Non-spendable balances in the general fund for inventories and prepaid items (\$163 thousand); long-term accounts and interfund receivables (\$1.8 million); inventories and prepaid items in nonmajor governmental funds (\$98 thousand); cemetery perpetual care (\$909 thousand) and library trust (\$600 thousand).
- Restricted in the amount of \$23.1 million as a result of external restrictions or enabling legislation.
- Committed by the Common Council for development purposes in the amount of \$350 thousand.
- Assigned by the Common Council in the amount of \$14.1 million. In the general fund, \$1,165,778 is assigned for subsequent year expenditures.

The General Fund is the main operating fund of the city. At the end of the current year the assigned and unassigned fund balance of the General Fund was \$17.6 million and the total fund balance was \$20.0 million. As a measure of funds liquidity, it may be useful to compare both assigned and unassigned fund balances and total fund balance to the total fund's expenditures. Liquid fund balance represents 48 percent of the total fund expenditures, while total fund balance represents 55 percent of the same amount.

The Common Council by resolution established a policy to maintain the General Fund unassigned fund balance at an amount of 25 percent of the subsequent years general fund expenditures, not including debt service. The objective of the city is to preserve the credit worthiness of the city for issuing debt at favorable interest rates and to provide working capital to meet cash flow needs during the year.

Proprietary Funds: The statements of the proprietary funds provide the same type of information found in the government-wide financial statements. Unrestricted net position of all the proprietary operations at the end of the year amounted to \$16.1 million, a decrease of \$2.1 million from 2017. Factors concerning the operational results of these funds have already been discussed in the discussion of the city's business-type activities.

General Fund Budgetary Highlights

General Fund revenues exceeded the final budget by \$970 thousand, of which \$399 thousand is attributable to intergovernmental revenues and \$327 thousand is attributable to licenses and permits. Operating expenditures were \$1.3 million under budgeted, of which \$547 thousand was general government and \$630 thousand was public safety.

Capital Assets and Debt Administration

Capital assets: The city's investment in capital assets for the governmental and business-type activities at the end of the current year totaled \$206 million (net of depreciation). The investment in assets include land, building, machinery, equipment and infrastructure. The chart below compares 2018 to 2017 capital assets.

City of Sheboygan Capital Assets
For the Year Ended December 31, 2018 and 2017
(In thousand of dollars)

	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Land	\$ 18,959	\$ 16,384	\$ 1,129	\$ 948	\$ 20,088	\$ 17,312
Building and improvements	16,429	16,443	6,605	7,155	23,034	23,598
Improvements other than buildings	7,870	8,131	6,310	6,382	14,180	14,513
Machinery and equipment	8,104	6,938	7,640	7,867	15,744	14,805
Infrastructure	62,805	60,076	47,915	39,480	110,720	99,556
Construction in progress	17,879	40	4,547	9,160	22,226	9,200
Total Capital Assets	\$ 131,846	\$ 107,992	\$ 74,146	\$ 70,992	\$ 205,992	\$ 178,984

Additional information on the city's capital assets can be found on Note 3. C of the notes to the financial statements on pages 57 - 58 of the report.

Long-term Debt: The City of Sheboygan's total general obligation debt outstanding at fiscal year-end 2018 was \$44.9 million, all backed by the full faith and credit of the government. The city maintains a Aa2 credit rating by Moody's Investors Service.

State statutes limit the amount of general obligation debt a governmental entity may issue to five percent of the total equalized valuation. The outstanding debt limit for the City of Sheboygan as of December 31, 2018 was \$140 million based on the 2018 equalized valuation of \$2.8 billion. The Common Council has established a policy to maintain outstanding debt in an amount not exceeding 60 percent of the city's aggregate statutory borrowing limited prescribed by State Statute.

The city issued \$6.335 million of general obligation notes, \$5.015 million refunding bonds and \$3.8 million of taxable refunding bonds with the refunding taking place January 2019. General obligation debt totaled \$44.9 million at fiscal year-end 2018, which is 1.6 percent of the city's equalized valuation.

Additional information on the city's long-term debt can be found in Note 3.E on pages 61 - 62 of the report.

Economic Factors and Next Year's Budget Rates

The city's annual unemployment rate of 2.1 percent for December 2018 is favorable in comparison to the State of Wisconsin's rate of 2.9 percent. The economic outlook is slow steady growth.

- Residential units totaling \$52.2 million are in various phases of construction to address both market rate housing and affordable housing needs. Ten single-family homes were constructed in 2018 at a value of \$2.1 million.
- City wage rates are budgeted to increase 2.25 percent in 2019 and the health insurance budgeted 3 percent increase. All employees contribute to the WI Retirement defined benefit plan, with the city matching the employer share of contribution.
- The city bargains with four unions and associations, the Sheboygan Professional Police Officers Association; Sheboygan Professional Police Officers Supervisory Association, International Association of Firefighters Local 483 and Amalgamated Transit Union #998. The contract terms for the two Police Associations and the Transit Union expire on December 31, 2019 and the Association of Firefighters expires on December 31, 2020.
- The city anticipates Moody's Investors Service will retain the Aa2 level.
- The capital improvement plan for 2018 anticipates borrowing \$5.2 million in 2019.

All of the above factors were consideration in preparation of the 2019 budget.

Requests for Information

The financial report is designed to provide a general overview of the City of Sheboygan's finances for all those with an interest. Additional information on items provided in the report can be requested in writing addressed to the City of Sheboygan Finance Department, 828 Center Avenue, Sheboygan WI 53081 or viewed on the city website www.sheboyganwi.gov under the Finance Department.

City of Sheboygan, Wisconsin

**STATEMENT OF NET POSITION
DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	Governmental Activities	Business-type Activities	Totals		Component Unit Housing Authority
			2018	2017	
ASSETS					
Cash and investments	\$ 68,218,975	\$ 18,322,185	\$ 86,541,160	\$ 68,335,725	\$ 4,154,873
Receivables					
Taxes and special charges	27,350,936	652,992	28,003,928	26,971,621	-
Delinquent taxes	46,371	-	46,371	24,263	-
Accounts, net	1,654,219	2,702,764	4,356,983	3,622,980	29,836
Special assessments	702,224	534,003	1,236,227	1,323,432	-
Loans	7,746,585	-	7,746,585	8,751,921	-
Other	635	25,114	25,749	107,246	-
Internal balances	1,164,439	(1,164,439)	-	-	-
Due from other governments	275,987	477,159	753,146	3,417,346	47,167
Inventories and prepaid items	310,182	273,740	583,922	1,153,269	34,578
Investment in CVMIC	2,205,665	-	2,205,665	2,205,665	-
Restricted assets					
Cash and investments	-	1,675,291	1,675,291	947,375	103,622
Net pension asset	6,121,397	1,076,471	7,197,868	-	72,435
Capital assets, nondepreciable	36,637,870	5,676,056	42,313,926	26,511,584	499,026
Capital assets, depreciable	95,208,252	68,469,615	163,677,867	152,472,424	2,566,405
Total assets	247,643,737	98,720,951	346,364,688	295,844,851	7,507,942
DEFERRED OUTFLOWS OF RESOURCES					
Pension related amounts	11,169,489	1,939,364	13,108,853	15,315,762	113,338
Other postemployment related amounts	153,356	46,625	199,981	-	-
Total deferred outflows of resources	11,322,845	1,985,989	13,308,834	15,315,762	113,338
LIABILITIES					
Accounts payable	5,325,047	2,853,438	8,178,485	4,039,622	8,697
Accrued and other current liabilities	2,632,151	383,825	3,015,976	3,099,806	112,275
Due to other governments	11,105	2,798	13,903	425,117	-
Accrued interest payable	414,602	101,088	515,690	433,084	-
Special deposits	170,975	27,717	198,692	106,973	80,270
Unearned revenues	109,664	11,109	120,773	176,723	5,412
Long-term obligations					
Due within one year	6,172,487	1,553,507	7,725,994	8,787,243	-
Due in more than one year					
Long-term debt	64,196,125	21,192,374	85,388,499	53,587,100	-
Net pension liability	-	-	-	1,988,213	-
Other postemployment benefits	4,735,628	999,161	5,734,789	1,634,963	-
Total liabilities	83,767,784	27,125,017	110,892,801	74,278,844	206,654
DEFERRED INFLOWS OF RESOURCES					
Property taxes levied for subsequent year	27,212,673	511,547	27,724,220	26,713,233	-
Pension related amounts	12,071,356	2,122,795	14,194,151	6,285,679	151,362
Other postemployment related amounts	42,612	7,494	50,106	-	-
Total deferred inflows of resources	39,326,641	2,641,836	41,968,477	32,998,912	151,362
NET POSITION					
Net investment in capital assets	77,578,773	53,253,767	130,832,540	124,606,952	3,065,431
Restricted					
Debt service	18,758,359	420,518	19,178,877	7,130,954	-
Pension	6,121,397	1,076,471	7,197,868	-	-
Tax incremental financing districts	-	-	-	1,971,450	-
Community development	7,827,915	-	7,827,915	8,034,681	17,940
Library	936,724	-	936,724	550,088	-
Nonexpendable					
Cemetery care	908,758	-	908,758	876,888	-
Library trust	600,000	-	600,000	600,000	-
Unrestricted	23,140,231	16,189,331	39,329,562	60,111,844	4,179,893
Total net position	\$ 135,872,157	\$ 70,940,087	\$ 206,812,244	\$ 203,882,857	\$ 7,263,264

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

City of Sheboygan, Wisconsin

STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General government	\$ 4,651,889	\$ 1,315,736	\$ 60	\$ -
Public safety	23,712,829	2,909,828	704,521	-
Public works	11,262,180	2,244,020	3,027,536	133,547
Health and human services	220,436	110,246	-	-
Culture and recreation	6,877,001	701,704	1,322,813	9,846
Conservation and development	5,059,653	694,191	1,160,854	-
Interest and fiscal charges	1,234,017	-	-	-
Total governmental activities	<u>53,018,005</u>	<u>7,975,725</u>	<u>6,215,784</u>	<u>143,393</u>
BUSINESS-TYPE ACTIVITIES				
Sewerage system	8,127,548	8,359,683	-	78,955
Water utility	6,429,683	9,308,950	305,253	-
Transit commission	4,157,262	748,552	2,547,839	-
Parking facility	444,173	400,588	-	-
Boat facility	142,896	57,198	-	-
Total business-type activities	<u>19,301,562</u>	<u>18,874,971</u>	<u>2,853,092</u>	<u>78,955</u>
Total primary government	<u>\$ 72,319,567</u>	<u>\$ 26,850,696</u>	<u>\$ 9,068,876</u>	<u>\$ 222,348</u>
Component Unit				
Housing Authority	<u>\$ 2,295,763</u>	<u>\$ 1,145,040</u>	<u>\$ 981,421</u>	<u>\$ 637,108</u>
General revenues				
Taxes				
Property taxes				
Tax increments				
Other taxes				
Federal and state grants and other contributions not restricted to specific functions				
Interest and investment earnings				
Miscellaneous				
Gain on sale of assets				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position - January 1, as originally reported				
Cumulative effect of change in accounting principle				
Net position - January 1, as restated				
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		Totals		Component Unit
Governmental Activities	Business-type Activities	2018	2017	Housing Authority
\$ (3,336,093)	\$ -	\$ (3,336,093)	\$ (2,935,332)	\$ -
(20,098,480)	-	(20,098,480)	(20,668,119)	-
(5,857,077)	-	(5,857,077)	(8,548,687)	-
(110,190)	-	(110,190)	(148,289)	-
(4,842,638)	-	(4,842,638)	(5,155,865)	-
(3,204,608)	-	(3,204,608)	(5,796,511)	-
(1,234,017)	-	(1,234,017)	(1,066,364)	-
<u>(38,683,103)</u>	<u>-</u>	<u>(38,683,103)</u>	<u>(44,319,167)</u>	<u>-</u>
-	311,090	311,090	(154,516)	-
-	3,184,520	3,184,520	3,111,532	-
-	(860,871)	(860,871)	(938,911)	-
-	(43,585)	(43,585)	(69,983)	-
-	(85,698)	(85,698)	(127,954)	-
-	<u>2,505,456</u>	<u>2,505,456</u>	<u>1,820,168</u>	<u>-</u>
<u>(38,683,103)</u>	<u>2,505,456</u>	<u>(36,177,647)</u>	<u>(42,498,999)</u>	<u>-</u>
-	-	-	-	<u>467,806</u>
22,812,930	511,547	23,324,477	22,150,349	-
3,066,752	-	3,066,752	2,477,794	-
1,965,685	-	1,965,685	1,894,134	-
12,120,530	-	12,120,530	12,127,317	-
1,217,610	253,399	1,471,009	853,109	23,044
129,223	55,993	185,216	233,714	-
702,034	16,983	719,017	234,916	-
1,377,226	(1,377,226)	-	-	-
<u>43,391,990</u>	<u>(539,304)</u>	<u>42,852,686</u>	<u>39,971,333</u>	<u>23,044</u>
<u>4,708,887</u>	<u>1,966,152</u>	<u>6,675,039</u>	<u>(2,527,666)</u>	<u>490,850</u>
133,978,286	69,904,571	203,882,857	206,410,523	6,772,414
<u>(2,815,016)</u>	<u>(930,636)</u>	<u>(3,745,652)</u>	<u>-</u>	<u>-</u>
<u>131,163,270</u>	<u>68,973,935</u>	<u>200,137,205</u>	<u>206,410,523</u>	<u>6,772,414</u>
<u>\$ 135,872,157</u>	<u>\$ 70,940,087</u>	<u>\$ 206,812,244</u>	<u>\$ 203,882,857</u>	<u>\$ 7,263,264</u>

City of Sheboygan, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	General	Capital Projects TIF Districts	Capital Projects Bonded	Capital Projects Tax Levy
ASSETS				
Cash and investments	\$ 17,569,865	\$ 3,072,322	\$ 2,463,486	\$ 9,044,572
Receivables				
Taxes and special charges	16,573,968	-	-	892,025
Delinquent taxes	46,371	-	-	-
Accounts, net	550,549	-	-	34,991
Special assessments	142,387	-	-	-
Loans	10,000	-	-	467,966
Other	-	-	-	-
Due from other funds	1,217,125	-	-	-
Advance to other funds	2,380,220	-	-	456,761
Due from other governments	103,524	-	31,900	140,563
Inventories and prepaid items	162,865	-	-	-
Total assets	\$ 38,756,874	\$ 3,072,322	\$ 2,495,386	\$ 11,036,878
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 574,155	\$ 2,618,240	\$ 1,094,148	\$ 541,620
Accrued and other current liabilities	1,537,052	298	-	-
Due to other funds	-	-	-	-
Advance from other funds	-	1,534,317	-	-
Due to other governments	11,105	-	-	-
Special deposits	88,087	-	-	-
Unearned revenues	-	-	-	109,664
Total liabilities	2,210,399	4,152,855	1,094,148	651,284
Deferred inflows of resources				
Property taxes levied for subsequent year	16,435,705	-	-	892,025
Accounts receivable	-	-	-	-
Loans receivable	-	-	-	467,966
Special assessments	135,996	-	-	-
Total deferred inflows of resources	16,571,701	-	-	1,359,991
Fund balances				
Nonspendable	2,000,830	-	-	-
Restricted	-	-	1,401,238	-
Committed	350,000	-	-	-
Assigned	1,165,778	-	-	9,025,603
Unassigned	16,458,166	(1,080,533)	-	-
Total fund balances	19,974,774	(1,080,533)	1,401,238	9,025,603
Total liabilities, deferred inflows of resources, and fund balances	\$ 38,756,874	\$ 3,072,322	\$ 2,495,386	\$ 11,036,878

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

Debt Service GO Debt	Debt Service TIF Districts	Other Governmental Funds	Totals	
			2018	2017
\$ 9,330,236	\$ 7,748,122	\$ 7,853,738	\$ 57,082,341	\$ 41,741,615
3,421,889	3,953,733	2,509,321	27,350,936	26,342,880
-	-	-	46,371	24,263
-	10,099	955,340	1,550,979	1,620,833
-	-	559,837	702,224	829,819
-	103,448	7,165,171	7,746,585	8,751,921
-	587	48	635	64,059
2,811,581	-	-	4,028,706	5,423,262
382,379	-	-	3,219,360	3,044,963
-	-	-	275,987	1,424,461
-	-	98,161	261,026	782,192
<u>\$ 15,946,085</u>	<u>\$ 11,815,989</u>	<u>\$ 19,141,616</u>	<u>\$ 102,265,150</u>	<u>\$ 90,050,268</u>

\$ -	\$ -	\$ 328,298	\$ 5,156,461	\$ 2,748,237
-	-	136,689	1,674,039	1,826,492
-	-	2,811,581	2,811,581	4,256,785
-	1,110,043	575,000	3,219,360	3,044,963
-	-	-	11,105	421,967
-	-	82,888	170,975	99,473
-	-	-	109,664	166,041
-	1,110,043	3,934,456	13,153,185	12,563,958

3,421,889	3,953,733	2,509,321	27,212,673	26,201,686
-	-	142,564	142,564	168,512
-	103,448	7,165,171	7,736,585	7,545,156
-	-	556,143	692,139	819,845
<u>3,421,889</u>	<u>4,057,181</u>	<u>10,373,199</u>	<u>35,783,961</u>	<u>34,735,199</u>

-	-	1,606,919	3,607,749	4,476,668
12,524,196	6,648,765	2,478,187	23,052,386	12,425,360
-	-	-	350,000	350,000
-	-	3,859,872	14,051,253	9,231,180
-	-	(3,111,017)	12,266,616	16,267,903
<u>12,524,196</u>	<u>6,648,765</u>	<u>4,833,961</u>	<u>53,328,004</u>	<u>42,751,111</u>

<u>\$ 15,946,085</u>	<u>\$ 11,815,989</u>	<u>\$ 19,141,616</u>	<u>\$ 102,265,150</u>	<u>\$ 90,050,268</u>
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City of Sheboygan, Wisconsin

**BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	<u>2018</u>	<u>2017</u>
RECONCILIATION TO THE STATEMENT OF NET POSITION		
Total fund balances as shown on previous page	\$ 53,328,004	\$ 42,751,111
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.	127,164,361	103,041,392
Other long-term assets are not available to pay current period expenditures and therefore are deferred in the funds.	8,571,288	8,533,513
Net position of the internal service fund is reported in the statement of net position as governmental activities	17,106,197	16,985,746
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	10,840,709	12,624,709
Deferred inflows related to pensions	(11,705,992)	(5,167,993)
Deferred outflows related to other postemployment benefits	148,715	-
Deferred inflows related to other postemployment benefits	(41,322)	-
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and notes payable	(64,799,238)	(36,198,965)
Premium on debt	(942,270)	(296,050)
Discount on debt	46,053	52,896
Capital leases	(718,978)	(928,938)
Compensated absences	(3,954,179)	(3,808,477)
Net pension liability (asset)	5,936,120	(1,634,679)
Other postemployment benefit	(4,692,709)	(1,634,963)
Accrued interest on long-term obligations	(414,602)	(341,016)
Net position of governmental activities as reported on the Statement of Net Position (see page 22)	<u>\$ 135,872,157</u>	<u>\$ 133,978,286</u>

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

City of Sheboygan, Wisconsin

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	General	Capital Projects TIF Districts	Capital Projects Bonded	Capital Projects Tax Levy
REVENUES				
Taxes	\$ 16,469,774	\$ -	\$ -	\$ 1,661,306
Special assessments	-	-	-	-
Intergovernmental	14,637,627	-	31,899	670,606
Licenses and permits	1,206,901	-	-	-
Fines and forfeits	275,140	-	-	-
Public charges for services	1,592,665	-	-	-
Intergovernmental charges for services	292,357	-	-	-
Miscellaneous	616,860	129,840	156,471	600,349
Total revenues	35,091,324	129,840	188,370	2,932,261
EXPENDITURES				
Current				
General government	3,523,721	-	-	-
Public safety	21,258,978	-	-	-
Public works	8,550,172	-	-	-
Health and human services	188,887	-	-	-
Culture and recreation	2,589,426	-	-	-
Conservation and development	348,915	1,018,476	45,650	441,500
Debt service				
Principal	-	-	-	-
Interest and fiscal charges	-	55,843	61,968	-
Capital outlay	-	14,348,851	9,578,341	4,527,920
Total expenditures	36,460,099	15,423,170	9,685,959	4,969,420
Excess of revenues under expenditures	(1,368,775)	(15,293,330)	(9,497,589)	(2,037,159)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	15,220,000	10,020,000	-
Premium on debt issued	-	-	-	-
Proceeds from sale of capital assets	20,147	-	166,500	510,186
Transfers in	2,928,072	-	-	5,712,500
Transfers out	(5,505,575)	-	(949,000)	(4,669)
Total other financing sources (uses)	(2,557,356)	15,220,000	9,237,500	6,218,017
Net change in fund balances	(3,926,131)	(73,330)	(260,089)	4,180,858
Fund balances - January 1	23,900,905	(1,007,203)	1,661,327	4,844,745
Fund balances - December 31	\$ 19,974,774	\$ (1,080,533)	\$ 1,401,238	\$ 9,025,603

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

Debt Service GO Debt	Debt Service TIF Districts	Other Governmental Funds	Totals	
			2018	2017
\$ 3,196,889	\$ 3,147,970	\$ 4,094,227	\$ 28,570,166	\$ 26,756,102
-	-	226,253	226,253	434,350
-	54,428	1,413,445	16,808,005	17,836,401
-	-	554,735	1,761,636	1,639,596
-	-	922,173	1,197,313	1,060,330
-	-	2,384,215	3,976,880	4,182,988
-	-	-	292,357	243,797
<u>573,255</u>	<u>119,890</u>	<u>1,188,291</u>	<u>3,384,956</u>	<u>2,160,750</u>
<u>3,770,144</u>	<u>3,322,288</u>	<u>10,783,339</u>	<u>56,217,566</u>	<u>54,314,314</u>
150	-	503,261	4,027,132	3,658,688
-	-	641,036	21,900,014	20,768,135
-	-	995,336	9,545,508	9,108,029
-	-	16,570	205,457	233,765
-	-	3,530,475	6,119,901	6,030,421
-	390,000	1,516,653	3,761,194	4,815,415
3,437,772	2,134,951	91,964	5,664,687	5,248,574
879,863	375,595	14,492	1,387,761	1,103,002
-	-	622,942	29,078,054	11,356,340
<u>4,317,785</u>	<u>2,900,546</u>	<u>7,932,729</u>	<u>81,689,708</u>	<u>62,322,369</u>
<u>(547,641)</u>	<u>421,742</u>	<u>2,850,610</u>	<u>(25,472,142)</u>	<u>(8,008,055)</u>
5,015,000	3,800,000	-	34,055,000	5,400,000
260,406	483,573	-	743,979	118,130
-	-	-	696,833	706,515
915,434	-	229,367	9,785,373	7,318,731
<u>(225,000)</u>	<u>(28,000)</u>	<u>(2,519,906)</u>	<u>(9,232,150)</u>	<u>(6,761,269)</u>
<u>5,965,840</u>	<u>4,255,573</u>	<u>(2,290,539)</u>	<u>36,049,035</u>	<u>6,782,107</u>
5,418,199	4,677,315	560,071	10,576,893	(1,225,948)
<u>7,105,997</u>	<u>1,971,450</u>	<u>4,273,890</u>	<u>42,751,111</u>	<u>43,977,059</u>
<u>\$ 12,524,196</u>	<u>\$ 6,648,765</u>	<u>\$ 4,833,961</u>	<u>\$ 53,328,004</u>	<u>\$ 42,751,111</u>

City of Sheboygan, Wisconsin

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	2018	2017
RECONCILIATION TO THE STATEMENT OF ACTIVITIES		
Net change in fund balances as shown on previous page	\$ 10,576,893	\$ (1,225,948)
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	28,653,741	6,286,753
Depreciation expense reported in the statement of activities	(4,530,772)	(4,178,205)
Net book value of disposals	-	(517,400)
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.	37,775	(457,815)
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	(34,055,000)	(5,400,000)
Premium on debt issued	(743,979)	(118,130)
Principal repaid	5,454,727	5,045,588
Capital leases paid	209,960	202,986
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	(73,586)	3,398
Amortization of premiums, discounts and loss on advance refunding	90,916	33,690
Compensated absences	(145,702)	(764,528)
Net pension liability / asset	7,570,799	1,643,342
Deferred outflows of resources related to pensions	(1,784,000)	(5,597,627)
Deferred inflows of resources related to pensions	(6,537,999)	1,762,219
Other postemployment benefits	(242,730)	(129,102)
Deferred outflows of resources related to other postemployment benefits	148,715	-
Deferred inflows of resources related to other postemployment benefits	(41,322)	-
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.	120,451	(272,665)
Change in net position of governmental activities as reported in the statement of activities (see pages 23 - 24)	<u>\$ 4,708,887</u>	<u>\$ (3,683,444)</u>

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

City of Sheboygan, Wisconsin

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED DECEMBER 31, 2017**

	Budget		Actual	Variance Final Budget - Positive (Negative)	2017 Actual
	Original	Final			
REVENUES					
Taxes	\$ 16,444,228	\$ 16,444,228	\$ 16,469,774	\$ 25,546	\$ 15,617,479
Intergovernmental	14,235,784	14,238,293	14,637,627	399,334	14,258,858
Licenses and permits	879,850	879,850	1,206,901	327,051	1,069,635
Fines and forfeits	269,000	288,789	275,140	(13,649)	354,853
Public charges for services	1,586,196	1,587,059	1,592,665	5,606	1,690,374
Intergovernmental charges for services	262,000	262,000	292,357	30,357	243,797
Miscellaneous	393,615	421,422	616,860	195,438	430,267
Total revenues	34,070,673	34,121,641	35,091,324	969,683	33,665,263
EXPENDITURES					
Current					
General government	3,968,519	4,070,953	3,523,721	547,232	3,221,641
Public Safety	20,792,897	21,889,330	21,258,978	630,352	20,153,962
Public Works	8,615,207	8,670,456	8,550,172	120,284	8,359,079
Health and human services	192,440	193,622	188,887	4,735	221,626
Culture and Recreation	2,566,224	2,603,334	2,589,426	13,908	2,502,128
Conservation and development	333,009	351,003	348,915	2,088	646,478
Total expenditures	36,468,296	37,778,698	36,460,099	1,318,599	35,104,914
Excess of revenues over (under) expenditures	(2,397,623)	(3,657,057)	(1,368,775)	2,288,282	(1,439,651)
OTHER FINANCING SOURCES (USES)					
Proceeds from sale of capital assets	-	175	20,147	19,972	10,065
Transfers in	2,895,454	2,895,454	2,928,072	32,618	2,811,255
Transfers out	(1,180,878)	(5,502,601)	(5,505,575)	(2,974)	(7,860)
Total other financing sources (uses)	1,714,576	(2,606,972)	(2,557,356)	49,616	2,813,460
Net change in fund balance	(683,047)	(6,264,029)	(3,926,131)	2,337,898	1,373,809
Fund balances - January 1	23,900,905	23,900,905	23,900,905	-	22,527,096
Fund balances - December 31	\$ 23,217,858	\$ 17,636,876	\$ 19,974,774	\$ 2,337,898	\$ 23,900,905

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

City of Sheboygan, Wisconsin

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	Enterprise Funds			
	Sewerage System	Water Utility	Transit Commission	Nonmajor Funds
ASSETS				
Current assets				
Cash and investments	\$ 6,848,371	\$ 7,991,388	\$ 3,004,402	\$ 478,024
Receivables				
Taxes and special charges	119,751	-	511,547	21,694
Customer accounts, net	1,433,935	1,218,756	3,404	46,669
Special assessments	-	-	-	84,676
Other	-	25,114	-	-
Due from other governments	-	203,366	273,793	-
Inventories and prepaid items	-	265,536	8,204	-
Total current assets	8,402,057	9,704,160	3,801,350	631,063
Noncurrent assets				
Restricted assets				
Cash and investments	-	1,675,291	-	-
Other assets				
Deferred special assessments	-	449,327	-	-
Investment in CVMIC	-	-	-	-
Net pension asset	278,914	307,084	392,227	18,246
Total other assets	278,914	836,411	392,227	18,246
Capital assets				
Nondepreciable	2,324,858	2,599,186	35,754	716,258
Depreciable	22,515,683	44,388,095	439,132	1,126,705
Total capital assets	24,840,541	46,987,281	474,886	1,842,963
Total noncurrent assets	25,119,455	49,498,983	867,113	1,861,209
Total assets	33,521,512	59,203,143	4,668,463	2,492,272
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	501,651	699,746	704,602	33,365
Other postemployment related amounts	6,987	29,355	9,826	457
Total deferred outflows of resources	508,638	729,101	714,428	33,822

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

Totals		Governmental Activities - Internal Service Funds	
2018	2017	2018	2017
\$ 18,322,185	\$ 15,667,999	\$ 11,136,634	\$ 10,926,111
652,992	628,741	-	-
2,702,764	1,973,037	103,240	29,110
84,676	130,430	-	-
25,114	29,827	-	13,360
477,159	1,992,885	-	-
273,740	323,654	49,156	47,423
<u>22,538,630</u>	<u>20,746,573</u>	<u>11,289,030</u>	<u>11,016,004</u>
<u>1,675,291</u>	<u>947,375</u>	<u>-</u>	<u>-</u>
449,327	363,183	-	-
-	-	2,205,665	2,205,665
1,076,471	-	185,277	-
<u>1,525,798</u>	<u>363,183</u>	<u>2,390,942</u>	<u>2,205,665</u>
5,676,056	10,107,397	-	-
68,469,615	60,884,139	4,681,761	4,951,080
<u>74,145,671</u>	<u>70,991,536</u>	<u>4,681,761</u>	<u>4,951,080</u>
<u>77,346,760</u>	<u>72,302,094</u>	<u>7,072,703</u>	<u>7,156,745</u>
<u>99,885,390</u>	<u>93,048,667</u>	<u>18,361,733</u>	<u>18,172,749</u>
1,939,364	2,298,326	328,780	392,727
46,625	-	4,641	-
<u>1,985,989</u>	<u>2,298,326</u>	<u>333,421</u>	<u>392,727</u>

City of Sheboygan, Wisconsin

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	Enterprise Funds			
	Sewerage System	Water Utility	Transit Commission	Nonmajor Funds
LIABILITIES				
Current liabilities				
Accounts payable	\$ 2,568,809	\$ 185,797	\$ 69,947	\$ 28,885
Accrued and other current liabilities	122,852	143,850	112,156	4,967
Due to other funds	-	1,158,106	-	59,019
Due to other governments	-	-	-	2,798
Accrued interest	36,274	6,017	-	-
Deposits	-	-	6,492	21,225
Unearned revenue	11,019	-	-	90
Current portion of compensated absences	-	11,197	-	-
Current portion of long-term debt	551,344	16,138	-	-
Payable from restricted assets	-	-	-	-
Current portion of long-term debt	-	974,828	-	-
Accrued interest	-	58,797	-	-
Total current liabilities	3,290,298	2,554,730	188,595	116,984
Long-term obligations, less current portion				
General obligation debt	-	169,253	-	-
Revenue bonds	8,827,011	11,734,697	-	-
Capital lease payable	-	-	-	-
Compensated absences	-	461,413	-	-
Net pension liability	-	-	-	-
Other postemployment benefits	180,341	299,388	515,205	4,227
Total long-term liabilities	9,007,352	12,664,751	515,205	4,227
Total liabilities	12,297,650	15,219,481	703,800	121,211
DEFERRED INFLOWS OF RESOURCES				
Special charges on subsequent year tax roll	-	-	511,547	-
Pension related amounts	550,017	763,328	773,470	35,980
Other postemployment related amounts	1,942	2,695	2,730	127
Total deferred inflows of resources	551,959	766,023	1,287,747	36,107
NET POSITION				
Net investment in capital assets	15,462,186	34,277,756	474,886	1,842,963
Restricted	-	-	-	-
Debt service	-	420,518	-	-
Pension	278,914	387,084	392,227	18,246
Unrestricted	5,439,441	7,665,406	2,524,231	507,567
Total net position	\$ 21,180,541	\$ 43,946,740	\$ 3,391,344	\$ 2,368,776

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds
 Net position as reported on the Statement of Net Position in the government-wide financial statements

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

Totals		Governmental Activities - Internal Service Funds	
2018	2017	2018	2017
\$ 2,853,438	\$ 1,144,718	\$ 168,586	\$ 146,667
383,825	270,892	958,112	1,002,422
1,217,125	1,166,477	-	-
2,798	3,150	-	-
42,291	42,309	-	-
27,717	7,500	-	-
11,109	10,682	-	-
11,197	53,448	-	-
567,482	532,504	-	-
974,828	887,574	-	-
58,797	49,759	-	-
<u>6,150,607</u>	<u>4,169,013</u>	<u>1,126,698</u>	<u>1,149,089</u>
169,253	185,390	-	-
20,561,708	19,075,614	-	-
-	-	-	-
461,413	460,279	-	-
-	301,501	-	52,033
999,161	-	42,919	-
<u>22,191,535</u>	<u>20,022,784</u>	<u>42,919</u>	<u>52,033</u>
<u>28,342,142</u>	<u>24,191,797</u>	<u>1,169,617</u>	<u>1,201,122</u>
511,547	511,547	-	-
2,122,795	953,187	365,364	164,499
7,494	-	1,290	-
<u>2,641,836</u>	<u>1,464,734</u>	<u>366,654</u>	<u>164,499</u>
53,253,767	51,042,712	4,681,761	4,951,080
420,518	365,973	-	-
1,076,471	-	185,277	-
16,136,645	18,281,777	12,291,845	12,248,775
\$ 70,887,401	\$ 69,690,462	\$ 17,158,883	\$ 17,199,855
52,686	214,109	(52,686)	(214,109)
<u>\$ 70,940,087</u>	<u>\$ 69,904,571</u>	<u>\$ 17,106,197</u>	<u>\$ 16,985,746</u>

City of Sheboygan, Wisconsin

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds			
	Sewerage System	Water Utility	Transit Commission	Nonmajor Funds
OPERATING REVENUES				
Charges for services	\$ 8,285,470	\$ 9,094,681	\$ 673,550	\$ 451,666
Interdepartmental charges for services	-	-	-	-
Other	74,213	214,269	75,002	6,120
Total operating revenues	8,359,683	9,308,950	748,552	457,786
OPERATING EXPENSES				
Personal services	2,063,164	2,071,499	2,932,438	191,729
Contractual services	2,455,110	1,490,259	239,035	272,833
Supplies and materials	925,190	262,272	581,718	43,221
Insurance	53,069	83,147	109,193	647
Other	719,405	278,398	81	5,594
Depreciation	1,599,543	1,527,005	235,856	66,368
Total operating expenses	7,815,481	5,712,580	4,098,321	580,392
Operating income (loss)	544,202	3,596,370	(3,349,769)	(122,606)
NONOPERATING REVENUES (EXPENSES)				
General property taxes	-	-	511,547	-
Interest income	156,261	60,544	33,426	3,168
Nonoperating grants	-	305,253	2,547,839	-
Nonoperating grants expense	-	(304,278)	-	-
Gain on disposal of capital assets	12,609	-	-	4,374
Interest and fiscal charges	(216,262)	(441,959)	-	-
Amortization of debt discount/premium	-	29,134	-	-
Interest charged to construction	-	-	-	-
Other nonoperating revenues	-	-	55,993	-
Total nonoperating revenues (expenses)	(47,392)	(351,306)	3,148,805	7,542
Income (loss) before contributions and transfers	496,810	3,245,064	(200,964)	(115,064)
Capital contributions	78,955	-	-	-
Transfers in	-	-	-	5,877
Transfers out	(256,329)	(1,126,774)	-	-
Change in net position	319,436	2,118,290	(200,964)	(109,187)
Net position - January 1, as originally stated	21,028,837	42,093,392	4,086,781	2,481,452
Cumulative effect of change in accounting principle	(167,732)	(264,942)	(494,473)	(3,489)
Net position - January 1, as restated	20,861,105	41,828,450	3,592,308	2,477,963
Net position - December 31	\$ 21,180,541	\$ 43,946,740	\$ 3,391,344	\$ 2,368,776

Change in net position, as reported above
 Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds
 Change in net position as reported on the Statement of Activities in the government-wide financial statements

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

Totals		Governmental Activities - Internal Service Funds	
2018	2017	2018	2017
\$ 18,505,367	\$ 16,784,985	\$ -	\$ -
369,604	288,458	10,145,399	9,571,693
<u>18,874,971</u>	<u>17,073,443</u>	<u>10,210,945</u>	<u>9,638,646</u>
7,258,830	7,123,695	1,290,090	1,327,160
4,457,237	4,429,202	1,224,599	1,292,979
1,812,401	1,808,451	311,588	278,422
246,056	268,897	7,070,120	6,861,587
1,003,478	839,215	397,566	506,841
<u>3,428,772</u>	<u>2,980,716</u>	<u>961,434</u>	<u>858,005</u>
<u>18,206,774</u>	<u>17,450,176</u>	<u>11,255,397</u>	<u>11,124,994</u>
<u>668,197</u>	<u>(376,733)</u>	<u>(1,044,452)</u>	<u>(1,486,348)</u>
511,547	511,547	-	-
253,399	138,866	145,782	77,527
2,853,092	2,800,772	-	-
(304,278)	(199,008)	-	-
16,983	8,465	61,608	90,573
(658,221)	(518,661)	-	-
29,134	4,447	-	-
-	2,814	-	-
<u>55,993</u>	<u>58,209</u>	<u>7,515</u>	<u>1,000</u>
<u>2,757,649</u>	<u>2,807,451</u>	<u>214,905</u>	<u>169,100</u>
3,425,846	2,430,718	(829,547)	(1,317,248)
78,955	327,105	-	-
5,877	10,015	949,000	949,000
<u>(1,383,103)</u>	<u>(1,391,477)</u>	<u>(125,000)</u>	<u>(125,000)</u>
<u>2,127,575</u>	<u>1,376,361</u>	<u>(5,547)</u>	<u>(493,248)</u>
69,690,462	68,314,101	17,199,855	17,693,103
<u>(930,636)</u>	<u>-</u>	<u>(35,425)</u>	<u>-</u>
<u>68,759,826</u>	<u>68,314,101</u>	<u>17,164,430</u>	<u>17,693,103</u>
<u>\$ 70,887,401</u>	<u>\$ 69,690,462</u>	<u>\$ 17,158,883</u>	<u>\$ 17,199,855</u>
\$ 2,127,575	\$ 1,376,361	\$ (5,547)	\$ (493,248)
(161,423)	(220,583)	161,423	220,583
<u>\$ 1,966,152</u>	<u>\$ 1,155,778</u>	<u>\$ 155,876</u>	<u>\$ (272,665)</u>

City of Sheboygan, Wisconsin

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds			
	Sewerage System	Water Utility	Transit Commission	Nonmajor Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 7,769,093	\$ 9,507,716	\$ 758,311	\$ 452,890
Cash received from other departments	-	-	-	-
Cash paid for employee wages and benefits	(2,078,900)	(2,588,865)	(2,849,302)	(190,071)
Cash paid to suppliers	(2,133,610)	(1,619,331)	(927,959)	(328,734)
Net cash provided (used) by operating activities	<u>3,556,583</u>	<u>5,299,520</u>	<u>(3,018,950)</u>	<u>(65,915)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
General property taxes	-	-	511,547	-
Intergovernmental revenues	-	975	3,831,604	-
Nonoperating revenue	-	-	55,993	-
Collection of assessments for customer owned laterals	-	(86,144)	-	-
Advances from other funds	-	(15,225)	-	59,019
Interest on advance from other funds	-	(7,623)	-	-
Transfer in (out)	(256,329)	(1,135,145)	-	5,877
Net cash provided (used) by noncapital financing activities	<u>(256,329)</u>	<u>(1,243,162)</u>	<u>4,399,144</u>	<u>64,896</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(2,880,151)	(3,541,523)	(18,400)	(303,672)
Capital contributions	78,955	-	-	-
Sale of capital assets	12,609	-	-	4,374
Special assessments assessed	-	-	-	45,754
Proceeds of capital debt	376,161	4,705,000	-	-
Principal paid on long-term debt	(517,279)	(3,212,574)	-	-
Debt issuance premium	-	209,153	-	-
Interest paid on long-term debt	(216,262)	(349,229)	-	-
Net cash used by capital and related financing activities	<u>(3,145,967)</u>	<u>(2,189,173)</u>	<u>(18,400)</u>	<u>(253,544)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	<u>156,261</u>	<u>60,544</u>	<u>33,426</u>	<u>3,168</u>
Change in cash and cash equivalents	<u>310,548</u>	<u>1,927,729</u>	<u>1,395,220</u>	<u>(251,395)</u>
Cash and cash equivalents - January 1	<u>6,537,823</u>	<u>7,738,950</u>	<u>1,609,182</u>	<u>729,419</u>
Cash and cash equivalents - December 31	<u>\$ 6,848,371</u>	<u>\$ 9,666,679</u>	<u>\$ 3,004,402</u>	<u>\$ 478,024</u>

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

Totals		Governmental Activities - Internal Service Funds	
2018	2017	2018	2017
\$ 18,488,010	\$ 16,935,327	\$ -	\$ -
-	-	10,141,273	9,619,698
(7,707,138)	(6,388,722)	(1,299,034)	(1,062,755)
<u>(5,009,634)</u>	<u>(7,437,523)</u>	<u>(8,987,408)</u>	<u>(9,240,331)</u>
5,771,238	3,109,082	(145,169)	(683,388)
511,547	511,547	-	-
3,832,579	1,235,630	-	-
55,993	58,209	7,515	1,000
(86,144)	93,015	-	-
43,794	431,550	-	-
(7,623)	(7,603)	-	-
<u>(1,385,597)</u>	<u>(1,366,785)</u>	<u>824,000</u>	<u>824,000</u>
2,964,549	955,563	831,515	825,000
(6,743,746)	(3,905,224)	(692,115)	(977,972)
78,955	77,105	-	-
16,983	8,465	61,608	90,573
45,754	(6,577)	-	-
5,081,161	634,056	-	-
(3,729,853)	(1,356,572)	-	-
209,153	-	-	-
<u>(565,491)</u>	<u>(516,619)</u>	<u>-</u>	<u>-</u>
<u>(5,607,084)</u>	<u>(5,065,366)</u>	<u>(630,507)</u>	<u>(887,399)</u>
253,399	138,866	154,684	77,527
3,382,102	(861,855)	210,523	(668,260)
<u>16,615,374</u>	<u>17,477,229</u>	<u>10,926,111</u>	<u>11,594,371</u>
<u>\$ 19,997,476</u>	<u>\$ 16,615,374</u>	<u>\$ 11,136,634</u>	<u>\$ 10,926,111</u>

City of Sheboygan, Wisconsin

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	Enterprise Funds			
	Sewerage System	Water Utility	Transit Commission	Nonmajor Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ 544,202	\$ 3,596,370	\$ (3,349,769)	\$ (122,606)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation	1,599,543	1,527,005	235,856	66,368
Depreciation charged to sewer utility	-	148,564	-	-
Change in liability (asset) and deferred outflows and inflows of resources				
Pension	33,604	47,175	69,500	319
Other postemployment benefits	7,564	7,786	13,636	408
Change in operating assets and liabilities				
Accounts receivables	(591,018)	(143,246)	10,767	(25,768)
Due from other governments	-	231,961	-	-
Inventories and prepaid items	-	35,313	14,601	-
Accounts payable	1,950,777	(193,110)	(30,233)	(6,439)
Accrued and other current liabilities	68,387	-	17,700	931
Due to other governments	-	-	-	(352)
Deposits	-	-	(1,008)	21,225
Unearned revenue	428	-	-	(1)
Compensated absences	(56,904)	41,702	-	-
Net cash provided (used) by operating activities	<u>\$ 3,556,583</u>	<u>\$ 5,299,520</u>	<u>\$ (3,018,950)</u>	<u>\$ (65,915)</u>
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ 6,848,371	\$ 7,991,388	\$ 3,004,402	\$ 478,024
Cash and cash equivalents in restricted assets	-	1,675,291	-	-
Total cash and cash equivalents	<u>\$ 6,848,371</u>	<u>\$ 9,666,679</u>	<u>\$ 3,004,402</u>	<u>\$ 478,024</u>
Noncash capital and related financing activities				
Amortization of premium	\$ -	\$ 29,134	\$ -	\$ -
Capital contributions	\$ -	\$ -	\$ -	\$ -
Interest charged to construction	\$ -	\$ -	\$ -	\$ -
Construction related accounts payable	\$ -	\$ 76,391	\$ -	\$ -

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

Totals		Governmental Activities - Internal Service Funds	
2018	2017	2018	2017
\$ 668,197	\$ (376,733)	\$ (1,044,452)	\$ (1,486,348)
3,428,772	2,980,716	961,434	858,005
148,564	119,740	-	-
150,598	379,706	27,502	72,813
29,394	-	4,143	-
(749,265)	56,237	(69,672)	(18,948)
231,961	(279,732)	-	-
49,914	1,564	(1,733)	(1,239)
1,720,995	156,821	21,919	(164,804)
87,018	4,625	(44,310)	57,133
(352)	171	-	-
20,217	(1,584)	-	-
427	205	-	-
(15,202)	67,346	-	-
<u>\$ 5,771,238</u>	<u>\$ 3,109,082</u>	<u>\$ (145,169)</u>	<u>\$ (683,388)</u>
\$ 18,322,185	\$ 15,667,999	\$ 11,136,634	\$ 10,926,111
1,675,291	947,375	-	-
<u>\$ 19,997,476</u>	<u>\$ 16,615,374</u>	<u>\$ 11,136,634</u>	<u>\$ 10,926,111</u>
\$ 29,134	\$ 4,447	\$ -	\$ -
\$ -	\$ 250,000	\$ -	\$ -
\$ -	\$ 2,814	\$ -	\$ -
\$ 76,391	\$ 61,009	\$ -	\$ -

City of Sheboygan, Wisconsin

**STATEMENT OF NET POSITION
 AGENCY FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017**

	<u>2018</u>	<u>2017</u>
ASSETS		
Cash and investments	\$ 22,530,156	\$ 21,751,043
Receivables		
Taxes	19,293,333	19,449,746
Special assessments	-	489
Other	-	20
Total assets	<u>\$ 41,823,489</u>	<u>\$ 41,201,298</u>
LIABILITIES		
Accounts payable	\$ 15,530	\$ 13,760
Due to other governments	41,807,959	41,187,538
Total liabilities	<u>\$ 41,823,489</u>	<u>\$ 41,201,298</u>

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

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City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Sheboygan, 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 mayor and sixteen member council. 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 identified the following component unit that is required to be included in the basic financial statements in accordance with standards established by GASB Statement No. 61.

Discretely Presented Component Unit

The component unit columns in the government-wide financial statements represent the financial data of the Housing Authority of the City of Sheboygan (the "Housing Authority"). The component unit is reported in a separate column to emphasize that it is legally separate from the City. The governing body of the organization is appointed by the City's Common Council. Wisconsin Statutes also provide for circumstances where the City can impose its will on the organization and also create a potential burden on the City. The financial information presented is for the Housing Authority is for the fiscal year ended March 31, 2018. Complete financial statements for the Housing Authority can be obtained from their office at 611 North Water Street, P.O. Box 1052, Sheboygan, WI 53081-1052.

B. 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, capital projects and permanent 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.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

Capital Project TIF Districts Fund

This fund accounts for financial resources to be used for the acquisition of equipment or construction of major capital facilities within the City's tax incremental districts.

Capital Projects Bonded Fund

This fund accounts for financial resources to be used for the acquisition of equipment or construction of major capital facilities that are financed with long-term debt.

Capital Projects Tax Levy Fund

This fund is used to account for financial resources to be used for the acquisition of equipment or construction of major capital facilities that are financed with tax levy. The Capital Projects Tax Levy is reported as a nonmajor capital projects fund.

Debt Service General Obligation Debt Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds, except debt issued to finance project plan expenditures of the City's tax incremental financing districts.

Debt Service TIF Districts Fund

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of debt issued to finance project plan expenditures of the City's tax incremental financing districts.

The City reports the following major enterprise funds:

Sewerage System

This fund is used to account for the operations of the City's sanitary sewer system.

Water Utility

This fund is used to account for the operations of the City's water treatment and distribution system.

Transit Commission

This fund is used to account for the operations of the City's transit system.

The City reports the following nonmajor funds:

Special Revenue Funds

Special revenue fund are used to account for the proceeds of specific revenue sources that are legally restricted for specific purposes. Nonmajor special revenue funds consist of the following:

Community Development Block Grant	Police Meg Unit
Revolving Loan Funds	Special Assessment
Lead Based Abatement Program	Redevelopment Authority
Mead Library	Municipal Court
Cable TV	Ambulance
Tourism Promotion	Storm Water
Harbor Center Marina	Park Impact Fees
	Park, Forestry & Open Space

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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.

D. 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.

The City bills and collects its own property taxes and also levies and collects taxes for the Sheboygan Area School District, Kohler School District, Sheboygan County, Lakeshore Technical College and the State of Wisconsin. Collections and remittances of taxes for other entities are accounted for in the property tax agency fund.

3. Accounts Receivable

Accounts receivable have been shown net of an allowance of \$285,532 for uncollectible accounts. Delinquent real estate taxes are assumed by Sheboygan County as of July 31; therefore, no allowance is considered necessary. Delinquent personal property taxes remain the collection responsibility of the City; accordingly, an allowance for uncollectible accounts has been established. The City is able to recover a portion of these delinquent personal property taxes from other taxing jurisdictions.

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.)

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2018

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 governmental funds are reported as "advances to other funds" and are offset by nonspendable fund balance since they do not constitute expendable available financial resources and therefore are not available for appropriation.

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

7. Inventories

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

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

8. Prepaid Items

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

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

9. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

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

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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

Assets	Governmental	Business-type
	Activities	Activities
	Years	
Buildings and improvements	25 - 45	25 - 45
Improvements other than buildings	20 - 40	20 - 40
Machinery and equipment	3 - 25	3 - 25
Infrastructure	20 - 50	20 - 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, loan receivables and accounts receivable. These inflows are recognized as revenues in the government-wide financial statements.

12. Long-term Obligations

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

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

13. Pensions

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

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

14. Other Postemployment Benefits Other Than Pensions (OPEB)

Defined Benefit Plan

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Other Postemployment Benefit Plan (the "Plan") and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

Local Retiree Life Insurance Fund

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense, 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 Common Council through the passage of an ordinance or resolution, as each is equally difficult to remove the constraint. These constraints can only be removed or changed by the Common 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 Common Council has not authorized an employee 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 not adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. When a policy does not specify the spend-down policy, GASB Statement No. 54 indicates that restricted funds would be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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.

E. 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.

F. 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, 2017, from which the summarized information was derived.

G. 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 October, City management submits to the Common Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by Common Council action.
2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all general, certain special revenue and debt service 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.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

3. During the year, formal budgetary integration is employed as a management control device for the general fund, special revenue funds and debt service funds except for the Community Development Block Grant, Revolving Loan Funds, Lead Based Abatement Program, and Park Impact Fee Funds. Management control for the capital projects funds is achieved through project authorizations included in debt issue resolutions.
4. Expenditures may not exceed appropriations provided at the major function level of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the Common Council. The City's finance committee or the City's Finance Director can approve transfers within departments while transfers between departments and changes in the overall budget require approval by two-thirds of the Common 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, 2018.

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, 2018 as follows:

Funds	Excess Expenditures
Special Revenue Funds	
Mead Library	
Culture and recreation	\$ 98,172
Tourism Promotion	
Conservation and development	77,374
Harbor Center Marina	
Public works	185,236
Police MEG unit	
Capital outlay	612
Redevelopment Authority	
Capital outlay	101,200
Ambulance	
Debt service	
Principal	91,964
Interest and fiscal charges	14,492
Park Forestry & Open Space	
Capital outlay	4,630
Debt Service Funds	
Debt Service GO Debt	
General government	150
Debt service	
Interest and fiscal charges	39,976
Debt Service TIF Districts	
Conservation and development	91,059
Debt service	
Principal	435,000

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Funds	Excess Expenditures
Capital Projects Funds	
Capital Projects Tax Levy	
Conservation and development	441,500
Capital Projects TIF Districts	
Conservation and development	26,116
Permanent Funds	
Cemetery Perpetual Care	
Health and human services	15,820
Library Trust	
Culture and recreation	91,420

C. DEFICIT FUND EQUITY

The following funds had deficit fund balance as of December 31, 2018:

Funds	Deficit Fund Balance
Capital Projects TIF Districts	\$ 1,080,533
Harbor Center Marina	2,625,645
Redevelopment Authority	448,496

The City anticipates funding the above deficits from future revenues of the funds or from resources available in the general fund.

D. PROPERTY TAX LEVY LIMIT

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, village's, towns and counties. For the 2018 and 2019 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 2018 budget was 3.84%. The actual limit for the City for the 2019 budget was 1.57%. 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. In addition, investment of most trust funds including cemetery perpetual care funds is regulated by Chapter 881 of the Wisconsin Statutes. Investment of library trust funds is regulated by Chapter 112. These sections give broad authority to use such funds to acquire various kinds of investments, including common stock.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

The carrying amount of the City's cash and investments totaled \$110,746,607 on December 31, 2018 as summarized below:

Petty cash and cash on hand	\$ 7,475
Deposits with financial institutions	27,022,759
Investments	
Negotiable certificates of deposit	7,450,511
Wisconsin local government investment pool	24,138,736
Federal Home Loan Bank	4,690,893
Federal National Mortgage Association	9,884,542
Federal Home Loan Mortgage Corporation	14,413,769
Federal Farm Credit Bank	9,633,343
Municipal bonds	1,730,556
Fixed income mutual funds	1,176,178
Money market mutual funds	6,176,747
U.S. Treasury notes	4,421,098
	<u>\$ 110,746,607</u>

Reconciliation to the basic financial statements:

Government-wide statement of net position	
Cash and investments	\$ 86,541,160
Restricted cash and investments	1,675,291
Fiduciary fund statement of net position	
Agency funds	22,530,156
	<u>\$ 110,746,607</u>

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2018:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments			
Negotiable certificates of deposit	\$ -	\$ 7,450,511	\$ -
Federal Home Loan Bank	-	4,690,893	-
Federal National Mortgage Association	-	9,884,542	-
Federal Home Loan Mortgage Corporation	-	14,413,769	-
Federal Farm Credit Bank	-	9,633,343	-
Municipal bonds	-	1,730,556	-
Fixed income mutual funds	-	1,176,178	-
Money market mutual funds	-	6,176,747	-
U.S. Treasury notes	-	4,421,098	-
	<u>\$ -</u>	<u>\$ 59,577,637</u>	<u>\$ -</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

The valuation methods for recurring fair value measurements are as follows:

<u>Investment Type</u>	<u>Valuation Method</u>
U.S. Treasury securities	Institutional bond quotes - evaluations based on various market and industry inputs
Federal Farm Credit Bank	Institutional bond quotes - evaluations based on various market and industry inputs
Mutual funds, negotiable certificates of deposit, and municipal bonds	Institutional quotes - evaluations based on various market and industry inputs
Federal Home Loan Bank	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal National Mortgage Association	Mortgage backed securities pricing - evaluations based on various market and industry inputs
Federal Home Loan Mortgage Corporation	Mortgage backed securities pricing - evaluations based on various market and industry inputs

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

Custodial Credit Risk

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

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for 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. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. 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, 2018, \$20,193,577 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Negotiable certificates of deposit	\$ 7,450,511	\$ -	\$ 2,197,585	\$ -	\$ 2,901,913
Wisconsin local government investment pool	24,138,736	-	-	-	24,138,736
Federal Home Loan Bank	4,690,893	-	4,690,893	-	-
Federal National Mortgage Association	9,884,542	-	9,884,542	-	-
Federal Home Loan Mortgage Corporation	14,413,769	-	14,413,769	-	-
Federal Farm Credit Bank	9,633,343	-	9,633,343	-	-
Municipal bonds	1,730,556	-	640,870	1,079,671	10,015
Fixed income mutual funds	1,176,178	-	-	-	1,176,178
Money market mutual funds	6,176,747	-	-	-	6,176,747
U.S. Treasury notes	4,421,098	4,421,098	-	-	-
Totals	\$83,716,373	\$4,421,098	\$41,461,002	\$1,079,671	\$34,403,589

Concentration of Credit Risk

The investment policy of the City states that the funds of the City will be invested in accordance with Wisconsin State Statutes. The City's investment policy shall limit the investments to the following investment instruments and shall diversify the portfolio by instruments, financial institutions and maturities:

Instruments	Maximum % of Portfolio
U.S. Treasury obligations (Bills, notes and bonds)	100%
U.S. government agency securities and instruments of government sponsored operations	75%
Certificates of deposit in commercial banks	50%
State investment pool	100%

Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount	Percent of Total Investments
Federal Farm Credit Bank	Federal agency securities	\$ 9,633,343	12%
Federal National Mortgage Association	Federal agency securities	9,884,542	12%
Federal Home Loan Bank	Federal agency securities	4,690,893	6%
Federal Home Loan Mortgage Corporation	Federal agency securities	14,413,769	17%

Interest Rate Risk

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

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Negotiable certificates of deposit	\$ 7,450,511	\$ 3,510,805	\$ 3,939,706	\$ -	\$ -
Wisconsin local government investment pool	24,138,736	24,138,736	-	-	-
Federal Home Loan Bank	4,690,893	995,310	1,493,405	2,202,178	-
Federal National Mortgage Association	9,884,542	6,544,419	3,340,123	-	-
Federal Home Loan Mortgage Corporation	14,413,769	1,357,408	7,245,050	5,571,610	239,701
Federal Farm Credit Bank	9,633,343	6,564,844	88,624	2,979,875	-
Municipal bonds	1,730,556	233,702	834,452	30,469	631,933
Fixed income mutual funds	1,176,178	1,176,178	-	-	-
Money market mutual funds	6,176,747	6,176,747	-	-	-
U.S. Treasury notes	4,421,098	2,190,883	2,230,215	-	-
Totals	\$83,716,373	\$52,889,032	\$19,171,575	\$10,784,132	\$ 871,634

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.	\$ 38,622,547

Wisconsin Local Government Investment Pool

The City has investments in the Wisconsin Local Government Investment Pool (LGIP) of \$24,138,736 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, 2018, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organizations. The City does not have an additional credit risk policy. The City's investment in the Wisconsin Local Government Investment Pool is not rated.

Interest rate 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 then sensitivity of its fair value to change in market interest rate. 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. The investments held by the Wisconsin Local Government Investment Pool mature in 12 months or less.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

B. RESTRICTED ASSETS

Restricted assets on December 31, 2018 totaled \$1,194,563 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Enterprise Fund		
Water Utility		
Redemption account	\$ 479,315	To segregate resources accumulated for debt service payments over the next twelve months.
Reserve account	715,248	To report resources set aside to make up potential future deficiencies in the redemption account.
Construction account	480,728	To report debt proceeds that are restricted for use in construction
Total Restricted Assets	<u>\$ 1,675,291</u>	

C. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, nondepreciable:				
Land	\$ 16,364,187	\$ 2,595,149	\$ -	\$ 18,959,336
Construction in progress	40,000	17,638,534	-	17,678,534
Total capital assets, nondepreciable	<u>16,404,187</u>	<u>20,233,683</u>	<u>-</u>	<u>36,637,870</u>
Capital assets, depreciable:				
Buildings and improvements	33,538,374	720,997	-	34,259,371
Improvements other than buildings	20,033,149	188,354	-	20,221,503
Machinery and equipment	22,162,781	2,675,941	344,299	24,494,423
Infrastructure	124,488,821	5,526,881	-	130,015,702
Subtotals	<u>200,223,125</u>	<u>9,112,173</u>	<u>344,299</u>	<u>208,990,999</u>
Less accumulated depreciation for:				
Land improvements	17,095,554	735,130	-	17,830,684
Buildings and improvements	11,901,678	450,054	-	12,351,732
Machinery and equipment	15,224,964	1,509,312	344,299	16,389,977
Infrastructure	64,412,644	2,797,710	-	67,210,354
Subtotals	<u>108,634,840</u>	<u>5,492,206</u>	<u>344,299</u>	<u>113,782,747</u>
Total capital assets, depreciable, net	<u>91,588,285</u>	<u>3,619,967</u>	<u>-</u>	<u>95,208,252</u>
Governmental activities capital assets, net	<u>\$ 107,992,472</u>	<u>\$ 23,853,650</u>	<u>\$ -</u>	<u>131,846,122</u>
Less: Capital related debt				<u>54,267,349</u>
Net investment in capital assets				<u>\$ 77,578,773</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, nondepreciable:				
Land	\$ 947,913	\$ 180,787	\$ -	\$ 1,128,700
Construction in progress	9,159,484	5,752,266	10,364,394	4,547,356
Total capital assets, nondepreciable	<u>10,107,397</u>	<u>5,933,053</u>	<u>10,364,394</u>	<u>5,676,056</u>
Capital assets, depreciable:				
Buildings and improvements	22,306,519	33,760	27,227	22,313,052
Improvements other than buildings	27,393,089	355,370	-	27,748,459
Machinery and equipment	33,581,585	703,944	101,631	34,183,898
Infrastructure	66,786,181	10,069,741	37,858	76,818,064
Subtotals	<u>150,067,374</u>	<u>11,162,815</u>	<u>166,716</u>	<u>161,063,473</u>
Less accumulated depreciation for:				
Buildings and improvements	15,151,925	583,518	27,224	15,708,219
Improvements other than buildings	21,010,704	427,259	-	21,437,963
Machinery and equipment	25,714,375	931,615	101,631	26,544,359
Infrastructure	27,306,231	1,634,944	37,858	28,903,317
Subtotals	<u>89,183,235</u>	<u>3,577,336</u>	<u>166,713</u>	<u>92,593,858</u>
Total capital assets, depreciable, net	<u>60,884,139</u>	<u>7,585,479</u>	<u>3</u>	<u>68,469,615</u>
Business-type activities capital assets, net	<u>\$ 70,991,536</u>	<u>\$ 13,518,532</u>	<u>\$ 10,364,397</u>	<u>74,145,671</u>
Less: Capital related debt				<u>20,891,904</u>
Net investment in capital assets				<u>\$ 53,253,767</u>

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

Governmental activities	
General government	\$ 511,468
Public safety	631,974
Public works	2,817,161
Culture and recreation	556,851
Conservation and development	13,318
Subtotal	<u>4,530,772</u>
Capital assets held by City's internal service fund are charged to various functions based on their usage of the assets	
	961,434
Total depreciation expense - governmental activities	<u>\$ 5,492,206</u>
Business-type activities	
Sewerage system	\$ 1,599,543
Water utility	
Depreciation expense	1,527,005
Depreciation expense allocated to clearing accounts	148,564
Transit commission	235,856
Parking facility	11,347
Boat facility	55,021
Total depreciation expense - business-type activities	<u>\$ 3,577,336</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

D. 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, 2018 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental funds		
General	\$ 1,217,125	\$ -
Special revenue funds		
Harbor center marina	-	2,811,581
Debt service funds		
GO Debt	2,811,581	-
Enterprise fund		
Water utility	-	1,158,106
Boat facility	-	59,019
Totals	<u>\$ 4,028,706</u>	<u>\$ 4,028,706</u>

The principal purpose of these interfund is to account for the lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system, and 3) payments between funds are made.

Interfund advances between funds as of December 31, 2018 are detailed below:

	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Governmental Funds		
General	\$ 2,390,220	\$ -
Special revenue fund		
Redevelopment authority	-	575,000
Debt service fund		
GO Debt	382,379	-
TIF districts	-	1,110,043
Capital projects funds		
Tax levy	456,761	-
TIF districts	-	1,534,317
Totals	<u>\$ 3,219,360</u>	<u>\$ 3,219,360</u>

The principal purpose of these interfund advances was financing debt service maturities of the City's tax incremental financing districts and capital acquisitions.

For the statement of net position, interfund balances which are owed within the governmental activities or business-type activities are netted and eliminated. A reconciliation to the statement of net position follows:

Due from other funds	\$ 1,217,125
Internal service fund allocation to business-type activities	<u>(52,686)</u>
Total internal balances - government wide Statement of Net Position	<u>\$ 1,164,439</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Interfund transfers for the year ended December 31, 2018 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 2,928,072	\$ 5,505,575
Special revenue		
Community Development Block Grant	220	-
Mead Library	-	31,967
Cable TV	-	425,000
Tourism Promotion	-	885,332
Police Meg Unit	4,147	-
Special Assessment	-	300,529
Municipal Court	-	424,723
Ambulance	-	451,102
Capital projects		
Tax Levy	5,712,500	4,669
Debt service		
GO Debt	915,434	225,000
TIF Districts	-	28,000
Permanent		
Cemetery Perpetual Care	-	1,250
Enterprise		
Sewerage System	-	256,329
Water Utility	-	1,126,774
Parking Facility	5,877	-
Internal service		
Motor Vehicle	949,000	125,000
	<u>\$ 10,740,250</u>	<u>\$ 10,740,250</u>

Interfund transfers were made for the following purposes:

Tax equivalent payment made by water utility to general fund	\$ 1,126,774
Tax equivalent payment made by sewer utility to general fund	256,329
Transfer from cemetery fund to reimburse general fund for operating costs	1,250
Transfer from cable TV to general fund for operating costs	425,000
Transfer from mead public library for pay off of health insurance balances	31,967
Transfer from tourism promotion to reimburse the general fund for operating costs	57,927
Transfer from municipal court to general fund for operating costs	424,723
Transfer from ambulance fund to general fund for operating costs	451,102
Transfer from motor vehicle to general fund for operating costs	125,000
Transfer from general fund to reimburse MEG unit fund for operating costs	4,147
Transfer to debt service fund from tourism promotion	827,405
Transfer to debt service fund from assessments	88,029
Transfer from TID 11 debt service fund to general fund	28,000
Transfer from general fund to reimburse parking facility for operating costs	1,208
Transfer to reimburse parking facility for operating costs	4,669
Transfer to capital project fund from assessments	212,500
Transfer to capital project fund from general fund	5,500,000
Transfer from general fund for CDBG operating costs	220
Transfer to motor vehicle for equipment bonded in capital projects	949,000
Transfer to Harbor Center Marina from debt service	225,000
	<u>\$ 10,740,250</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

E. LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2018:

	<u>Beginning Balance</u>	<u>Issued</u>	<u>Retired</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
General obligation debt					
Bonds	\$ 13,749,386	\$ 8,815,000	\$ 2,420,636	\$ 20,143,750	\$ 1,729,775
Notes	21,224,579	6,335,000	3,034,091	24,525,488	3,059,951
Total general obligation debt	<u>34,973,965</u>	<u>15,150,000</u>	<u>5,454,727</u>	<u>44,669,238</u>	<u>4,789,726</u>
Note anticipation notes	-	18,905,000	-	18,905,000	-
Debt premium	296,050	743,979	97,759	942,270	139,518
Debt discount	(52,896)	-	(6,843)	(46,053)	(6,843)
Mortgage notes	225,000	-	-	225,000	-
Capital leases	928,938	-	209,960	718,978	217,188
Sheboygan County	1,000,000	-	-	1,000,000	-
Compensated absences	3,808,477	3,954,179	3,808,477	3,954,179	1,032,898
Governmental activities Long-term obligations	<u>\$ 41,179,534</u>	<u>\$ 38,753,158</u>	<u>\$ 9,564,080</u>	<u>\$ 70,368,612</u>	<u>\$ 6,172,487</u>
Business-type activities:					
General obligation debt					
Bonds	\$ 200,615	\$ -	\$ 15,224	\$ 185,391	\$ 16,138
Revenue bonds	20,439,128	5,081,161	3,729,854	21,790,435	1,526,172
Debt premium	41,339	285,240	29,134	297,445	-
Compensated absences	513,727	26,984	68,101	472,610	11,197
Business-type activities Long-term obligations	<u>\$ 21,194,809</u>	<u>\$ 5,393,385</u>	<u>\$ 3,842,313</u>	<u>\$ 22,745,881</u>	<u>\$ 1,553,507</u>

Total interest paid during the year on long-term debt totaled \$1,564,316.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

General Obligation Debt

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/18
General obligation debt					
General obligation bonds					
General obligation bonds	9/1/07	10/1/26	4.50-5.00%	\$ 8,000,000	\$ 6,225,000
Taxable refunding bonds	6/23/10	4/1/27	3.50-5.25%	8,325,000	3,605,000
Refunding bonds	8/25/16	10/1/22	1.00-2.00%	2,720,000	1,685,000
Refunding bonds	11/5/18	12/1/38	3.00-4.00%	5,015,000	5,015,000
Taxable refunding bonds	11/5/18	12/1/38	3.15-4.45%	3,800,000	3,800,000
General obligation notes					
Land recycling loan	12/23/02	5/1/22	0%	2,700,000	320,517
Land recycling loan	4/14/04	5/1/23	0%	756,625	199,112
Promissory notes					
(Build America Bonds)	6/23/10	4/1/20	3.50-4.20%	2,045,000	455,000
Promissory notes	5/10/12	4/1/22	2.00-2.125%	4,745,000	1,980,000
Promissory notes	8/4/15	10/1/24	2.00-2.125%	4,310,000	2,065,000
Promissory notes	4/12/16	10/1/25	1.00-2.00%	3,400,000	2,580,000
Promissory notes	4/20/16	10/1/25	1.00-2.30%	7,525,000	5,615,000
Promissory notes	5/15/17	4/1/27	1.50-2.50%	5,000,000	4,575,000
State trust fund loan	9/12/17	3/15/22	3.50%	400,000	400,000
Promissory notes	7/2/18	12/1/27	3.00%	6,335,000	6,335,000
Total outstanding general obligation debt					\$ 44,854,629

Annual principal and interest maturities of the outstanding general obligation debt of \$44,854,629 on December 31, 2018 are detailed below:

Year Ended December 31,	Governmental Activities		Business-type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 4,789,726	\$ 1,142,743	\$ 16,138	\$ 7,601	\$ 4,805,864	\$ 1,150,344
2020	4,762,873	1,048,612	17,079	7,193	4,779,952	1,055,805
2021	5,161,820	939,296	18,131	6,696	5,179,951	945,992
2022	5,200,733	823,727	19,219	7,046	5,219,952	830,773
2023	4,024,450	702,405	20,372	7,152	4,044,822	709,557
2024 - 2028	15,409,636	1,722,263	94,452	12,091	15,504,088	1,734,354
2029 - 2033	2,585,000	884,552	-	-	2,585,000	884,552
2034 - 2038	2,735,000	340,963	-	-	2,735,000	340,963
	<u>\$ 44,669,238</u>	<u>\$ 7,604,561</u>	<u>\$ 185,391</u>	<u>\$ 47,779</u>	<u>\$ 44,854,629</u>	<u>\$ 7,652,340</u>

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

Build America Bond

The general obligation debt issued on June 23, 2010 qualifies as Build America Bonds, as described in Section 54AA of the Internal Revenue Code. The interest on the debt is taxable as set forth in the regulations. The City is eligible to receive a 35% subsidy of the annual interest payment from the Federal government. In order to receive this subsidy it is necessary for the City to file a claim form annually.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Legal Margin for New Debt

The City's legal margin for creation of additional general obligation debt on December 31, 2018 was \$114,813,457 as follows:

Equalized valuation of the City		\$2,809,902,500
Statutory limitation percentage		(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes		<u>140,495,125</u>
Total outstanding general obligation debt applicable to debt limitation	\$ 44,854,629	
Less: Amounts available for financing general obligation debt		
Debt service funds	<u>19,172,961</u>	
Net outstanding general obligation debt applicable to debt limitation		<u>25,681,668</u>
Legal margin for new debt		<u>\$ 114,813,457</u>

Mortgage Notes

Mortgage notes currently outstanding consist of a note with the Sheboygan Development Corporation. A repayment schedule does not exist as of December 31, 2018.

Amount due to Sheboygan County, Wisconsin

Sheboygan County, Wisconsin, provided funding to assist in the development and construction of the infrastructure of the Marina Boatworks facility. To the extent the City does not recover its initial taxpayer funding contribution through tax incremental revenues, the City will share any surplus cash with Sheboygan County in proportion to the initial taxpayer funding contributions excluding tax incremental revenue effects until the \$1,000,000 has been returned.

Revenue Bonds

Revenue bonds outstanding on December 31, 2018 totaled \$21,790,435 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/18
Sewerage system					
Clean Water Fund Loan	5/26/10	5/1/30	2.40%	\$ 2,747,622	\$ 1,875,992
Clean Water Fund Loan	10/23/13	5/1/33	2.63%	8,901,537	7,502,363
Water utility					
Revenue bonds	3/10/04	5/15/23	2.75%	3,152,000	993,528
Revenue bonds	4/3/13	5/1/33	2.00-3.50%	3,000,000	2,420,000
Revenue bonds	5/13/15	5/1/35	1.65%	2,990,520	2,658,552
Revenue bonds	4/20/16	4/20/25	1.00-2.00%	2,115,000	1,635,000
Revenue bonds	5/1/18	5/1/33	3.00-4.00%	4,705,000	<u>4,705,000</u>

Total outstanding revenue bonds

\$ 21,790,435

Annual principal and interest maturities of the outstanding revenue bonds of \$21,790,435 on December 31, 2018 are detailed below:

Year Ended December 31,	Business-type Activities		
	Principal	Interest	Total
2019	\$ 1,526,172	\$ 569,330	\$ 2,095,502
2020	1,577,765	528,893	2,106,658
2021	1,614,902	486,665	2,101,567
2022	1,657,598	443,082	2,100,680
2023	1,700,865	397,497	2,098,362
2024 - 2028	7,091,545	1,357,231	8,448,776
2029 - 2033	6,269,095	446,929	6,716,024
2034 - 2035	<u>352,493</u>	<u>5,840</u>	<u>358,333</u>
	<u>\$ 21,790,435</u>	<u>\$ 4,235,467</u>	<u>\$ 26,025,902</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Utility Revenues Pledged

The City has pledged future water and sewer customer revenues, net of specified operating expenses, to repay the water and sewerage system 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 and sewer customer net revenues and are payable through 2034. The total principal and interest remaining to be paid on the bonds is \$26,025,902. Principal and interest paid for the current year and total customer net revenues for the water utility were \$3,395,345 and \$6,093,129, respectively. Principal and interest paid for the current year and total customer net revenues for the sewerage system were \$713,343 and \$2,496,759, respectively.

Other Debt Information

There are a number of limitations and restrictions contained in the various bond and note obligations. The City believes it is substantially in compliance with all material limitations and restrictions.

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 \$1,590,282 and the related accumulated depreciation is \$871,304 as of December 31, 2018.

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, 2018:

Year Ending	Governmental Activities
2019	\$ 240,707
2020	240,715
2021	181,953
2022	106,456
Subtotal	<u>769,831</u>
Less: Amount representing interest	50,853
Present value of future minimum lease payments	<u>\$ 718,978</u>

F. 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, 2018, there were 5 series of Industrial Revenue Bonds outstanding, with an aggregate principal amount payable of \$12,224,676.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

G. PENSION PLAN

1. Plan Description

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

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3%	10%
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4

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, and 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, 2018, the WRS recognized \$2,502,629 in contributions from the City.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (including teachers)	6.8%	6.8%
Protective with Social Security	6.8%	10.6%
Protective without Social Security	6.8%	14.9%

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

At December 31, 2018, the City reported an asset of \$7,197,868 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2017, the City's proportion was 0.24242440%, which was an increase of 0.00120632% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized pension expense of \$3,139,827.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

At December 31, 2018, 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	\$ 9,145,070	\$ 4,277,761
Net differences between projected and actual earnings on pension plan investments	-	9,892,800
Changes in assumptions	1,422,158	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	38,996	23,590
Employer contributions subsequent to the measurement date	2,502,629	-
Total	\$ 13,108,853	\$ 14,194,151

\$2,502,629 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 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
2019	\$ 796,368
2020	(62,904)
2021	(2,470,835)
2022	(1,867,824)
2023	17,268
Total	\$ (3,587,927)

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, 2016
Measurement date of net pension liability:	December 31, 2017
Actuarial cost method:	Entry Age
Asset valuation method:	Fair Market Value
Long-term expected rate of return:	7.2%
Discount rate:	7.2%
Salary increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality	Wisconsin 2012 Mortality Table
Post-retirement adjustments*	2.1%

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

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 - 2014. The total pension liability for December 31, 2017 is based upon a roll-forward of the liability calculated from the December 31, 2016 actuarial valuation.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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:

<u>Core Fund Asset Class</u>	<u>Current Asset Allocation %</u>	<u>Long-term Expected Nominal Rate of Return %</u>	<u>Long-term Expected Real Rate of Return %</u>
Global equities	50%	8.2%	5.3%
Fixed income	24.5%	4.2%	1.4%
Inflation sensitive assets	15.5%	3.8%	1.0%
Real estate	8%	6.5%	3.6%
Private equity/debt	8%	9.4%	6.5%
Multi-asset	4%	6.5%	3.6%
Total Core Fund	110%	7.3%	4.4%
<u>Variable Fund Asset Class</u>			
U.S. equities	70%	7.5%	4.6%
International equities	30%	7.8%	4.9%
Total Variable Fund	100%	7.9%	5.0%

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

Asset Allocations are managed within established ranges, target percentages may differ from actual monthly allocations

Single Discount Rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long-term bond rate of 3.31%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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 7.2 percent, as well as what the City's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension liability (asset)	\$ 18,623,342	\$ (7,197,868)	\$ (26,822,786)

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>.

6. Payables to the Pension Plan

At December 31, 2018, the City reported a payable of \$443,469 for the outstanding amount of contributions to the pension plan for the year ended December 31, 2018.

H. OTHER POSTEMPLOYMENT BENEFITS

The City has adopted GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* for the year ended December 31, 2018. This statement revised and established new financial reporting requirements for governments that provide their employees with postemployment benefits. Financial statements for the year ended December 31, 2017 have not been restated.

The cumulative effect of this change was to decrease the December 31, 2017 net position by \$3,745,652 as follows:

Single-employer defined post employment benefit plan - City Plan			
Other postemployment liability			
OPEB liability balance previously reported	\$	1,634,963	
Actuarially determined balance		<u>3,813,442</u>	
Change in other postemployment liability			\$ (2,178,479)
Single-employer defined post employment benefit plan - Water Utility Plan			
Other postemployment liability			
OPEB liability balance previously reported	\$	-	
Actuarially determined balance		<u>207,998</u>	
Change in other postemployment liability			(207,998)
Deferred outflows of resources			17,067
Local retiree life insurance fund			
Other postemployment liability			
OPEB asset balance previously reported	\$	-	
Actuarially determined balance		<u>1,376,242</u>	
Change in other postemployment liability			<u>(1,376,242)</u>
To cumulative effect of change in accounting principle			<u>\$ (3,745,652)</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

The City reports OPEB related balances at December 31, 2018 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Local Retiree Life Insurance Fund (LRLIF)	\$ 1,667,391	\$ 181,260	\$ 50,106
Single-employer defined OPEB plan - City	3,857,678	-	-
Single-employer defined OPEB plan - Water	209,720	18,721	-
Total pension liability	<u>\$ 5,734,789</u>	<u>\$ 199,981</u>	<u>\$ 50,106</u>

1. Single-employer Defined Postemployment Benefit Plan - City Plan

Plan Description

The Plan is a single-employer defined benefit postemployment healthcare plan that covers retired employees of the City. Benefit terms including eligibility and benefit offerings vary by employee classification and length of service with the City. Eligible retired employees have access to medical coverage through the City's plan. There are no assets that have been accumulated in a trust.

Benefits Provided

The City provides healthcare and insurance benefits for retirees and their dependents. However, since the City has a self-insured plan, it should be determine its pay-as-you-go benefit based upon the actual retiree paid claims plus administration and stop-loss premiums minus the amount the retirees' paid for continued coverage and stop-loss reimbursement.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	57
Active employees	338
	<u>395</u>

Contributions

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly based upon the premium equivalent rates.

Total OPEB Liability

The City's total OPEB liability was measured as of December 31, 2018, and the total OPEB liability used to calculate the total OPEB liability was determined by an actuarial valuation as of December 31, 2017.

Actuarial Assumptions. The total OPEB liability in the December 31, 2017 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:	3.0%
Investment rate of return:	4.0%
Healthcare cost trend rates:	7.5% initial decreasing by .5% per year to 6.5% and then decreasing by .10% per year down to 5.0%, and level thereafter

Mortality rates are based on the Wisconsin 2012 Mortality Table.

The actuarial assumptions were based on the Wisconsin Retirement System 2012 - 2014 Experience Study.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Discount Rate. The discount rate used to measure the total OPEB liability was 4.0%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

Changes in the Total OPEB Liability

Balance at December 31, 2017	\$ 3,813,442
Changes for the year:	
Service cost	157,135
Interest	150,414
Benefit payments	(263,313)
Net changes	<u>44,236</u>
Balance at December 31, 2018	<u>\$ 3,857,678</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.0%) or 1-percentage-point higher (5.0%) than the current rate:

	1% Decrease to Discount Rate (3.0%)	Current Discount Rate (4.0%)	1% Increase to Discount Rate (5.0%)
Total OPEB liability	\$ 4,020,024	\$ 3,857,678	\$ 3,700,718

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 (7.50% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Total OPEB liability	\$ 3,621,572	\$ 3,857,678	\$ 4,125,369

OPEB Expense

For the year ended December 31, 2018, the City recognized OPEB expense of \$307,549.

Payable to the OPEB Plan

At December 31, 2018, the City reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2018.

2. Single-employer Defined Postemployment Benefit Plan - Water Utility Plan

Plan Description

The utility's defined benefit OPEB plan, Retiree Benefits Plan (RBP), provides OPEB for all permanent full-time general employees of the utility. RBP is a single-employer defined benefit OPEB plan administered by the Water Utility. Article 11 of the State Complied Statutes grants the authority to establish and amend the benefit terms and financing requirements to the Utility Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Benefits Provided

The RBP provides healthcare and life insurance benefits for retirees and their dependents. However, since the Utility has a self-insured health plan, it should be determine its pay-as-you-go benefit based upon the actual retiree paid claims plus administration and stop-loss premiums minus the amount the retirees' paid for continued coverage and stop-loss reimbursement.

Contributions

The Water Utility determines retiree contributions based upon the premium equivalent rates.

Employees Covered by Benefit Terms

At December 31, 2018, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	3
Active employees	29
	<u>32</u>

Total OPEB Liability

The Water Utility's total OPEB liability of \$209,720 was measured as of December 31, 2017, and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and other inputs. The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.50%
Salary increases:	3.0%
Healthcare cost trend rates:	7.5% initial decreasing by .5% per year to 6.5% and then decreasing by .10% per year down to 5.0%, and level thereafter

The discount rate was based on all years of projected payments discounted at a municipal bond rate of 3.5%

Mortality rates are based on the Wisconsin 2012 Mortality Table.

The actuarial assumptions were based on the Wisconsin Retirement System 2012 - 2014 Experience Study.

Changes in the Total OPEB Liability

Balance at December 31, 2016	\$ 207,998
Changes for the year:	
Service cost	10,894
Interest	7,184
Benefit payments	(16,356)
Net changes	1,722
Balance at December 31, 2017	<u>\$ 209,720</u>

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the Water Utility, as well as what the Water Utility's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.5%) or 1-percentage-point higher (3.5%) than the current rate:

	1% Decrease to Discount Rate (2.5%)	Current Discount Rate (3.5%)	1% Increase to Discount Rate (4.5%)
Total OPEB liability	\$ 221,055	\$ 209,720	\$ 198,879

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the Water Utility, as well as what the Water Utility'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 (7.50% decreasing to 5.0%)	1% Increase (8.5% decreasing to 6.0%)
Total OPEB liability	\$ 194,274	\$ 209,720	\$ 227,672

OPEB Expense and Deferred Outflows of Resources Related to OPEB – Water Utility

For the year ended December 31, 2018, the Water Utility recognized OPEB expense of \$18,078. At December 31, 2018, the Water Utility reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Employer contributions subsequent to the measurement date	\$ 18,721

Deferred outflows related to OPEB resulting from the employer's contributions subsequent to the measurement date reported in the table above will be recognized as a reduction of the total OPEB liability in the subsequent year.

3. Local Retiree Life Insurance Fund

Plan Description

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

OPEB Plan Fiduciary Net Position

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

Benefits Provided

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

Contributions

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

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.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Contribution rates as of December 31, 2018 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, 2017 are listed below:

Life Insurance Employee Contribution Rates For the Year Ended December 31, 2017	
Attained Age	Basic
Under 30	0.05
30 - 34	0.06
35 - 39	0.07
40 - 44	0.08
45 - 49	0.12
50 - 54	0.22
55 - 59	0.39
60 - 64	0.49
65 - 69	0.57

During the reporting period, the LRLIF recognized \$10,524 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, 2018, the City reported a liability of \$1,667,391 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016 rolled forward to December 31, 2017. 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, 2017, the City's proportion was 0.55421200%, which was a decrease of 0.01264% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the City recognized OPEB expense of \$172,365.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

At December 31, 2018, 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	\$ -	\$ 23,492
Net differences between projected and actual earnings on OPEB plan investments	19,199	-
Changes in assumptions	161,124	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	26,614
Employer contributions subsequent to the measurement date	937	-
Total	\$ 181,260	\$ 50,106

\$937 reported as deferred outflows of resources related to OPEB resulting from LRLIF Employer's contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability (asset) in the year ended December 31, 2019. Other 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
2019	\$ 21,801
2020	21,801
2021	21,801
2022	21,800
2023	21,801
Thereafter	21,213
	\$ 130,217

Actuarial assumptions. The total OPEB liability in the January 1, 2017 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, 2017
Measurement date of net OPEB liability (asset):	December 31, 2017
Actuarial cost method:	Entry age normal
20 year tax-exempt municipal bond yield:	3.44%
Long-term expected rate of return:	5.00%
Discount rate:	3.63%
Salary increases:	
Inflation	3.20%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

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%	1.13%
U.S. Credit Bonds	Barclays Credit	65%	2.61%
U.S. Long Credit Bonds	Barclays Long Credit	3%	3.08%
U.S. Mortgages	Barclays MBS	31%	2.19%
Inflation			2.30%
Long-term expected rate of return			5.00%

Single discount rate. A single discount rate of 3.63% was used to measure the total OPEB liability. 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.

Sensitivity of the City's proportionate share of net OPEB liability (asset) to changes in the discount rate. The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.63%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.63%) or 1-percentage-point higher (4.63%) than the current rate:

	1% Decrease to Discount Rate (2.63%)	Current Discount Rate (3.63%)	1% Increase to Discount Rate (4.63%)
City's proportionate share of the net OPEB liability (asset)	\$ 2,356,657	\$ 1,667,391	\$ 1,138,452

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, 2018, the City reported a payable of \$0 for the outstanding amount of contribution to the Plan required for the year ended December 31, 2018.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

I. 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, 2018, nonspendable fund balance was as follows:

	<u>General</u>	<u>Nonmajor</u>
Nonspendable		
Inventories and prepaid items	\$ 162,865	\$ 98,161
Long-term accounts and interfund receivables	1,837,965	-
Principal of endowment	-	1,508,758
	<u> </u>	<u> </u>
Total Nonspendable Fund Balance	<u>\$ 2,000,830</u>	<u>\$ 1,606,919</u>

Restricted Fund Balance

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2018, restricted fund balance was as follows:

Special Revenue Funds	
Restricted for	
Community development	\$ 1,526,037
Lead based abatement program	15,426
Total Special Revenue Funds Restricted Fund Balance	<u>1,541,463</u>
Debt Service Funds	
Restricted for	
Debt service	12,524,196
Tax incremental financing districts	6,648,765
Total Debt Service Funds Restricted Fund Balance	<u>19,172,961</u>
Capital Projects Funds	
Restricted for	
Capital improvements	<u>1,401,238</u>
Permanent Fund	
Restricted for	
Library trust	<u>936,724</u>
Total Restricted Fund Balance	<u>\$ 23,052,386</u>

Committed Fund Balance

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2018, General Fund balance was committed as follows:

General Fund	
Committed for	
Development	<u>\$ 350,000</u>

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Assigned Fund Balance

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2018, fund balance was assigned as follows:

General Fund	
Assigned for subsequent years budget	<u>\$ 1,165,778</u>
Special Revenue Funds	
Library activities and programs	927,735
Cable TV program	745,111
Tourism and promotion activities	299,753
Public safety - MEG unit	23,785
Special assessments	954,472
Ambulance services	655,364
Storm water	124,223
Park and recreation	<u>129,429</u>
Subtotal	<u>3,859,872</u>
Capital Projects Funds	
Assigned for	
Capital Improvements	<u>9,025,603</u>
Total	<u>\$ 14,051,253</u>

Minimum General Fund Balance Policy

The City has also adopted a minimum fund balance policy of 25% of subsequent year budgeted expenditures not including debt service, 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 2019 General Fund Expenditures	\$ 38,477,572
Minimum Fund Balance %	(x) 25%
Minimum Fund Balance Amount	<u>\$ 9,619,393</u>

The City's unassigned general fund balance of \$16,458,166 is above the minimum fund balance amount.

NOTE 4: OTHER INFORMATION

A. COMPONENT UNIT

This report contains the Housing Authority of the City of Sheboygan (the "Housing Authority"), which is included as a component unit. Financial information for the Housing Authority is presented as a separate column in the statement of net position and statement of activities.

In addition to the basic financial statements and the preceding notes to financial statements which apply, the following additional disclosures are considered necessary for a fair presentation.

Information related to the Housing Authority is as follows:

Significant Accounting Policies

The Housing Authority follows the accrual basis of accounting.

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.

Capital assets are stated at cost at the date of acquisition. The provision for depreciation was computed under the straight-line method over the useful lives of the assets.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Deposits and Investments

The carrying amount of the Housing Authority's cash and investments totaled \$4,258,495 on March 31, 2018 as summarized below:

Deposits with financial institutions	\$ 677,264
Investments	
Government debt securities	2,400,927
Exchange traded Funds	1,180,304
	<u>\$ 4,258,495</u>

Reconciliation to the basic financial statements

Combining Statement of Net Position	
Cash and investments	\$ 4,154,873
Cash and cash equivalents - restricted	103,622
	<u>\$ 4,258,495</u>

Custodial Credit Risk

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

Deposits with financial institutions within the State of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for 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. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. 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 March 31, 2018, none of the Housing Authority's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Fair Value Measurements

The Housing Authority 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 Housing Authority has the following fair value measurements as of December 31, 2018:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Federal National Mortgage Association	\$ -	\$ 272,093	\$ -
Federal Home Loan Mortgage Corporation	-	929,677	-
Federal Farm Credit Bank	-	436,793	-
Federal Home Loan Bank	-	339,980	-
U.S. Treasury securities	-	172,279	-
Negotiable certificates of deposit	-	250,105	-
Exchange traded funds	1,180,304	-	-
Total investments by fair value level	\$ 1,180,304	\$ 2,400,927	\$ -

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investments in securities to the top two ratings assigned by nationally recognized statistical rating organization. The Authority does not have an additional credit risk policy. Presented below is the actual rating as of March 31, 2018, for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Federal National Mortgage Association	\$ 272,093	\$ -	\$ 272,093	\$ -	\$ -
Federal Home Loan Mortgage Corporation	929,677	-	929,677	-	-
Federal Farm Credit Bank	436,793	-	436,793	-	-
Federal Home Loan Bank	339,980	-	339,980	-	-
U.S. Treasury securities	172,279	172,279	-	-	-
Negotiable certificates of deposit	250,105	-	-	-	250,105
Exchange traded funds	1,180,304	-	1,180,304	-	-
Totals	\$ 3,581,231	\$ 172,279	\$ 3,158,847	\$ -	\$ 250,105

Concentration of Credit Risk

Concentration of credit risk refers to risk of loss attributed to investments in a single issuer. The Housing Authority does not have an additional investment policy regarding concentration of credit risk.

Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The Housing Authority'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.	\$ 1,978,543

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

Interest Rate Risk

Interest rate risk is the risk that changes in 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 Housing Authority 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 Housing Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Housing Authority's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Federal National Mortgage Association	\$ 272,093	\$ -	\$ 272,093	\$ -	\$ -
Federal Home Loan Mortgage Corporation	929,677	-	-	929,677	-
Federal Farm Credit Bank	436,793	-	-	436,793	-
Federal Home Loan Bank	339,980	-	-	97,597	242,383
U.S. Treasury securities	172,279	-	172,279	-	-
Negotiable certificates of deposit	250,105	-	-	250,105	-
Exchange traded funds	1,180,304	-	-	136,203	1,044,101
Totals	\$ 3,581,231	\$ -	\$ 444,372	\$ 1,850,375	\$ 1,286,484

Capital Assets

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Capital assets, nondepreciable:					
Land	\$ 346,943	\$ -	\$ -	\$ -	\$ 346,943
Construction in progress	133,001	637,108	-	(618,026)	152,083
Total capital assets, nondepreciable	479,944	637,108	-	(618,026)	499,026
Capital assets, depreciable:					
Buildings and improvements	9,059,463	99,018	-	618,026	9,776,507
Machinery and equipment	921,927	21,596	39,350	-	904,173
Total capital assets, depreciable	9,981,390	120,614	39,350	618,026	10,680,680
Less accumulated depreciation	7,833,151	311,401	30,277	-	8,114,275
Net capital assets, depreciable	2,148,239	(190,787)	9,073	618,026	2,566,405
Total capital assets, net of accumulated depreciation	\$ 2,628,183	\$ 446,321	\$ 9,073	\$ -	\$ 3,065,431

Accumulated depreciation is not available by class or function.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

B. TAX INCREMENTAL FINANCING DISTRICTS

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

The intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the respective Districts. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 6	2023
TID No. 10	2024
TID No. 11	2021
TID No. 12	2027
TID No. 13	2032
TID No. 14	2031
TID No. 15	2031
TID No. 16	2035
TID No. 17	2046
TID No. 18	2039
TID No. 19	2039
TID No. E1	2025

C. TAX ABATEMENTS

The City has created tax incremental financing districts (the "TIDs") in accordance with Wisconsin State Statute 66.1105, *Tax Increment Law*. As part of the project plan for the TIDs, the City entered into agreements with developers for a creation of tax base within the TIDs. The agreements require the City to make annual repayments of property taxes collected within the TIDs to the developers, based upon the terms of the agreements. As tax abatements, those developer payments and the related property tax revenues are not reported as revenues or expenditures in the financial statements.

For the year ended December 31, 2018, the City abated property taxes totaling \$322,004 under this program, including the following tax abatement agreements that each exceeded 10% of the total amount abated:

- ▶ A property tax abatement of \$167,118 to a developer for retail development within Tax Incremental District No. 14.
- ▶ A property tax abatement of \$154,886 to a developer for retail development within Tax Incremental District No. 15.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

D. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The City participates in a public entity risk pool called Cities and Villages Mutual Insurance Company to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission. However, other risks, such as workers compensation and health care of its employees are accounted for and financed by the City in health self-insurance internal service fund and the workers compensation self-insurance internal service fund.

Self-Insurance Fund

For health insurance claims, the uninsured risk of loss is \$150,000 per person. In addition, there is a minimum aggregate deductible for the current policy year which is the greater of \$6,874,632 or 90% of the monthly aggregate deductible for the first month of the policy year, multiplied by twelve months. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have exceeded the commercial coverage for the individual stop-loss, but not the aggregate deductible during any of the past three years.

For workers compensation claims, the uninsured risk of loss is \$500,000 per incident. The City has purchased commercial insurance for claims in excess of those amounts. Settled claims have not exceeded the commercial coverage in any of the past three years.

All funds of the City participate in the risk management program. Amounts payable to the internal service funds are based on actuarial estimates of the amounts necessary to pay prior and current year claims and to establish a reserve for catastrophic losses. \$8,883,093 was available for that reserve at year end, and is included in unrestricted net position of the internal service funds.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. Liabilities include an amount for health insurance, workers compensation, and general liability claims that have been incurred but not reported.

	Liability January 1	Current Year Claims and Changes in Estimates	Claims Payments	Liability December 31
Health Insurance				
2018	\$ 721,268	\$ 6,733,113	\$ 6,796,776	\$ 657,605
2017	667,743	6,396,154	6,342,629	721,268
Workers Compensation				
2018	61,509	192,636	196,357	57,788
2017	55,993	298,397	292,881	61,509
General Liability				
2018	185,703	144,370	144,370	185,703
2017	185,703	167,036	167,036	185,703

Wisconsin Municipal Insurance Commission (WMIC)

Cities and Villages Mutual Insurance company (CVMIC)

CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC that was established under Section 66.30 of the Wisconsin Statutes governing intergovernmental cooperation commissions.

City of Sheboygan, Wisconsin

NOTES TO BASIC FINANCIAL STATEMENTS DECEMBER 31, 2018

CVMIC insures the municipalities up to \$5,000,000 per occurrence above the self-insured retention amount selected by each individual city or City. CVMIC also provides excess insurance of \$5,000,000 over the CVMIC layer thru a group purchase program paid proportionately by members for a total limit of \$10,000,000 per occurrence. Members pay premiums based on their self-insured retention amount, claims experience and population.

Management of CVMIC and WMIC consists of a board of directors and officers elected by the membership from each class of participants based on population. The board of directors hires the company executive director who in turn hires the management staff of CVMIC. The City does not exercise any control over the activities of CVMIC and WMIC beyond the election of the officer and board.

Financial statements of CVMIC can be obtained directly from CVMIC's offices. The City's Mutual Member Participation Calculation for 2018 is calculated at 2.941%. This calculation is based on premiums, claims and self-insured retention of the city as compared to the entire membership. The City's participation portion of available funds would be distributed upon dissolution. WMIC is not required to have an audit.

The City pays an annual premium to CVMIC for its general liability insurance as noted. The City's self-insured retention amount annually is \$125,000 per occurrence and \$500,000 in the aggregate. An actuarially determined estimate for outstanding losses and incurred but not reported losses related to the City is \$27,348 as of December 31, 2018.

E. CONTINGENCIES

The City participates in a number of federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. An audit under the Uniform Guidance has been conducted but final acceptance is still pending. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management and the legal counsel that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the City's financial position or results of operations.

F. 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. This statement is effective for reporting periods beginning after December 15, 2018. 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. This statement is 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.

G. SUBSEQUENT EVENTS

During May of 2019, the City approved the sale of \$4,225,000 Community Development Bonds, \$6,655,000 General Obligation Bonds, and \$3,315,000 Taxable General Obligation Refunding Bonds. The Community Development Bonds are to be used for tax incremental district development initiatives. The general obligation bonds will be used to finance part of the cost of capital improvements. The taxable refunding bonds will be used to refinance existing debt.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

City of Sheboygan, Wisconsin

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - CITY PLAN LAST 10 FISCAL YEARS *

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 157,135
Interest	150,414
Benefit payments	<u>(263,313)</u>
Net change in total OPEB liability	44,236
Total OPEB liability - beginning	<u>3,813,442</u>
Total OPEB liability - ending	<u>\$ 3,857,678</u>
Covered payroll	\$ 22,756,975
City's total OPEB liability as a percentage of covered payroll	16.95%

* 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.

DRAFT

City of Sheboygan, Wisconsin

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS - WATER UTILITY PLAN LAST 10 FISCAL YEARS

	<u>2018</u>
Total OPEB liability	
Service cost	\$ 10,894
Interest	7,184
Benefit payments	<u>(16,356)</u>
Net change in total OPEB liability	1,722
Total OPEB liability - beginning	<u>207,998</u>
Total OPEB liability - ending	<u>\$ 209,720</u>
Covered payroll	\$ 1,874,682
Water Utility's total OPEB liability as a percentage of covered payroll	11.19%

See notes to required supplementary information.

DRAFT

City of Sheboygan, 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	0.24125991%	\$ (5,926,003)	\$ 26,387,532	22.46%	102.74%
12/31/15	0.24324242%	3,952,640	27,577,423	14.33%	98.20%
12/31/16	0.24121808%	1,988,213	26,123,451	7.61%	99.12%
12/31/17	0.24242440%	(7,197,868)	26,534,421	27.13%	102.93%

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	\$ 2,385,841	\$ 2,385,841	\$ -	\$ 27,577,423	8.65%
12/31/16	2,235,521	2,235,521	-	26,123,451	8.56%
12/31/17	2,515,080	2,515,080	-	26,534,421	9.48%
12/31/18	2,502,629	2,502,629	-	27,492,935	9.10%

See notes to required supplementary information.

City of Sheboygan, Wisconsin

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
LOCAL RETIREE LIFE INSURANCE FUND
LAST 10 FISCAL YEARS**

<u>Plan Year Ending</u>	<u>Proportion of the Net OPEB Liability (Asset)</u>	<u>Proportionate Share of the Net OPEB Liability (Asset)</u>	<u>Covered Payroll</u>	<u>Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)</u>
12/31/17	0.55421200%	\$ 1,667,391	\$ 23,306,200	7.15%	44.81%

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

<u>Fiscal Year Ending</u>	<u>Contractually Required Contributions</u>	<u>Contributions in Relation to the Contractually Required Contributions</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/18	\$ 9,782	\$ 9,782	\$ -	\$ 27,492,935	0.03558005%

See notes to required supplementary information.

City of Sheboygan, Wisconsin

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2018

A. GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 75

The City implemented GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the fiscal year ended December 31, 2018. Information for prior years is not available.

Health Insurance Benefit - City Plan and Water Utility Plan

The data presented in the Schedule of Changes in Total OPEB Liability and Related Ratios was taken from the reports issued by the actuary.

There were no changes of benefit terms.

There were no changes in assumptions.

Local Retiree Life Insurance Fund

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

There were no changes in assumptions.

B. WISCONSIN RETIREMENT SYSTEM

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

There were no changes in assumptions.

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.

SUPPLEMENTARY INFORMATION

DRAFT

City of Sheboygan, Wisconsin

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017

	Special Revenue						
	Community Development Block Grant	Revolving Loan Funds	Lead Based Abatement Program	Head Library	Cable TV	Tourism Promotion	Harbor Center Marina
ASSETS							
Cash and Investments	\$ 1,000,218	\$ 551,612	\$ 15,426	\$ 1,080,438	\$ 608,127	\$ 220,067	\$ 239,487
Receivables	-	-	-	2,399,321	-	-	-
Taxes and special charges	-	-	-	5,331	144,610	233,486	36,555
Accounts	-	-	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Loans	3,206,750	3,018,417	-	-	-	-	-
Other	-	-	-	-	-	48	-
Due from other funds	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
Inventories and prepaid items	61,285	-	-	-	-	-	36,876
Total assets	\$ 4,768,253	\$ 3,570,029	\$ 15,426	\$ 3,485,090	\$ 752,737	\$ 453,601	\$ 312,918
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities							
Accounts payable	\$ 20,178	\$ -	\$ -	\$ 52,256	\$ 3,299	\$ 153,682	\$ 44,094
Accrued and other current liabilities	5,615	-	-	105,778	4,327	166	-
Due to other funds	-	-	-	-	-	-	2,811,581
Advance from other funds	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Special deposits	-	-	-	-	-	-	82,888
Unearned revenues	-	-	-	-	-	-	-
Total liabilities	25,793	-	-	158,034	7,626	153,848	2,938,563
Deferred inflows of resources							
Property taxes levied for subsequent year	-	-	-	2,399,321	-	-	-
Accounts receivable	-	-	-	-	-	-	-
Loans receivable	3,206,750	3,018,417	-	-	-	-	-
Special assessments	-	-	-	-	-	-	-
Total deferred inflows of resources	3,206,750	3,018,417	-	2,399,321	-	-	-
Fund balances							
Nonspendable	61,285	-	-	-	-	-	36,876
Restricted	974,425	551,612	15,426	-	-	-	-
Assigned	-	-	-	927,735	745,111	299,753	-
Unassigned	-	-	-	-	-	-	(2,662,521)
Total fund balances	1,035,710	551,612	15,426	927,735	745,111	299,753	(2,625,645)
Total liabilities, deferred inflows of resources, and fund balances	\$ 4,768,253	\$ 3,570,029	\$ 15,426	\$ 3,485,090	\$ 752,737	\$ 453,601	\$ 312,918

City of Sheboygan, Wisconsin

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017

	Special Revenue							
	Police Meg Unit	Special Assessment	Redevelopment Authority	Municipal Court	Ambulance	Storm Water	Park Impact Fees	Park, Forestry & Open Space
ASSETS								
Cash and investments	\$ 16,118	\$ 910,381	\$ 136,911	\$ 30,462	\$ 345,687	\$ 124,223	\$ 82,934	\$ 46,495
Receivables								
Taxes and special charges	-	-	-	-	-	-	-	110,000
Accounts	9,652	40,397	-	-	484,979	-	-	-
Special assessments	-	559,837	-	-	-	-	-	-
Loans	-	-	940,004	-	-	-	-	-
Other	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-	-	-
Advance to other funds	-	-	-	-	-	-	-	-
Due from other governments	-	-	-	-	-	-	-	-
Inventories and prepaid items	-	-	-	-	-	-	-	-
Total assets	\$ 25,770	\$ 1,510,615	\$ 1,076,915	\$ 30,462	\$ 830,666	\$ 124,223	\$ 82,934	\$ 156,495
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities								
Accounts payable	\$ 1,563	\$ -	\$ 10,407	\$ 23,957	\$ 18,862	\$ -	\$ -	\$ -
Accrued and other current liabilities	422	-	-	6,505	13,876	-	-	-
Due to other funds	-	-	-	-	-	-	-	-
Advance from other funds	-	-	575,000	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-	-
Special deposits	-	-	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-	-	-
Total liabilities	1,985	-	585,407	30,462	32,738	-	-	-
Deferred inflows of resources								
Property taxes levied for subsequent year	-	-	-	-	-	-	-	110,000
Accounts receivable	-	-	-	-	142,564	-	-	-
Loans receivable	-	-	940,004	-	-	-	-	-
Special assessments	-	556,143	-	-	-	-	-	-
Total deferred inflows of resources	-	556,143	940,004	-	142,564	-	-	110,000
Fund balances								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-
Assigned	23,785	954,472	-	-	655,364	124,223	82,934	46,495
Unassigned	-	-	(448,496)	-	-	-	-	-
Total fund balances	23,785	954,472	(448,496)	-	655,364	124,223	82,934	46,495
Total liabilities, deferred inflows of resources, and fund balances	\$ 25,770	\$ 1,510,615	\$ 1,076,915	\$ 30,462	\$ 830,666	\$ 124,223	\$ 82,934	\$ 156,495

City of Sheboygan, Wisconsin

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017

	Permanent Funds		Totals	
	Cemetery Perpetual Care	Library Trust	2018	2017
ASSETS				
Cash and investments	\$ 908,428	\$ 1,536,724	\$ 7,853,738	\$ 16,345,766
Receivables				
Taxes and special charges	-	-	2,509,321	6,764,092
Accounts	330	-	955,340	1,231,313
Special assessments	-	-	559,837	689,418
Loans	-	-	7,165,171	8,741,921
Other	-	-	48	18,725
Due from other funds	-	-	-	600,000
Advance to other funds	-	-	-	472,563
Due from other governments	-	-	-	1,384,779
Inventories and prepaid items	-	-	98,161	595,405
Total assets	\$ 908,758	\$ 1,536,724	\$ 19,141,616	\$ 36,843,982
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ -	\$ 328,298	\$ 1,917,862
Accrued and other current liabilities	-	-	136,689	105,642
Due to other funds	-	-	2,811,581	4,256,785
Advance from other funds	-	-	575,000	3,044,963
Due to other governments	-	-	-	416,765
Special deposits	-	-	82,888	59,730
Unearned revenues	-	-	-	131,664
Total liabilities	-	-	3,934,456	9,933,411
Deferred inflows of resources				
Property taxes levied for subsequent year	-	-	2,509,321	6,764,092
Accounts receivable	-	-	142,564	168,512
Loans receivable	-	-	7,165,171	7,545,156
Special assessments	-	-	556,143	688,602
Total deferred inflows of resources	-	-	10,373,199	15,166,362
Fund balances				
Nonspendable	908,758	600,000	1,606,919	2,072,293
Restricted	-	936,724	2,478,187	5,319,363
Assigned	-	-	3,859,872	8,546,300
Unassigned	-	-	(3,111,017)	(4,193,747)
Total fund balances	908,758	1,536,724	4,833,961	11,744,209
Total liabilities, deferred inflows of resources, and fund balances	\$ 908,758	\$ 1,536,724	\$ 19,141,616	\$ 36,843,982

City of Sheboygan, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Revenue						
	Community Development Block Grant	Revolving Loan Funds	Lead Based Abatement Program	Mead Library	Cable TV	Tourism Promotion	Harbor Center Marina
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ 2,335,829	\$ -	\$ 1,626,213	\$ -
Special assessments	-	-	-	-	-	-	-
Intergovernmental	673,404	-	-	692,023	-	-	-
Licenses and permits	-	-	-	-	554,735	-	-
Fines and forfeits	-	-	-	-	-	45	-
Public charges for services	-	-	-	44,027	924	-	897,717
Miscellaneous	121,209	332,956	6,785	77,311	6,010	-	5,047
Total revenues	794,613	332,956	6,785	3,149,190	561,669	1,626,258	902,764
EXPENDITURES							
Current							
General government	-	-	-	-	-	5,686	-
Public safety	-	-	-	-	-	28,079	-
Public works	-	-	-	-	-	-	995,336
Health and human services	-	-	-	-	-	-	-
Culture and recreation	-	-	-	3,243,921	165,647	29,487	-
Conservation and development	387,850	500,000	-	-	-	584,033	-
Debt service	-	-	-	-	-	-	-
Principal	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Capital outlay	280,474	-	-	19,471	49,687	-	33,104
Total expenditures	668,324	500,000	-	3,263,392	215,334	647,285	1,028,440
Excess of revenues over (under) expenditures	126,289	(167,044)	6,785	(114,202)	346,335	978,973	(125,676)
OTHER FINANCING SOURCES (USES)							
Long-term debt issued	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-
Transfers in	220	-	-	-	-	-	225,000
Transfers out	-	-	-	(31,967)	(425,000)	(885,335)	-
Total other financing sources (uses)	220	-	-	(31,967)	(425,000)	(885,335)	225,000
Net change in fund balances	126,509	(167,044)	6,785	(146,169)	(78,665)	93,638	99,324
Fund balances - January 1	909,201	718,656	8,641	1,073,904	823,776	206,115	(2,724,969)
Fund balances - December 31	\$ 1,035,710	\$ 551,612	\$ 15,426	\$ 927,735	\$ 745,111	\$ 299,753	\$ (2,625,645)

City of Sheboygan, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017

	Special Revenue							
	Police Mey Unit	Special Assessment	Redevelopment Authority	Municipal Court	Ambulance	storm water	Park Impact Fees	Park, Forestry & Open Space
REVENUES								
Taxes	\$ -	\$ -	\$ 22,185	\$ -	\$ -	\$ -	\$ -	\$ 110,000
Special assessments	-	226,253	-	-	-	-	-	-
Intergovernmental	40,063	-	-	-	7,955	-	-	-
Licenses and permits	-	-	-	-	-	-	-	-
Fines and forfeits	-	-	-	922,128	-	-	-	-
Public charges for services	-	-	-	-	1,396,874	19,991	9,846	-
Miscellaneous	93	23,371	100,459	437	795	306	264	338
Total revenues	40,156	249,624	122,644	922,565	1,405,624	20,297	10,110	110,338
EXPENDITURES								
Current								
General government	-	-	-	497,575	-	-	-	-
Public safety	34,138	-	-	-	578,819	-	-	-
Public works	-	-	-	-	-	-	-	-
Health and human services	-	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-	-
Conservation and development	-	-	44,770	-	-	-	-	-
Debt service	-	-	-	-	91,964	-	-	-
Principal	-	-	-	-	14,492	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-	-
Capital outlay	10,612	-	101,300	1,764	-	-	-	127,130
Total expenditures	44,750	-	145,970	499,339	685,275	-	-	127,130
Excess of revenues over (under) expenditures	(4,594)	249,624	(23,326)	423,226	720,349	20,297	10,110	(16,792)
OTHER FINANCING SOURCES (USES)								
Long-term debt issued	-	-	-	-	-	-	-	-
Premium on debt issued	-	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-	-
Transfers in	4,147	-	-	-	-	-	-	-
Transfers out	-	(300,529)	-	(424,723)	(451,102)	-	-	-
Total other financing sources (uses)	4,147	(300,529)	-	(424,723)	(451,102)	-	-	-
Net change in fund balances	(447)	(50,905)	(23,326)	(997)	269,247	20,297	10,110	(16,792)
Fund balances - January 1	24,232	1,005,377	(425,170)	997	386,117	103,926	72,824	63,287
Fund balances - December 31	\$ 23,785	\$ 954,472	\$ (448,496)	\$ -	\$ 655,364	\$ 124,223	\$ 82,934	\$ 46,495

City of Sheboygan, Wisconsin

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017

	Permanent Funds		Totals	
	Cemetery Perpetual Care	Library Trust	2018	2017
REVENUES				
Taxes	\$ -	\$ -	\$ 4,094,227	\$ 8,251,734
Special assessments	-	-	226,253	434,350
Intergovernmental	-	-	1,413,445	3,577,543
Licenses and permits	-	-	554,735	569,961
Fines and forfeits	-	-	922,173	705,477
Public charges for services	14,836	-	2,384,215	2,492,614
Miscellaneous	34,854	478,056	1,188,291	1,173,686
Total revenues	49,690	478,056	10,783,339	17,205,365
EXPENDITURES				
Current				
General government	-	-	583,261	436,597
Public safety	-	-	641,036	614,173
Public works	-	-	995,336	748,950
Health and human services	16,570	-	16,570	12,139
Culture and recreation	-	91,420	3,530,475	3,528,293
Conservation and development	-	-	1,516,653	4,168,937
Debt service				
Principal	-	-	91,964	1,824,262
Interest and fiscal charges	-	-	14,492	264,332
Capital outlay	-	-	622,942	13,356,348
Total expenditures	16,570	91,420	7,932,729	22,954,023
Excess of revenues over (under) expenditures	33,120	386,636	2,850,610	(5,748,658)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	-	5,400,000
Premium on debt issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	696,450
Transfers in	-	-	229,367	3,406,050
Transfers out	(1,250)	-	(2,519,906)	(6,007,496)
Total other financing sources (uses)	(1,250)	-	(2,290,539)	3,495,004
Net change in fund balances	31,870	386,636	560,071	(2,253,654)
Fund balances - January 1	876,888	1,150,088	4,273,890	13,997,863
Fund balances - December 31	\$ 908,758	\$ 1,536,724	\$ 4,833,961	\$ 11,744,209

City of Sheboygan, Wisconsin

**MEAD LIBRARY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,335,829	\$ 2,335,829	\$ 2,335,829	\$ -
Intergovernmental	689,299	689,299	692,023	2,724
Public charges for services	62,800	62,800	44,027	(18,773)
Miscellaneous	66,000	66,000	77,311	11,311
Total revenues	3,153,928	3,153,928	3,149,190	(4,738)
EXPENDITURES				
Current				
Culture and recreation	3,134,428	3,145,749	3,243,921	(98,172)
Capital outlay	19,500	19,500	19,471	29
Total expenditures	3,153,928	3,165,249	3,263,392	(98,143)
Net change in fund balance	-	(11,321)	(146,169)	(134,848)
Fund balance - January 1	1,073,904	1,073,904	1,073,904	-
Fund balance - December 31	\$ 1,073,904	\$ 1,062,583	\$ 927,735	\$ (134,848)

City of Sheboygan, Wisconsin

**CABLE TV SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 625,000	\$ 625,000	\$ 554,735	\$ (70,265)
Public charges for services	650	650	924	274
Miscellaneous	4,500	4,500	6,010	1,510
Total revenues	630,150	630,150	561,669	(68,481)
EXPENDITURES				
Current				
Culture and recreation	196,197	196,197	165,647	30,550
Capital outlay	119,050	119,050	49,687	69,363
Total expenditures	315,247	315,247	215,334	99,913
Excess of revenues over expenditures	314,903	314,903	346,335	31,432
OTHER FINANCING USES				
Transfers out	(425,000)	(425,000)	(425,000)	-
Net change in fund balance	(110,097)	(110,097)	(78,665)	31,432
Fund balance - January 1	823,776	823,776	823,776	-
Fund balance - December 31	\$ 713,679	\$ 713,679	\$ 745,111	\$ 31,432

City of Sheboygan, Wisconsin

TOURISM PROMOTION SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,460,000	\$ 1,460,000	\$ 1,626,213	\$ 166,213
Fines and forfeits	-	-	45	45
Miscellaneous	3,000	3,000	-	(3,000)
Total revenues	1,463,000	1,463,000	1,626,258	163,258
EXPENDITURES				
Current				
General government	3,150	5,825	5,686	139
Public safety	31,147	31,147	28,079	3,068
Culture and recreation	54,860	66,860	29,487	37,373
Conservation and development	506,659	506,659	584,033	(77,374)
Capital outlay	1,500	583	-	583
Total expenditures	597,316	611,074	647,285	(36,211)
Excess of revenues over expenditures	865,684	851,926	978,973	127,047
OTHER FINANCING USES				
Transfers out	(867,930)	(867,930)	(885,335)	(17,405)
Net change in fund balance	(2,246)	(16,004)	93,638	109,642
Fund balance - January 1	206,115	206,115	206,115	-
Fund balance - December 31	\$ 203,869	\$ 190,111	\$ 299,753	\$ 109,642

City of Sheboygan, Wisconsin

HARBOR CENTER MARINA SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Public charges for services	\$ 854,100	\$ 854,100	\$ 897,717	\$ 43,617
Miscellaneous	-	-	5,047	5,047
Total revenues	854,100	854,100	902,764	48,664
EXPENDITURES				
Current				
Public works	810,100	810,100	995,336	(185,236)
Debt service				
Interest and fiscal charges	4,000	4,000	-	4,000
Capital outlay	40,000	40,000	33,104	6,896
Total expenditures	854,100	854,100	1,028,440	(174,340)
Net change in fund balance	-	-	99,324	99,324
Fund balance - January 1	(2,724,969)	(2,724,969)	(2,724,969)	-
Fund balance - December 31	\$ (2,724,969)	\$ (2,724,969)	\$ (2,625,645)	\$ 99,324

City of Sheboygan, Wisconsin

**POLICE MEG UNIT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 53,827	\$ 53,827	\$ 40,063	\$ (13,764)
Miscellaneous	-	-	93	93
Total revenues	53,827	53,827	40,156	(13,671)
EXPENDITURES				
Current				
Public safety	53,827	43,827	34,138	9,689
Capital outlay	-	10,000	10,612	(612)
Total expenditures	53,827	53,827	44,750	9,077
Deficiency of revenues under expenditures	-	-	(4,594)	(4,594)
OTHER FINANCING SOURCES				
Transfers in	-	-	4,147	4,147
Net change in fund balance	-	-	(447)	(447)
Fund balance - January 1	24,232	24,232	24,232	-
Fund balance - December 31	\$ 24,232	\$ 24,232	\$ 23,785	\$ (447)

City of Sheboygan, Wisconsin

**SPECIAL ASSESSMENT SPECIAL REVENUE FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Special assessments	\$ 257,606	\$ 257,606	\$ 226,253	\$ (31,353)
Miscellaneous	15,963	15,963	23,371	7,408
Total revenues	<u>273,569</u>	<u>273,569</u>	<u>249,624</u>	<u>(23,945)</u>
OTHER FINANCING USES				
Transfers out	<u>(300,529)</u>	<u>(300,529)</u>	<u>(300,529)</u>	<u>-</u>
Net change in fund balance	<u>(26,960)</u>	<u>(26,960)</u>	<u>(50,905)</u>	<u>(23,945)</u>
Fund balance - January 1	<u>1,005,377</u>	<u>1,005,377</u>	<u>1,005,377</u>	<u>-</u>
Fund balance - December 31	<u>\$ 978,417</u>	<u>\$ 978,417</u>	<u>\$ 954,472</u>	<u>\$ (23,945)</u>

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City of Sheboygan, Wisconsin

**REDEVELOPMENT AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 22,000	\$ 22,000	\$ 22,185	\$ 185
Miscellaneous	100,000	100,000	100,459	459
Total revenues	122,000	122,000	122,644	644
EXPENDITURES				
Current				
Conservation and development	50,000	50,000	44,770	5,230
Capital outlay	-	-	101,200	(101,200)
Total expenditures	50,000	50,000	145,970	(95,970)
Net change in fund balance	72,000	72,000	(23,326)	(95,326)
Fund balance - January 1	(425,170)	(425,170)	(425,170)	-
Fund balance - December 31	\$ (353,170)	\$ (353,170)	\$ (448,496)	\$ (95,326)

City of Sheboygan, Wisconsin

MUNICIPAL COURT SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and forfeits	\$ 902,000	\$ 900,000	\$ 922,128	\$ 22,128
Public charges for services	5,000	5,000	-	(5,000)
Miscellaneous	-	-	437	437
Total revenues	907,000	905,000	922,565	17,565
EXPENDITURES				
Current				
General government	543,022	543,022	497,575	45,447
Capital outlay	-	-	1,264	(1,264)
Total expenditures	543,022	543,022	498,839	44,183
Excess of revenues over expenditures	363,978	361,978	423,726	61,748
OTHER FINANCING USES				
Transfers out	(363,978)	(363,978)	(424,723)	(60,745)
Net change in fund balance	-	(2,000)	(997)	1,003
Fund balance - January 1	997	997	997	-
Fund balance - December 31	\$ 997	\$ (1,003)	\$ -	\$ 1,003

City of Sheboygan, Wisconsin

AMBULANCE SPECIAL REVENUE FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 7,955	\$ 7,955
Public charges for services	1,000,000	1,000,000	1,396,874	396,874
Miscellaneous	-	-	795	795
Total revenues	1,000,000	1,000,000	1,405,624	405,624
EXPENDITURES				
Current				
Public safety	696,717	696,717	578,819	117,898
Debt service				
Principal	-	-	91,964	(91,964)
Interest and fiscal charges	-	-	14,492	(14,492)
Total expenditures	696,717	696,717	685,275	11,442
Excess of revenues over expenditures	303,283	303,283	720,349	417,066
OTHER FINANCING USES				
Transfers out	(303,283)	(303,283)	(451,102)	(147,819)
Net change in fund balance	-	-	269,247	269,247
Fund balance - January 1	386,117	386,117	386,117	-
Fund balance - December 31	\$ 386,117	\$ 386,117	\$ 655,364	\$ 269,247

City of Sheboygan, Wisconsin

**STORM WATER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Public charges for services	\$ 1,200	\$ 1,200	\$ 19,991	\$ 18,791
Miscellaneous	-	-	306	306
Total revenues	<u>1,200</u>	<u>1,200</u>	<u>20,297</u>	<u>19,097</u>
EXPENDITURES				
Capital outlay	-	1,464	-	1,464
Net change in fund balance	(7,604)	(9,068)	20,297	29,365
Fund balance - January 1	<u>103,926</u>	<u>103,926</u>	<u>103,926</u>	<u>-</u>
Fund balance - December 31	<u>\$ 96,322</u>	<u>\$ 94,858</u>	<u>\$ 124,223</u>	<u>\$ 29,365</u>

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City of Sheboygan, Wisconsin

**PARK FORESTRY & OPEN SPACE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 110,000	\$ 110,000	\$ 110,000	\$ -
Intergovernmental	12,500	12,500	-	(12,500)
Miscellaneous	-	-	338	338
Total revenues	<u>122,500</u>	<u>122,500</u>	<u>110,338</u>	<u>(12,162)</u>
EXPENDITURES				
Capital outlay	<u>122,500</u>	<u>122,500</u>	<u>127,130</u>	<u>(4,630)</u>
Net change in fund balance	-	-	(16,792)	(16,792)
Fund balance - January 1	<u>63,287</u>	<u>63,287</u>	<u>63,287</u>	-
Fund balance - December 31	<u>\$ 63,287</u>	<u>\$ 63,287</u>	<u>\$ 46,495</u>	<u>\$ (16,792)</u>

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City of Sheboygan, Wisconsin

CAPITAL PROJECTS TAX LEVY FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,728,257	\$ 1,728,257	\$ 1,661,306	\$ (66,951)
Intergovernmental	1,024,641	921,000	670,606	(250,394)
Miscellaneous	5,077,500	5,090,000	600,349	(4,489,651)
Total revenues	7,865,398	7,774,257	2,932,261	(4,841,996)
EXPENDITURES				
Current				
Conservation and development	-	-	441,500	(441,500)
Capital outlay	10,927,018	14,704,273	4,527,920	10,176,353
Total expenditures	10,927,018	14,704,273	4,969,420	9,734,853
Excess of revenues over (under) expenditures	(3,061,620)	(6,930,016)	(2,037,159)	4,892,857
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	51,000	51,000	510,186	459,186
Transfers in	212,500	5,712,500	5,712,500	-
Transfers out	(1,912,387)	(1,912,387)	(4,669)	1,907,718
Total other financing sources (uses)	(1,648,887)	3,851,113	6,218,017	2,366,904
Net change in fund balance	(4,710,507)	(3,078,903)	4,180,858	7,259,761
Fund balance - January 1	4,844,745	4,844,745	4,844,745	-
Fund balance - December 31	\$ 134,238	\$ 1,765,842	\$ 9,025,603	\$ 7,259,761

City of Sheboygan, Wisconsin

**CAPITAL PROJECTS TIF DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 533,000	\$ 533,000	\$ -	\$ (533,000)
Miscellaneous	400,000	400,000	129,840	(270,160)
Total revenues	933,000	933,000	129,840	(803,160)
EXPENDITURES				
Current				
Conservation and development	91,192	992,360	1,018,476	(26,116)
Capital outlay	6,129,837	18,653,535	14,348,851	4,304,684
Total expenditures	6,221,029	19,645,895	15,423,170	4,222,725
Excess of revenues over (under) expenditures	<u>(5,288,029)</u>	<u>(18,712,895)</u>	<u>(15,293,330)</u>	<u>3,419,565</u>
OTHER FINANCING SOURCES				
Long-term debt issued	2,789,400	15,237,941	15,220,000	(17,941)
Transfers in	2,631,192	2,631,192	-	(2,631,192)
Total other financing sources	5,420,592	17,869,133	15,220,000	(2,649,133)
Net change in fund balance	132,563	(843,762)	(73,330)	770,432
Fund balance - January 1	(1,007,203)	(1,007,203)	(1,007,203)	-
Fund balance - December 31	\$ (874,640)	\$ (1,850,965)	\$ (1,080,533)	\$ 770,432

City of Sheboygan, Wisconsin

CAPITAL PROJECTS BONDED FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 117,000	\$ 117,000	\$ 31,899	(85,101)
Miscellaneous	85,000	85,000	156,471	71,471
Total revenues	202,000	202,000	188,370	(13,630)
EXPENDITURES				
Current				
Conservation and development	-	45,650	45,650	-
Capital outlay	9,795,363	11,061,198	9,578,341	1,482,857
Total expenditures	9,795,363	11,106,848	9,685,959	1,420,889
Excess of revenues over (under) expenditures	(9,593,363)	(10,904,848)	(9,497,589)	1,407,259
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	10,250,863	10,000,000	10,020,000	20,000
Proceeds from sale of capital assets	-	-	166,500	166,500
Transfers out	(940,500)	(940,500)	(949,000)	(8,500)
Total other financing sources (uses)	9,310,363	9,059,500	9,237,500	178,000
Net change in fund balance	(283,000)	(1,845,348)	(260,089)	1,585,259
Fund balance - January 1	1,661,327	1,661,327	1,661,327	-
Fund balance - December 31	\$ 1,378,327	\$ (184,021)	\$ 1,401,238	\$ 1,585,259

City of Sheboygan, Wisconsin

DEBT SERVICE GO DEBT FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,196,889	\$ 3,196,889	\$ 3,196,889	\$ -
Miscellaneous	507,965	507,965	573,255	65,290
Total revenues	3,704,854	3,704,854	3,770,144	65,290
EXPENDITURES				
Current				
General government	-	-	150	(150)
Debt service				
Principal	3,822,996	3,822,996	3,437,772	385,224
Interest and fiscal charges	839,887	839,887	879,863	(39,976)
Total expenditures	4,662,883	4,662,883	4,317,785	345,098
Excess of revenues over (under) expenditures	(958,029)	(958,029)	(547,641)	410,388
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	5,015,000	5,015,000
Premium on debt issued	-	-	260,406	260,406
Transfers in	898,029	898,029	915,434	17,405
Transfers out	(382,379)	(382,379)	(225,000)	157,379
Total other financing sources (uses)	515,650	515,650	5,965,840	5,450,190
Net change in fund balance	(442,379)	(442,379)	5,418,199	5,860,578
Fund balance - January 1	7,105,997	7,105,997	7,105,997	-
Fund balance - December 31	\$ 6,663,618	\$ 6,663,618	\$ 12,524,196	\$ 5,860,578

City of Sheboygan, Wisconsin

DEBT SERVICE TIF DISTRICTS FUND SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,578,776	\$ 3,578,776	\$ 3,147,970	\$ (430,806)
Intergovernmental	54,202	54,202	54,428	226
Miscellaneous	54,452	24,616	119,890	95,274
Total revenues	3,687,430	3,657,594	3,322,288	(335,306)
EXPENDITURES				
Current				
Conservation and development	298,941	298,941	390,000	(91,059)
Debt service				
Principal	1,699,951	1,699,951	2,134,951	(435,000)
Interest and fiscal charges	626,138	626,138	375,595	250,543
Total expenditures	2,625,030	2,625,030	2,900,546	(275,516)
Excess of revenues over expenditures	1,062,400	1,032,564	421,742	(610,822)
OTHER FINANCING SOURCES (USES)				
Long-term debt issued	-	-	3,800,000	3,800,000
Premium on debt issued	-	-	483,573	483,573
Transfers in	382,379	397,496	-	(397,496)
Transfers out	(927,180)	(927,180)	(28,000)	899,180
Total other financing sources (uses)	(544,801)	(529,684)	4,255,573	4,785,257
Net change in fund balance	517,599	502,880	4,677,315	4,174,435
Fund balance - January 1	1,971,450	1,971,450	1,971,450	-
Fund balance - December 31	\$ 2,489,049	\$ 2,474,330	\$ 6,648,765	\$ 4,174,435

City of Sheboygan, Wisconsin

**CEMETERY PERPETUAL CARE PERMANENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Public charges for services	\$ 9,400	\$ 9,400	\$ 14,836	\$ 5,436
Miscellaneous	2,000	2,000	34,854	32,854
Total revenues	11,400	11,400	49,690	38,290
EXPENDITURES				
Current				
Health and human services	750	750	16,570	(15,820)
Excess of revenues over expenditures	10,650	10,650	33,120	22,470
OTHER FINANCING USES				
Transfers out	(1,250)	(1,250)	(1,250)	-
Net change in fund balance	9,400	9,400	31,870	22,470
Fund balance - January 1	876,888	876,888	876,888	-
Fund balance - December 31	\$ 886,288	\$ 886,288	\$ 908,758	\$ 22,470

City of Sheboygan, Wisconsin

**LIBRARY TRUST PERMANENT FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 5,864	\$ 5,864	\$ 478,056	\$ 472,192
EXPENDITURES				
Current				
Culture and recreation	-	-	91,420	(91,420)
Net change in fund balance	5,864	5,864	386,636	380,772
Fund balance - January 1	1,150,088	1,150,088	1,150,088	-
Fund balance - December 31	<u>\$ 1,155,952</u>	<u>\$ 1,155,952</u>	<u>\$ 1,536,724</u>	<u>\$ 380,772</u>

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City of Sheboygan, Wisconsin

COMBINING STATEMENT OF NET POSITION
 NONMAJOR ENTERPRISE FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017

	Parking Facility	Boat Facility	Totals	
			2018	2017
ASSETS				
Current assets				
Cash and investments	\$ 478,024	\$ -	\$ 478,024	\$ 729,419
Receivables				
Taxes and special charges	21,694	-	21,694	14,777
Customer accounts	46,669	-	46,669	27,011
Special assessments	84,676	-	84,676	130,430
Other	-	-	-	807
Total current assets	631,063	-	631,063	902,444
Other assets				
Net pension asset	18,246	-	18,246	-
Capital assets				
Nondepreciable	716,258	-	716,258	716,258
Depreciable	486,181	640,524	1,126,705	889,401
Total capital assets	1,202,439	640,524	1,842,963	1,605,659
Total noncurrent assets	1,220,685	640,524	1,861,209	1,605,659
Total assets	1,851,748	640,524	2,492,272	2,508,103
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	33,365	-	33,365	33,184
Other postemployment related amounts	457	-	457	-
Total deferred outflows of resources	33,822	-	33,822	33,184
LIABILITIES				
Current liabilities				
Accounts payable	26,809	2,076	28,885	35,324
Accrued and other current liabilities	4,967	-	4,967	4,036
Due to other funds	-	59,019	59,019	-
Due to other governments	2,798	-	2,798	3,150
Special deposits	21,225	-	21,225	-
Unearned revenue	-	90	90	91
Total current liabilities	55,799	61,185	116,984	42,601
Long-term obligations, less current portion				
Net pension liability	-	-	-	4,141
Other postemployment benefits	4,227	-	4,227	-
Total long-term liabilities	4,227	-	4,227	4,141
Total liabilities	60,026	61,185	121,211	46,742
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	35,980	-	35,980	13,093
Other postemployment related amounts	127	-	127	-
Total deferred inflows of resources	36,107	-	36,107	13,093
NET POSITION				
Net investment in capital assets	1,202,439	640,524	1,842,963	1,605,659
Restricted for pension	18,246	-	18,246	-
Unrestricted	568,752	(61,185)	507,567	875,793
Total net position	\$ 1,789,437	\$ 579,339	\$ 2,368,776	\$ 2,481,452

City of Sheboygan, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	Parking Facility	Boat Facility	Totals	
			2018	2017
OPERATING REVENUES				
Charges for services	\$ 394,468	\$ 57,198	\$ 451,666	\$ 447,256
Other	6,120	-	6,120	6,181
Total operating revenues	400,588	57,198	457,786	453,437
OPERATING EXPENSES				
Personal services	191,729	-	191,729	181,428
Contractual services	184,958	87,875	272,833	338,639
Supplies and materials	43,221	-	43,221	43,902
Insurance	647	-	647	696
Other	5,594	-	5,594	34,505
Depreciation	11,347	55,021	66,368	43,023
Total operating expenses	437,496	142,896	580,392	642,193
Operating income (loss)	(36,908)	(85,698)	(122,606)	(188,756)
NONOPERATING REVENUES				
Interest income	2,979	189	3,168	9,188
Gain on disposal of capital assets	4,374	-	4,374	2,666
Other nonoperating revenues	-	-	-	15
Total nonoperating revenues	7,353	189	7,542	11,869
Income (loss) before transfers	(29,555)	(85,509)	(115,064)	(176,887)
Transfers in	5,877	-	5,877	10,015
Change in net position	(23,678)	(85,509)	(109,187)	(166,872)
Net position - January 1, as originally stated	1,816,604	664,848	2,481,452	2,648,324
Cumulative effect of change in accounting principle	(3,489)	-	(3,489)	-
Net position - January 1, as restated	1,813,115	664,848	2,477,963	2,648,324
Net position - December 31	\$ 1,789,437	\$ 579,339	\$ 2,368,776	\$ 2,481,452

City of Sheboygan, Wisconsin

**COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
WITH SUMMARIZED FINANCIAL INFORMATION FOR THE YEAR ENDED DECEMBER 31, 2017**

	Parking Facility	Boat Facility	Totals	
			2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers	\$ 395,483	\$ 57,407	\$ 452,890	\$ 449,114
Cash paid for employee wages and benefits	(190,071)	-	(190,071)	(176,949)
Cash paid to suppliers	(227,081)	(101,653)	(328,734)	(414,178)
Net cash used by operating activities	(21,669)	(44,246)	(65,915)	(142,013)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Nonoperating revenues	-	-	-	15
Transfer in (out)	5,877	-	5,877	10,015
Advances to other funds	-	59,019	59,019	445,913
Net cash provided by noncapital financing activities	5,877	59,019	64,896	455,943
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(18,157)	(285,515)	(303,672)	(371,177)
Sale of capital assets	4,374	-	4,374	2,666
Special assessments assessed	45,754	-	45,754	(6,577)
Net cash provided (used) by capital and related financing activities	31,971	(285,515)	(253,544)	(375,088)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	2,979	189	3,168	9,188
Change in cash and cash equivalents	19,158	(270,553)	(251,395)	(51,970)
Cash and cash equivalents - January 1	458,866	270,553	729,419	781,389
Cash and cash equivalents - December 31	\$ 478,024	\$ -	\$ 478,024	\$ 729,419
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (36,908)	\$ (85,698)	\$ (122,606)	\$ (188,756)
Adjustments to reconcile operating income (loss) to net cash used by operating activities				
Depreciation	11,347	55,021	66,368	43,023
Change in liability (asset) and deferred outflows and inflows of resources				
Pension	319	-	319	4,035
Other postemployment benefits	408	-	408	-
Change in operating assets and liabilities				
Accounts receivables	(25,978)	210	(25,768)	(4,494)
Accounts payable	7,339	(13,778)	(6,439)	3,564
Accrued and other current liabilities	931	-	931	444
Due to other governments	(352)	-	(352)	171
Customer deposits	21,225	-	21,225	-
Unearned revenue	-	(1)	(1)	-
Net cash used by operating activities	\$ (21,669)	\$ (44,246)	\$ (65,915)	\$ (142,013)
Reconciliation of cash and cash equivalents to the statement of net position				
Cash and cash equivalents in current assets	\$ 478,024	\$ -	\$ 478,024	\$ 729,419
Noncash capital and related financing activities				
None				

City of Sheboygan, Wisconsin

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
DECEMBER 31, 2018**

	Motor Vehicle	Data Processing	Health Self Insurance
ASSETS			
Current assets			
Cash and investments	\$ 3,247,438	\$ 826,528	\$ 4,470,415
Receivables			
Accounts	-	-	-
Inventories and prepaid items	-	-	-
Total current assets	<u>3,247,438</u>	<u>826,528</u>	<u>4,470,415</u>
Other assets			
Investment in CVMIC	-	-	-
Net pension asset	78,367	77,386	16,862
Total other assets	<u>78,367</u>	<u>77,386</u>	<u>16,862</u>
Capital assets			
Depreciable	4,362,394	319,367	-
Total assets	<u>7,688,199</u>	<u>1,223,281</u>	<u>4,487,277</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related amounts	138,561	136,655	30,540
Other postemployment related amounts	1,963	1,939	422
Total deferred outflows of resources	<u>140,524</u>	<u>138,594</u>	<u>30,962</u>
LIABILITIES			
Current liabilities			
Accounts payable	89,693	52,676	10,372
Accrued and other current liabilities	28,724	28,292	657,605
Total current liabilities	<u>118,417</u>	<u>80,968</u>	<u>667,977</u>
Long-term obligations,			
Other postemployment benefits	18,154	17,926	3,906
Total liabilities	<u>136,571</u>	<u>98,894</u>	<u>671,883</u>
DEFERRED INFLOWS OF RESOURCES			
Pension related amounts	154,538	152,604	33,252
Other postemployment related amounts	546	539	117
Total deferred inflows of resources	<u>155,084</u>	<u>153,143</u>	<u>33,369</u>
NET POSITION			
Net investment in capital assets	4,362,394	319,367	-
Restricted for pension	78,367	77,386	16,862
Unrestricted	3,096,307	713,085	3,796,125
Total net position	<u>\$ 7,537,068</u>	<u>\$ 1,109,838</u>	<u>\$ 3,812,987</u>

<u>Workers Compensation Self Insurance</u>	<u>General Liability Self Insurance</u>	<u>Total</u>
\$ 2,091,810	\$ 500,443	\$ 11,136,634
-	103,240	103,240
-	49,156	49,156
<u>2,091,810</u>	<u>652,839</u>	<u>11,289,030</u>
-	2,205,665	2,205,665
12,662	-	185,277
<u>12,662</u>	<u>2,205,665</u>	<u>2,390,942</u>
-	-	4,681,761
<u>2,104,472</u>	<u>2,858,504</u>	<u>18,361,733</u>
23,024	-	328,780
317	-	4,641
<u>23,341</u>	<u>-</u>	<u>333,421</u>
-	15,845	168,586
57,788	185,703	958,112
<u>57,788</u>	<u>201,548</u>	<u>1,126,698</u>
2,933	-	42,919
<u>60,721</u>	<u>201,548</u>	<u>1,169,617</u>
24,970	-	365,364
88	-	1,290
<u>25,058</u>	<u>-</u>	<u>366,654</u>
-	-	4,681,761
12,662	-	185,277
<u>2,029,372</u>	<u>2,656,956</u>	<u>12,291,845</u>
<u>\$ 2,042,034</u>	<u>\$ 2,656,956</u>	<u>\$ 17,158,883</u>

City of Sheboygan, Wisconsin

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Motor Vehicle	Data Processing	Health Self Insurance
OPERATING REVENUES			
Interdepartmental charges for services	\$ 1,814,595	\$ 880,618	\$ 6,608,964
Other	1,295	-	419
Total operating revenues	1,815,890	880,618	6,609,383
OPERATING EXPENSES			
Personal services	528,883	539,109	127,988
Contractual services	609,490	277,396	236,779
Supplies and materials	308,025	3,499	64
Insurance	-	-	6,733,114
Other	49,547	777	347,242
Depreciation	910,640	50,794	-
Total operating expenses	2,406,585	871,575	7,445,187
Operating income (loss)	(590,695)	9,043	(835,804)
NONOPERATING REVENUES			
Interest income	37,381	11,072	66,506
Gain on disposal of capital assets	61,608	-	-
Other nonoperating revenues	-	7,515	-
Total nonoperating revenues	98,989	18,587	66,506
Income (loss) before transfers	(491,706)	27,630	(769,298)
Transfers in	949,000	-	-
Transfers out	(125,000)	-	-
Change in net position	332,294	27,630	(769,298)
Net position - January 1, as originally stated	7,219,758	1,097,004	4,585,509
Cumulative effect of change in accounting principle	(14,984)	(14,796)	(3,224)
Net position - January 1, as restated	7,204,774	1,082,208	4,582,285
Net position - December 31	\$ 7,537,068	\$ 1,109,838	\$ 3,812,987

<u>Workers Compensation Self Insurance</u>	<u>General Liability Self Insurance</u>	<u>Total</u>
\$ 610,752	\$ 230,470	\$ 10,145,399
20	63,812	65,546
<u>610,772</u>	<u>294,282</u>	<u>10,210,945</u>
94,110	-	1,290,090
72,361	28,573	1,224,599
-	-	311,588
192,636	144,370	7,070,120
-	-	397,566
-	-	961,434
<u>359,107</u>	<u>172,943</u>	<u>11,255,397</u>
<u>251,665</u>	<u>121,339</u>	<u>(1,044,452)</u>
29,602	1,221	145,782
-	-	61,608
-	-	7,515
<u>29,602</u>	<u>1,221</u>	<u>214,905</u>
281,267	122,560	(829,547)
-	-	949,000
-	-	(125,000)
<u>281,267</u>	<u>122,560</u>	<u>(5,547)</u>
1,763,188	2,534,396	17,199,855
(2,421)	-	(35,425)
<u>1,760,767</u>	<u>2,534,396</u>	<u>17,164,430</u>
<u>\$ 2,042,034</u>	<u>\$ 2,656,956</u>	<u>\$ 17,158,883</u>

City of Sheboygan, Wisconsin

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Motor Vehicle	Data Processing	Health Self Insurance
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from other departments	\$ 1,818,853	\$ 881,672	\$ 6,609,383
Cash paid for employee wages and benefits	(501,406)	(516,031)	(189,221)
Cash paid to suppliers	(971,946)	(255,743)	(7,325,115)
Net cash provided (used) by operating activities	<u>345,501</u>	<u>109,898</u>	<u>(904,953)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Nonoperating revenues	-	7,515	-
Transfer in (out)	824,000	-	-
Net cash provided by noncapital financing activities	<u>824,000</u>	<u>7,515</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(511,263)	(180,852)	-
Sale of capital assets	61,608	-	-
Net cash provided (used) by capital and related financing activities	<u>(449,655)</u>	<u>(180,852)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	<u>37,381</u>	<u>11,072</u>	<u>73,322</u>
Change in cash and cash equivalents	<u>757,227</u>	<u>(52,367)</u>	<u>(831,631)</u>
Cash and cash equivalents - January 1	<u>2,490,211</u>	<u>878,895</u>	<u>5,302,046</u>
Cash and cash equivalents - December 31	<u>\$ 3,247,438</u>	<u>\$ 826,528</u>	<u>\$ 4,470,415</u>

Workers Compensation Self Insurance	General Liability Self Insurance	Total
\$ 610,772	\$ 220,593	\$ 10,141,273
(92,376)	-	(1,299,034)
<u>(268,718)</u>	<u>(165,886)</u>	<u>(8,987,408)</u>
249,678	54,707	(145,169)
-	-	7,515
-	-	<u>824,000</u>
-	-	<u>831,515</u>
-	-	(692,115)
-	-	<u>61,608</u>
-	-	<u>(630,507)</u>
<u>31,688</u>	<u>1,221</u>	<u>154,684</u>
281,366	55,928	210,523
<u>1,810,444</u>	<u>444,515</u>	<u>10,926,111</u>
<u>\$ 2,091,810</u>	<u>\$ 500,443</u>	<u>\$ 11,136,634</u>

City of Sheboygan, Wisconsin

COMBINING STATEMENT OF CASH FLOWS INTERNAL SERVICE FUNDS FOR THE YEAR ENDED DECEMBER 31, 2018

	Motor Vehicle	Data Processing	Health Self Insurance
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (590,695)	\$ 9,043	\$ (835,804)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
Depreciation	910,640	50,794	-
Change in liability (asset) and deferred outflows and inflows of resources			
Pension	13,741	10,257	2,053
Other postemployment benefits	1,753	1,730	377
Change in operating assets and liabilities			
Accounts receivables	2,963	1,054	-
Inventories and prepaid items	-	-	-
Accounts payable	(4,884)	25,929	(7,916)
Accrued and other current liabilities	11,983	11,091	(63,663)
 Net cash provided (used) by operating activities	 <u>\$ 345,501</u>	 <u>\$ 109,898</u>	 <u>\$ (904,953)</u>
 Reconciliation of cash and cash equivalents to the statement of net position			
Cash and cash equivalents in current assets	<u>\$ 3,247,438</u>	<u>\$ 826,528</u>	<u>\$ 4,470,415</u>
 Noncash capital and related financing activities			
None			

<u>Workers Compensation Self Insurance</u>	<u>General Liability Self Insurance</u>	<u>Total</u>
\$ 251,665	\$ 121,339	\$ (1,044,452)
-	-	961,434
1,451	-	27,502
283	-	4,143
-	(73,689)	(69,672)
-	(1,733)	(1,733)
-	8,790	21,919
<u>(3,721)</u>	<u>-</u>	<u>(44,310)</u>
<u>\$ 249,678</u>	<u>\$ 54,707</u>	<u>\$ (145,169)</u>
<u>\$ 2,091,810</u>	<u>\$ 500,443</u>	<u>\$ 11,136,634</u>

City of Sheboygan, Wisconsin

COMBINING STATEMENT OF NET POSITION
 AGENCY FUNDS
 DECEMBER 31, 2018
 WITH SUMMARIZED FINANCIAL INFORMATION AS OF DECEMBER 31, 2017

	Property Tax Collection	Business Improvement District	Totals	
			2018	2017
ASSETS				
Cash and investments	\$ 22,520,694	\$ 9,462	\$ 22,530,156	\$ 21,751,043
Receivables				
Taxes	19,152,642	140,691	19,293,333	19,449,746
Special assessments	-	-	-	489
Other	-	-	-	20
TOTAL ASSETS	\$ 41,673,336	\$ 150,153	\$ 41,823,489	\$ 41,201,298
LIABILITIES				
Accounts payable	\$ 9,061	\$ 6,469	\$ 15,530	\$ 13,760
Due to other governments	41,664,275	143,684	41,807,959	41,187,538
TOTAL LIABILITIES	\$ 41,673,336	\$ 150,153	\$ 41,823,489	\$ 41,201,298

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Statistical Section

This part of the City of Sheboygan, Wisconsin's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the City's overall financial health.

<u>Category</u>	<u>Table Numbers</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	1, 2, 3, 4, 5, 6
Revenue Capacity These schedules contain trend information to help the reader assess the City's most significant local revenue source, property taxes.	7, 8, 9, 10, 11, 12
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional future debt.	13, 14, 15, 16, 17
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	18, 19, 20, 21, 22, 23

City of Sheboygan, Wisconsin

Table 1
Net Position by Component
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities										
Net Investment in Capital Assets	\$ 41,488,124	\$ 58,606,360	\$ 62,034,386	\$ 62,614,199	\$ 61,886,120	\$ 63,499,602	\$ 68,762,742	\$ 72,566,789	\$ 73,564,240	\$ 77,578,773
Restricted	10,493,524	11,657,598	13,430,825	10,025,353	10,281,124	15,388,499	26,080,482	19,788,354	18,798,098	35,153,153
Unrestricted	30,994,600	46,948,762	48,603,561	52,588,846	51,605,000	48,111,103	42,682,260	52,778,435	54,766,142	42,425,620
Total Governmental Activities Net Position	\$ 80,066,729	\$ 103,064,731	\$ 107,902,230	\$ 111,363,788	\$ 114,337,432	\$ 118,078,461	\$ 135,191,347	\$ 137,681,792	\$ 133,279,289	\$ 126,873,137
Business-Type Activities										
Net Investment in Capital Assets	\$ 15,832,054	\$ 43,048,680	\$ 44,776,929	\$ 46,036,580	\$ 47,127,812	\$ 46,101,809	\$ 49,034,460	\$ 49,659,932	\$ 51,042,712	\$ 53,253,767
Restricted	249,998	224,414	250,873	263,213	327,984	354,742	1,085,229	362,790	365,973	1,496,989
Unrestricted	15,582,056	42,824,266	44,526,056	45,773,367	46,800,000	45,747,067	47,949,231	49,297,142	50,676,739	51,756,778
Total Business-Type Activities Net Position	\$ 68,960,832	\$ 107,287,102	\$ 106,197,077	\$ 107,896,542	\$ 108,979,714	\$ 107,979,714	\$ 117,797,202	\$ 117,726,071	\$ 118,995,886	\$ 124,940,087
Primary Government										
Net Investment in Capital Assets	\$ 97,320,178	\$ 101,655,040	\$ 106,811,315	\$ 108,650,779	\$ 108,813,932	\$ 111,601,411	\$ 117,797,202	\$ 122,226,721	\$ 174,606,952	\$ 130,832,540
Restricted	10,743,522	11,882,012	13,681,698	10,288,566	10,609,108	15,743,241	27,165,711	20,151,144	19,164,061	36,650,142
Unrestricted	86,576,656	89,773,028	93,129,617	98,362,213	98,204,824	95,858,170	90,631,491	102,075,577	155,442,891	94,182,398
Total Primary Government Net Position	\$ 187,028,080	\$ 193,311,834	\$ 200,639,977	\$ 211,060,230	\$ 217,317,766	\$ 218,479,186	\$ 234,102,459	\$ 234,410,523	\$ 293,882,957	\$ 225,812,244

Data Source:
City of Sheboygan Annual Financial Reports

City of Sheboygan, Wisconsin

Table 2
Changes in Net Position
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental Activities										
General Government	\$ 7,071,443	\$ 5,183,018	\$ 5,326,674	\$ 4,254,073	\$ 5,171,405	\$ 4,144,176	\$ 4,564,930	\$ 5,444,768	\$ 4,708,434	\$ 4,651,889
Public Safety	21,408,702	20,716,281	20,581,232	19,556,679	21,006,290	22,111,836	21,536,099	25,235,575	23,939,749	23,712,879
Public Works	12,177,337	9,903,725	12,584,958	10,758,639	12,174,901	10,790,187	10,487,907	11,717,027	14,121,062	11,262,180
Health and Human Services	450,730	406,364	385,895	237,296	172,242	304,209	248,554	227,450	255,113	220,436
Culture and Recreation	7,120,598	6,712,200	5,707,005	5,770,952	6,032,967	6,543,709	6,351,971	6,044,438	6,772,787	6,877,001
Conservation and Development	2,072,271	3,315,157	6,296,295	7,363,068	4,171,513	4,884,854	3,794,389	6,814,846	8,173,750	5,059,653
Interest on Debt	2,787,690	2,746,639	2,525,082	2,025,610	1,715,905	1,633,489	1,560,094	1,500,390	1,066,364	1,234,617
Total Governmental Activities Expenses	57,098,771	48,983,384	53,407,141	49,976,317	50,445,223	50,412,460	48,543,944	56,974,494	59,017,259	53,018,005
Business Type Activities										
Sewerage System	6,250,337	5,837,214	6,376,121	5,897,388	5,883,145	6,890,509	6,581,820	6,953,152	7,362,528	8,127,548
Water Utility	4,871,023	5,089,016	4,701,580	4,613,636	5,016,488	5,716,087	5,696,697	5,686,315	5,982,391	6,429,683
Storm Water Utility	429,384	-	-	-	-	-	-	-	-	-
Transit Commission	4,241,882	4,492,552	4,647,485	4,034,267	4,312,550	4,438,191	4,484,699	4,248,573	4,384,859	4,157,262
Parking Facility	382,162	400,498	406,036	370,262	435,586	370,770	389,148	448,263	461,015	444,173
Boat Facility	76,693	77,230	185,979	85,492	108,872	80,927	84,802	96,892	190,374	142,896
Total Business Type Activities Expenses	16,251,481	15,896,500	16,316,511	15,001,045	15,759,441	17,495,484	17,226,944	17,433,194	18,381,187	19,301,567
Total Primary Government Expenses	\$ 69,350,252	\$ 64,879,884	\$ 69,723,652	\$ 64,977,362	\$ 66,204,664	\$ 67,907,944	\$ 65,770,908	\$ 74,407,688	\$ 77,418,426	\$ 72,319,567
Program Revenues										
Governmental Activities										
General Government	\$ 16,519,291	\$ 1,539,460	\$ 1,295,691	\$ 1,419,870	\$ 1,563,935	\$ 1,578,668	\$ 1,208,973	\$ 1,193,456	\$ 1,773,102	\$ 1,315,796
Public Safety	2,758,086	3,128,755	2,781,001	3,050,190	3,112,144	2,956,480	3,194,409	3,016,040	3,271,630	3,614,349
Public Works	2,520,781	4,759,933	4,865,155	6,421,139	8,113,945	5,869,181	6,463,775	10,324,602	5,572,575	5,405,103
Health and Human Services	95,415	113,975	125,782	123,796	128,532	110,999	101,684	118,574	106,824	110,246
Culture and Recreation	1,638,305	1,563,793	1,584,176	1,581,452	1,661,455	1,574,901	1,778,329	1,568,531	1,616,922	2,034,363
Conservation and Development	1,897,337	2,020,572	1,724,009	5,519,903	2,523,342	1,005,269	1,066,224	1,309,647	2,377,239	1,855,045
Interest on Debt	-	276,647	19,600	-	-	-	-	-	-	-
Total Governmental Activities Program Revenues	25,429,215	13,353,135	12,395,414	17,115,278	14,103,353	12,095,698	13,813,394	17,530,850	14,718,092	14,334,907

City of Sheboygan, Wisconsin

Table 2
Changes in Net Position
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business Type Activities										
Sewerage System	56,488,530	56,413,528	57,346,232	57,133,549	56,902,941	57,149,216	57,096,664	57,251,287	57,208,012	58,438,638
Water Utility	5,653,700	6,841,264	7,005,029	7,649,532	7,735,297	8,161,634	8,840,779	8,885,067	9,093,923	9,614,203
Storm Water Utility	960,129	-	-	-	-	-	-	-	-	-
Transit Commission	3,324,942	5,515,551	3,609,075	3,675,718	3,566,870	3,667,944	3,481,367	3,488,376	3,445,948	3,296,391
Parking Facility	412,999	428,829	428,909	388,697	400,132	361,313	377,104	364,862	391,017	400,588
Boat Facility	134,889	114,185	104,637	102,109	96,943	74,705	96,004	61,400	62,420	57,198
Total Business Type Activities Program Revenues	16,975,189	19,309,337	18,493,882	18,949,605	18,703,183	19,414,812	19,893,918	20,010,922	20,201,320	21,807,018
Total Primary Government Program Revenues	\$ 42,404,404	\$ 32,662,472	\$ 30,889,296	\$ 36,064,883	\$ 32,806,536	\$ 32,510,510	\$ 33,705,312	\$ 37,541,842	\$ 34,919,417	\$ 36,341,928
Net (Expense)Revenue										
Governmental Activities	\$ (27,649,556)	\$ (35,630,249)	\$ (41,011,727)	\$ (32,861,039)	\$ (36,341,870)	\$ (37,316,742)	\$ (34,730,550)	\$ (39,443,644)	\$ (44,319,167)	\$ (38,683,103)
Business Type Activities	723,708	3,412,817	2,377,371	3,948,160	2,944,242	3,818,328	2,654,954	2,577,797	1,820,153	2,505,456
Total Primary Government Net Expenses	\$ (26,945,848)	\$ (32,217,432)	\$ (38,634,356)	\$ (28,912,879)	\$ (33,397,628)	\$ (33,498,414)	\$ (32,075,596)	\$ (36,865,847)	\$ (42,499,014)	\$ (36,177,647)
General Revenues and Other Changes in Net Position										
Governmental Activities										
Taxes	\$ 26,990,776	\$ 27,788,931	\$ 26,969,653	\$ 26,433,662	\$ 25,373,427	\$ 25,979,122	\$ 26,730,996	\$ 25,554,735	\$ 26,010,730	\$ 27,845,367
Federal and State Grants and other Contributions not restricted to specific functions	133,506	12,715,780	12,620,087	11,979,429	11,941,310	11,965,361	12,148,337	12,045,160	12,127,317	12,120,530
Interest and Investment Earnings	596,435	1,130,629	824,677	875,581	480,981	1,787,042	1,095,318	504,160	714,243	1,217,610
Miscellaneous	524,887	294,826	109,605	49,806	148,729	145,502	246,267	160,041	175,520	129,223
Gain on Sale of Capital Asset	-	-	164,471	-	-	-	-	170,150	226,451	702,034
Transfers	1,734,284	16,696,586	1,167,783	1,718,980	1,266,687	1,305,644	1,445,191	1,459,781	1,381,462	1,377,226
Total Governmental Activities General Revenues	29,979,888	58,626,752	41,835,246	40,986,458	39,211,134	41,182,671	41,666,109	39,814,027	40,635,723	43,391,990
Business Type Activities										
Taxes	658,345	638,595	638,595	511,839	511,847	511,547	511,547	511,547	511,547	511,547
Interest and Investment Earnings	182,488	220,511	157,950	157,704	99,438	110,229	180,976	126,959	138,866	253,399
Miscellaneous	118,908	69,508	99,605	95,058	88,357	1,732	63,038	79,641	58,209	55,993
Gain on Sale of Capital Asset	-	-	4,236	6,964	4,875	14,469	9,535	1,518	8,465	16,983
Transfers	(1,734,284)	(16,696,586)	(1,167,783)	(1,718,980)	(1,266,687)	(1,305,644)	(1,445,191)	(1,459,781)	(1,381,462)	(1,377,226)
Total Business Type Activities General Revenues	(774,543)	(15,767,973)	(767,397)	(448,695)	(567,470)	(667,667)	(660,095)	(740,136)	(664,375)	(539,304)
Total primary Government General Revenues	\$ 29,205,345	\$ 42,858,780	\$ 41,067,849	\$ 40,537,763	\$ 38,643,664	\$ 40,515,004	\$ 40,986,014	\$ 39,123,911	\$ 39,971,348	\$ 42,852,686
Change in Net Position										
Governmental Activities	\$ 2,310,332	\$ 22,996,503	\$ 844,519	\$ 7,697,419	\$ 2,869,264	\$ 3,865,909	\$ 6,935,559	\$ 470,383	\$ (3,683,444)	\$ 4,708,887
Business Type Activities	(50,835)	(12,355,173)	(1,909,974)	(3,499,865)	(2,282,272)	(1,750,661)	(1,074,859)	(1,037,681)	(1,155,778)	(1,266,152)
Total Primary Government	\$ 2,259,497	\$ 10,641,330	\$ (2,754,493)	\$ 11,197,284	\$ 2,511,536	\$ 2,115,248	\$ 5,860,700	\$ (567,298)	\$ (777,666)	\$ 3,442,735

Data Source: City of Sheboygan Annual Financial Reports

City of Sheboygan, Wisconsin

Table 3
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 2,977,023	\$ 2,014,548	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	1,625,695	1,619,045	1,654,485	1,590,841	1,804,028	1,432,804	2,404,375	2,000,830
Designated	4,614,000	4,014,000	-	-	-	-	-	-	-	-
Committed	-	-	-	-	992,144	836,003	2,936,649	350,000	350,000	350,000
Assigned	-	-	-	-	-	870,682	914,984	65,413	684,880	1,165,778
Unassigned	3,855,949	5,664,409	11,545,830	15,489,844	15,852,144	17,707,173	17,905,924	20,678,879	20,461,650	16,458,166
Total General Fund	\$ 11,446,972	\$ 11,692,957	\$ 13,171,525	\$ 17,108,889	\$ 18,498,733	\$ 21,004,699	\$ 23,561,585	\$ 22,527,096	\$ 23,901,905	\$ 19,974,974
Other Governmental Funds										
Reserved	\$ 10,513,107	\$ 11,511,717	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	5,150,811	5,347,879	5,579,340	4,728,499	1,473,070	1,562,662	2,072,293	1,606,919
Designated	268,275	209,681	-	-	-	-	-	-	-	-
Restricted	-	-	5,827,697	9,408,259	5,885,019	7,369,740	13,484,081	15,041,081	12,425,360	23,052,386
Committed	-	-	-	-	-	-	-	40,000	-	-
Assigned	-	-	7,180,948	7,171,609	7,108,882	5,543,581	7,890,953	8,183,988	8,546,300	12,885,475
Unassigned	3,937,896	7,141,434	(2,485,070)	(2,596,864)	(2,837,406)	(3,028,343)	(3,275,599)	(3,337,768)	(4,193,747)	(4,191,550)
Total Other Funds	\$ 14,719,278	\$ 18,862,832	\$ 15,674,386	\$ 19,331,083	\$ 15,739,815	\$ 14,613,477	\$ 19,612,305	\$ 21,449,963	\$ 18,950,206	\$ 33,353,210
Total Governmental Funds										
Reserved	\$ 13,490,130	\$ 13,526,265	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable	-	-	6,776,506	6,966,924	7,233,825	6,319,340	3,277,098	2,995,466	4,476,668	3,607,749
Designated	4,882,275	4,223,681	-	-	-	-	-	-	-	-
Restricted	-	-	5,827,697	9,408,259	5,885,019	7,369,740	13,484,081	15,041,081	12,425,360	23,052,386
Committed	-	-	-	-	992,144	836,003	2,976,649	350,000	350,000	350,000
Assigned	-	-	7,180,948	7,171,609	7,108,882	6,414,263	8,805,937	8,249,401	9,231,180	14,051,253
Unassigned	7,793,845	12,805,843	9,060,760	12,893,180	13,014,738	14,678,830	14,630,325	17,341,111	16,267,903	12,266,616
Total Governmental Funds	\$ 26,166,250	\$ 30,555,789	\$ 28,845,911	\$ 36,439,972	\$ 34,234,608	\$ 35,618,176	\$ 43,174,090	\$ 43,977,059	\$ 42,751,111	\$ 53,328,004

Data Source: City of Sheboygan Annual Financial Reports

Note: In 2011 the City implemented GASB Statement No. 54, which changed the classifications of fund balances. Prior periods have not been reclassified to this new standard.

City of Sheboygan, Wisconsin

Table 4
Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Taxes	\$ 26,990,735	\$ 27,788,931	\$ 26,969,653	\$ 26,433,642	\$ 25,373,427	\$ 25,979,122	\$ 26,730,996	\$ 26,233,313	\$ 26,756,102	\$ 28,570,166
Special Assessments	407,400	210,612	185,639	231,643	307,802	483,427	257,859	208,168	434,350	236,213
Intergovernmental	18,166,110	18,272,317	18,927,296	20,726,417	17,731,503	16,229,810	16,470,674	15,833,146	17,836,401	18,808,005
Licenses and Permits	1,118,348	1,288,772	1,408,946	1,453,228	1,317,384	1,400,357	1,886,564	1,901,012	1,639,396	1,761,836
Fines and Forfeitures	1,774,039	1,710,250	1,208,974	1,357,149	1,648,882	1,616,499	1,175,917	1,041,287	1,060,310	1,197,313
Public Charges for Services	2,489,582	2,536,148	2,282,986	4,126,404	3,789,641	3,563,871	3,713,333	3,638,818	4,182,988	3,976,880
Intergovernmental Charges for Services	214,067	247,733	242,003	233,381	232,904	221,402	234,997	227,937	243,797	292,357
Miscellaneous	2,539,641	2,464,809	2,099,211	2,109,361	2,371,918	2,531,868	2,393,852	2,085,307	2,160,750	3,384,956
Realized/Unrealized Gain(Loss) on Investments	-	-	-	-	(1,179,021)	1,478,448	-	-	-	-
Total Revenues	\$3,900,162	\$4,093,732	\$3,329,710	\$4,733,658	\$3,519,660	\$3,763,604	\$3,866,194	\$3,064,998	\$4,310,314	\$6,217,549
Expenditures										
General Government	8,088,355	5,159,248	4,747,553	4,456,399	4,431,964	4,753,677	4,409,762	5,149,710	3,658,688	4,027,132
Public Safety	20,441,353	20,575,797	20,392,386	19,776,966	20,553,971	21,367,246	21,061,504	22,481,711	20,768,135	21,900,014
Public Works	8,715,515	8,130,896	8,111,058	7,399,144	7,933,580	7,814,736	7,720,406	8,498,569	9,108,023	9,545,508
Health and Human Services	102,021	394,006	376,649	275,459	340,304	302,087	334,405	333,901	333,765	205,457
Culture and Recreation	7,169,897	6,262,898	5,924,214	5,760,149	5,863,342	5,805,441	5,540,481	5,575,647	6,030,421	4,119,901
Conservation and Development	3,350,971	3,149,764	3,854,745	2,422,061	3,011,655	2,867,851	2,737,786	4,559,225	4,815,415	3,761,194
Debt Service	-	-	-	-	-	-	-	-	-	-
Principal	6,234,295	5,867,860	4,390,130	6,593,010	5,531,141	5,251,521	5,149,585	5,141,963	5,498,574	5,664,687
Interest and Fiscal Charges	2,841,514	2,988,749	2,479,609	2,668,734	3,994,993	3,696,911	3,399,422	3,334,676	3,193,002	3,187,761
Retirement of Unfunded Pension Liability	-	-	-	-	-	-	-	-	-	-
Capital Outlay	3,181,279	1,364,721	5,547,987	4,979,749	5,159,217	4,648,350	7,671,067	6,263,723	11,256,340	27,078,024
Total Expenditures	\$8,703,400	\$3,893,951	\$7,473,497	\$8,331,613	\$5,140,187	\$4,507,831	\$3,076,418	\$9,430,743	\$2,323,369	\$1,695,708
Excess of Revenues Over (Under) Expenditures	(4,803,238)	602,817	(4,143,787)	1,401,782	(1,620,787)	(745,227)	1,787,776	(6,365,745)	(8,009,055)	(25,472,142)
Other Financing Sources (Uses)										
Long Term Debt Issued	800,000	12,900,000	670,000	4,745,000	-	-	6,845,000	13,641,000	5,400,000	34,055,000
Premiums on Long Term Debt Issued	-	-	-	92,343	-	-	80,846	108,330	118,130	743,979
Refunding Debt Principal Payments	-	(1,440,000)	-	-	-	-	-	-	-	-
Payment to Current Noteholder	-	(9,325,000)	-	-	-	-	(3,615,000)	(6,940,000)	-	-
Capital Leases	-	453,736	-	44,555	-	-	-	-	-	-
Sale of Capital Assets	-	29,374	214,900	-	28,656	227,609	483,412	1,102,587	704,515	696,833
Transfers In	4,231,206	4,290,426	3,462,970	5,335,118	4,180,545	8,791,285	4,428,951	5,242,839	7,318,731	10,035,373
Transfers Out	(2,496,222)	(3,124,814)	(2,127,814)	(3,824,238)	(3,158,828)	(5,505,441)	(6,794,871)	(6,572,851)	(6,761,262)	(9,482,150)
Total Other Financing Sources (Uses)	2,534,984	3,789,722	2,219,156	8,192,778	1,476,563	2,126,799	3,168,138	9,164,718	4,782,107	36,049,035
Net Change in Fund Balances	\$ (2,270,954)	\$ 4,389,539	\$ (2,328,046)	\$ 7,594,061	\$ (2,705,141)	\$ 1,381,568	\$ 1,515,914	\$ (3,366,745)	\$ (1,725,988)	\$ (10,576,893)
Debt Service as a Percentage of Non-Capital Outlay Expenditures	18.2%	16.8%	16.8%	16.8%	13.9%	13.4%	14.4%	11.8%	11.3%	13.3%

Data Source: City of Sheboygan Annual Financial Reports

City of Sheboygan, Wisconsin

Table 5
General Governmental Expenditures by Function
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Public Works	Health and Human Services	Culture and Recreation	Conservation and Development	Debt Service	Capital Outlay	Total Expenditures
2009	\$ 6,088,555 10.4%	\$ 20,441,353 34.8%	\$ 8,775,515 14.9%	\$ 702,021 1.2%	\$ 7,169,897 12.2%	\$ 3,250,971 5.5%	\$ 9,095,009 15.5%	\$ 3,181,279 5.4%	\$ 58,705,400
2010	\$ 5,159,248 9.6%	\$ 20,575,797 38.2%	\$ 8,130,894 15.1%	\$ 394,004 0.7%	\$ 6,762,894 11.6%	\$ 3,149,784 5.8%	\$ 8,856,609 16.4%	\$ 1,364,721 2.5%	\$ 53,893,355
2011	\$ 4,747,553 8.2%	\$ 20,392,386 35.4%	\$ 8,111,038 14.1%	\$ 370,949 0.6%	\$ 5,924,214 10.3%	\$ 3,854,765 6.7%	\$ 8,729,780 15.1%	\$ 5,542,987 9.6%	\$ 57,673,692
2012	\$ 4,456,399 8.1%	\$ 19,776,946 35.7%	\$ 7,399,144 13.4%	\$ 275,459 0.5%	\$ 5,760,169 10.4%	\$ 2,422,061 4.4%	\$ 9,261,746 16.7%	\$ 5,979,749 10.8%	\$ 55,331,673
2013	\$ 4,431,964 8.0%	\$ 20,553,971 37.3%	\$ 7,953,580 14.4%	\$ 340,304 0.6%	\$ 5,883,342 10.6%	\$ 3,011,655 5.5%	\$ 7,430,134 13.5%	\$ 5,555,217 10.1%	\$ 55,140,167
2014	\$ 4,753,877 8.7%	\$ 21,367,248 39.2%	\$ 7,814,736 14.3%	\$ 302,082 0.6%	\$ 5,803,461 10.7%	\$ 2,867,851 5.3%	\$ 6,948,432 12.7%	\$ 4,948,350 9.3%	\$ 54,507,835
2015	\$ 4,409,162 8.0%	\$ 21,063,504 39.1%	\$ 7,720,406 14.1%	\$ 234,405 0.4%	\$ 5,540,481 10.0%	\$ 2,737,788 5.0%	\$ 6,749,007 12.2%	\$ 2,621,067 4.9%	\$ 51,876,418
2016	\$ 5,149,710 9.5%	\$ 22,485,711 41.8%	\$ 8,486,569 15.6%	\$ 233,901 0.4%	\$ 5,575,667 10.2%	\$ 4,559,225 8.4%	\$ 6,676,639 12.3%	\$ 6,263,323 11.5%	\$ 59,430,745
2017	\$ 3,658,688 6.7%	\$ 20,748,135 38.3%	\$ 9,108,029 16.6%	\$ 233,765 0.4%	\$ 6,030,421 11.0%	\$ 4,815,415 8.8%	\$ 6,351,576 11.6%	\$ 11,356,340 20.8%	\$ 62,322,349
2018	\$ 4,027,132 7.4%	\$ 21,900,014 40.0%	\$ 9,545,508 17.3%	\$ 205,457 0.4%	\$ 6,119,901 11.1%	\$ 3,761,194 6.9%	\$ 7,052,448 12.8%	\$ 29,078,054 53.0%	\$ 81,689,708

Data Source:
City of Sheboygan Annual Financial Reports

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City of Sheboygan, Wisconsin

Table 8
General Governmental Revenues by Source
Last Ten Fiscal Years

Fiscal Year	Taxes	Special Assessments	Intergovernmental	Licenses and Permits	Fines and Forfeitures	Public Charges for Services	Intergovernmental Charges for Services	Miscellaneous	Total Revenues								
2009	\$ 26,990,775	50.1%	\$ 407,400	0.8%	\$ 18,366,110	34.1%	\$ 1,118,548	2.1%	\$ 1,774,039	3.3%	\$ 2,489,582	4.6%	\$ 214,067	0.4%	\$ 2,539,641	4.7%	\$ 53,900,162
2010	27,788,831	51.0%	210,612	0.4%	18,272,517	33.5%	1,286,772	2.4%	1,710,250	3.1%	2,536,148	4.7%	247,733	0.5%	2,444,809	4.5%	54,487,772
2011	26,969,653	50.6%	185,639	0.3%	18,927,296	35.5%	1,408,946	2.6%	1,208,976	2.3%	2,287,906	4.3%	243,003	0.5%	2,099,211	3.9%	53,325,710
2012	26,433,662	46.6%	291,643	0.5%	20,726,417	36.5%	1,433,238	2.6%	1,357,149	2.4%	4,128,604	7.3%	233,382	0.4%	7,109,361	3.7%	56,732,456
2013	25,373,427	49.3%	307,802	0.6%	17,721,503	34.4%	1,317,384	2.6%	1,568,882	3.0%	3,789,661	7.4%	232,904	0.5%	1,192,897	2.3%	51,516,460
2014	25,979,122	48.3%	481,427	0.9%	16,229,810	30.2%	1,660,357	3.1%	1,616,499	3.0%	3,561,671	6.6%	221,402	0.4%	4,008,316	7.5%	53,767,604
2015	26,730,996	50.6%	237,859	0.5%	16,470,674	31.2%	1,886,566	3.6%	1,175,917	2.2%	3,713,333	7.0%	234,997	0.4%	2,393,032	4.5%	52,864,194
2016	26,233,311	51.4%	208,188	0.4%	15,833,146	31.0%	1,801,012	3.5%	1,041,267	2.0%	3,638,888	7.1%	227,937	0.4%	2,085,307	4.1%	51,068,996
2017	26,756,102	49.3%	434,350	0.8%	17,836,481	32.8%	1,639,596	3.0%	1,060,130	2.0%	4,182,988	7.7%	243,797	0.4%	2,160,750	4.0%	54,314,314
2018	28,570,166	50.8%	276,233	0.4%	16,808,005	29.9%	1,761,636	3.1%	1,192,313	2.1%	3,974,880	7.1%	292,357	0.5%	3,384,956	6.0%	56,217,566

Data Source:
City of Sheboygan Annual Financial Reports

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City of Sheboygan, Wisconsin

Table 7
Comparative Tax Levies for All Direct and
Overlapping Governments and Total Collections
Last Ten Fiscal Years

Levy Year	Collection Year	State of Wisconsin	Sheboygan County	City of Sheboygan	Sheboygan Schools	Kohler Schools	LTC	Tax Incremental Districts	Gross Tax Levy	Total Collections	Percent Collected
2009	2010	\$ 486,282	\$ 12,682,076	\$ 20,843,745	\$ 26,836,449	\$ 916,150	\$ 3,915,829	\$ 5,917,089	\$ 71,597,620	\$ 71,597,620	100.00%
2010	2011	459,951	12,824,858	21,184,245	27,732,475	1,000,282	3,919,068	5,139,868	72,260,747	72,260,747	100.00%
2011	2012	438,905	12,480,070	21,184,245	27,451,042	929,266	3,796,475	4,249,814	70,529,817	70,529,817	100.00%
2012	2013	420,263	12,510,127	21,384,245	26,451,078	1,070,256	3,814,940	2,795,965	68,446,874	68,444,066	100.00%
2013	2014	415,405	12,775,443	21,677,093	26,277,339	1,052,565	3,834,719	2,978,357	69,010,921	69,006,883	99.99%
2014	2015	420,038	12,873,736	21,677,093	27,373,900	1,097,271	3,828,142	3,572,018	68,842,198	68,837,712	99.99%
2015	2016	408,573	12,921,384	21,728,810	25,991,399	1,184,439	3,840,990	3,062,794	67,140,389	67,131,005	99.99%
2016	2017	415,134	12,802,569	22,150,349	23,774,891	1,496,426	3,871,939	3,199,528	65,710,836	65,700,109	99.98%
2017	2018	-	13,110,710	23,324,477	23,620,293	2,257,361	2,047,676	3,388,756	67,749,273	67,737,998	99.98%
2018	2019*	-	13,587,854	23,770,487	23,970,770	1,991,035	2,114,616	3,953,734	69,388,496	48,312,356	69.63%

* Collections to date are in process

Data Source:
 Statement of taxes and Tax District Treasurer's Settlements

City of Sheboygan, Wisconsin

Table 8
Property Valuations
Assessed Valuations
Last Ten Fiscal Years

Year	Residential	Commercial	Manufacturing	Agricultural, Swamp & Forest	Other	Total Real Estate	Personal Property	Total Assessed	Assessed Direct Tax Rate
2009	\$ 1,815,358,500	\$ 673,286,400	\$ 138,647,000	\$ 41,900	\$ 400	\$ 2,627,334,200	\$ 92,815,250	\$ 2,720,149,450	\$ 8.3596
2010	1,815,800,600	665,474,500	143,191,100	43,900	400	2,624,510,500	88,191,290	2,712,701,790	8.4118
2011	1,795,550,000	650,083,800	142,128,200	43,300	400	2,587,805,700	92,217,640	2,680,023,340	8.4167
2012	1,782,914,100	652,973,000	150,309,000	43,700	100	2,586,239,900	104,952,820	2,691,192,720	8.2861
2013	1,775,422,700	652,996,800	161,709,800	44,300	100	2,590,173,700	111,225,050	2,701,398,750	8.3879
2014	1,523,132,000	633,126,800	141,649,900	40,700	100	2,297,949,500	99,829,340	2,397,778,840	9.5374
2015	1,520,317,600	632,164,300	149,081,600	40,500	100	2,301,604,100	96,441,540	2,398,045,640	9.4958
2016	1,521,114,200	671,761,200	147,841,700	41,100	100	2,340,758,300	97,163,820	2,437,922,120	9.5531
2017	1,524,637,700	745,819,300	152,772,900	41,600	2,499,500	2,425,771,000	98,049,400	2,523,820,400	9.7278
2018	1,535,706,700	768,527,600	145,750,800	43,300	3,175,300	2,453,203,700	89,435,320	2,542,639,020	9.9094

Source: Statistical Report of Property Valuations
Published by Bureau of Property Tax, Wisconsin Department of Revenue

City of Sheboygan, Wisconsin

Table 9
Assessed and Equalized Value of Taxable Property
Last Ten Fiscal Years

Levy Year	Collection Year	REAL PROPERTY		PERSONAL PROPERTY		TOTAL		Ratio of Assessed to Equalized Value	Computer Exemption Equalized Value
		Assessed Value	Equalized Value	Assessed Value	Equalized Value	Assessed Value	Equalized Value		
2009	2010	\$ 2,627,334,200	\$ 2,766,933,800	\$ 92,815,250	\$ 98,500,200	\$ 2,720,149,450	\$ 2,865,434,000	0.9492	\$ 13,915,642
2010	2011	2,624,510,500	2,617,856,800	88,191,290	92,428,100	2,712,701,790	2,710,284,900	1.0001	15,290,394
2011	2012	2,587,805,700	2,499,443,800	92,217,640	86,820,500	2,680,023,340	2,586,264,300	1.0363	16,171,149
2012	2013	2,586,239,900	2,376,332,800	104,952,820	100,083,000	2,691,192,720	2,476,415,800	1.0867	15,576,708
2013	2014	2,590,173,700	2,338,932,200	111,225,850	108,862,000	2,701,398,750	2,447,794,200	1.0679	15,609,007
2014	2015	2,297,949,500	2,373,772,400	99,829,340	101,322,600	2,397,778,840	2,475,095,000	0.9691	14,743,031
2015	2016	2,301,604,100	2,309,391,900	96,441,540	98,140,100	2,398,045,640	2,407,532,000	0.9956	14,622,801
2016	2017	2,340,758,300	2,348,933,000	97,163,820	97,260,900	2,437,922,120	2,446,193,900	0.9966	19,904,206
2017	2018	2,425,771,000	2,520,552,000	98,049,400	99,053,000	2,523,820,400	2,619,605,000	0.9620	18,712,372
2018	2019	2,453,203,700	2,717,791,000	89,435,320	82,111,500	2,542,639,020	2,809,902,500	0.9048	17,599,643

City of Sheboygan, Wisconsin

Table 10
Comparative Tax Rates for All Direct and Overlapping Governments
Par \$1,000 of Assessed Value
Last Ten Fiscal Years

Properties within the Sheboygan Area School District										
Levy Year	Collection Year	State of Wisconsin	Sheboygan County	City of Sheboygan	Sheboygan Schools	LTC	Total	School State Credit	Net Tax Rate	Assessed Valuation
2009	2010	\$ 0.1788	\$ 5.0863	\$ 8.3596	\$ 11.1628	\$ 1.5705	\$ 26.3580	\$ 1.7330	\$ 24.6250	\$ 2,609,553,230
2010	2011	0.1696	5.0925	8.4118	11.4205	1.5562	26.6506	1.7004	24.9502	2,602,126,910
2011	2012	0.1638	4.9584	8.4167	11.3060	1.5084	26.3533	1.6927	24.6606	2,569,068,350
2012	2013	0.1562	4.8475	8.2861	10.7021	1.4782	25.4701	1.6942	23.7759	2,582,032,930
2013	2014	0.1538	4.9435	8.3879	10.6231	1.4838	25.5921	1.6690	23.9231	2,590,682,750
2014	2015	0.1752	5.6641	9.5374	12.6487	0.8043	28.8297	1.8493	26.9804	2,288,493,860
2015	2016	0.1704	5.6469	9.4958	11.9467	0.8045	28.0643	2.0965	25.9678	2,285,576,950
2016	2017	0.1703	5.5215	9.5531	10.9473	0.8073	26.9995	2.0256	24.9739	2,291,016,700
2017	2018	-	5.4680	9.7278	10.8246	0.8540	26.8743	2.0787	24.7956	2,308,201,040
2018	2019	-	5.6645	9.9090	11.0279	0.8815	27.4829	1.9715	25.5114	2,317,507,400

Properties within the Kohler School District										
Levy Year	Collection Year	State of Wisconsin	Sheboygan County	City of Sheboygan	Kohler Schools	LTC	Total	School State Credit	Net Tax Rate	Assessed Valuation
2009	2010	\$ 0.1788	\$ 5.0863	\$ 8.3596	\$ 10.2591	\$ 1.5705	\$ 25.4543	\$ 1.7330	\$ 23.7213	\$ 110,596,220
2010	2011	0.1696	5.0925	8.4118	11.1108	1.5562	26.3409	1.7004	24.6405	110,574,880
2011	2012	0.1638	4.9584	8.4167	10.4384	1.5084	25.4857	1.6927	23.7930	110,860,990
2012	2013	0.1562	4.8475	8.2861	9.8045	1.4782	24.3725	1.6942	22.8783	109,159,790
2013	2014	0.1538	4.9435	8.3879	9.1521	1.4838	24.4758	1.6690	22.8068	110,716,000
2014	2015	0.1752	5.6641	9.5374	10.0405	0.8043	26.2215	1.8493	24.3722	109,284,980
2015	2016	0.1704	5.6469	9.4958	10.5313	0.8045	26.6489	2.0965	24.5524	112,468,690
2016	2017	0.1703	5.5215	9.5531	10.1863	0.8073	26.2385	2.0256	24.2129	146,905,420
2017	2018	-	5.4680	9.7278	10.4692	0.8540	26.5189	2.0787	24.4402	215,619,360
2018	2019	-	5.6645	9.9090	8.8439	0.8815	25.2989	1.9710	23.3279	225,131,620

Source: Tax Levy from Direct and Overlapping Governments: Tax Increment Calculation Worksheet; and Tax Rate Calculations certified to tax roll

City of Sheboygan, Wisconsin

Table 11
Comparative Tax Rates for All Direct and Overlapping Governments
Per \$1,000 of Equalized Value
Last Ten Fiscal Years

Properties within the Sheboygan Area School District										
Levy Year	Collection Year	State of Wisconsin	Sheboygan County	City of Sheboygan	Sheboygan Schools	LTC	Total	School State Credit	Net Tax Rate	Equalized Valuation
2009	2010	\$ 0.1697	\$ 4.8279	\$ 7.9349	\$ 10.5957	\$ 1.4907	\$ 25.0190	\$ 1.6450	\$ 23.3741	\$ 2,609,553,230
2010	2011	0.1696	5.0930	8.4126	11.4216	1.5564	26.6533	1.7006	24.9527	2,602,126,910
2011	2012	0.1697	5.1384	8.7222	11.7164	1.5632	27.3099	1.7541	25.5558	2,569,068,350
2012	2013	0.1697	5.2678	9.0045	11.6300	1.6064	27.6784	1.8411	25.8373	2,375,969,208
2013	2014	0.1642	5.2792	8.9574	11.3444	1.5846	27.3298	1.7823	25.5475	2,347,764,504
2014	2015	0.1698	5.4891	9.2427	12.2579	0.7794	27.9389	1.7922	26.1467	2,373,657,055
2015	2016	0.1697	5.6221	9.4540	11.8941	0.8010	27.9408	2.0873	25.8535	2,294,582,853
2016	2017	0.1697	5.5028	9.5206	10.9100	0.8046	26.9077	2.0187	24.8890	2,299,016,541
2017	2018	-	5.2607	9.3590	10.4142	0.8216	25.8555	1.9999	23.8556	2,264,908,548
2018	2019	-	5.1252	8.9660	9.9780	0.7976	24.8668	1.7837	23.0831	2,402,124,575

Properties within the Kohler School District										
Levy Year	Collection Year	State of Wisconsin	Sheboygan County	City of Sheboygan	Kohler Schools	LTC	Total	School State Credit	Net Tax Rate	Equalized Valuation
2009	2010	\$ 0.1697	\$ 4.8279	\$ 7.9349	\$ 9.7379	\$ 1.4907	\$ 24.1612	\$ 1.6450	\$ 22.5163	\$ 110,596,220
2010	2011	0.1696	5.0930	8.4126	11.1119	1.5564	26.3435	1.7006	24.6430	110,574,880
2011	2012	0.1697	5.1384	8.7222	10.8173	1.5632	26.4108	1.7541	24.6567	110,860,990
2012	2013	0.1697	5.2678	9.0045	10.6546	1.6064	26.7029	1.8411	24.8618	100,446,592
2013	2014	0.1642	5.2792	8.9574	9.7735	1.5846	25.7589	1.7823	23.9766	100,029,696
2014	2015	0.1698	5.4891	9.2427	9.7302	0.7794	25.4113	1.7922	23.6191	101,437,945
2015	2016	0.1697	5.6221	9.4540	10.4850	0.8010	26.5316	2.0873	24.4444	112,949,147
2016	2017	0.1697	5.5028	9.5206	10.1517	0.8046	26.1493	2.0187	24.1306	147,177,359
2017	2018	-	5.2607	9.3590	10.0723	0.8216	25.5137	1.9999	23.5137	223,814,652
2018	2019	-	5.1252	8.9660	8.0019	0.7976	22.8907	1.7837	21.1070	248,797,125

Source: Tax Levy from Direct and Overlapping Governments: Tax Increment Calculation Worksheet; and Tax Rate Calculations certified to tax roll

City of Sheboygan, Wisconsin

Table 12
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended December 31	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year Amount	Collected within the Fiscal Year Percentage of Levy	Subsequent Years Collections	Total Collected to Date Amount	Total Collected to Date Percentage of Levy
2009	\$ 71,597,620	\$ 71,452,653	99.80%	\$ 144,967	\$ 71,597,620	100.00%
2010	72,260,747	72,125,852	99.81%	134,895	72,260,747	100.00%
2011	70,529,817	70,396,637	99.81%	133,180	70,529,817	100.00%
2012	68,446,874	68,314,917	99.81%	129,149	68,444,066	100.00%
2013	69,010,921	68,918,479	99.87%	88,404	69,006,883	99.99%
2014	68,842,198	68,705,359	99.80%	132,353	68,837,712	99.99%
2015	67,140,389	67,063,519	99.89%	67,486	67,131,005	99.99%
2016	65,710,836	65,576,770	99.80%	123,339	65,700,109	99.98%
2017	67,749,273	67,737,998	99.98%	-	67,737,998	99.98%
2018*	69,946,485	48,312,356	69.07%	-	48,312,356	69.07%

* Collections to date are in process

Data Source: Statement of Taxes and Tax District Treasurer's Settlement

City of Sheboygan, Wisconsin

Table 13
Ratio of Net General Obligation Debt to Equalized Value
Last Ten Fiscal Years

As of December 31	Total G.O. Debt Outstanding	Less: Funds Available for Debt Service	Net Debt Outstanding	Equalized Value	Statutory Debt Capacity (5% of Equalized Value)	Ratio of Net Debt to Debt Capacity	Population	Net Debt Per Capita	Net Debt Per \$1,000 of Equalized Value
2009	\$ 56,376,126	\$ 1,397,537	\$ 54,978,589	\$ 2,865,434,000	\$ 143,271,700	38.37%	50,400	\$ 1,091	19.19%
2010	52,713,129	6,082,644	46,630,485	2,710,284,900	135,514,245	34.41%	49,288	946	17.21%
2011	47,241,852	6,857,907	40,383,945	2,586,264,300	129,313,215	31.23%	49,230	820	15.61%
2012	45,507,184	7,579,122	37,928,062	2,476,415,800	123,820,790	30.63%	49,110	772	15.32%
2013	40,094,063	7,728,872	32,365,191	2,447,794,200	122,389,710	26.44%	48,965	661	13.22%
2014	34,965,437	7,033,064	27,932,373	2,475,095,000	123,754,750	22.57%	48,897	571	11.29%
2015	33,075,255	10,364,975	22,710,280	2,407,532,000	120,376,600	18.87%	48,806	465	9.43%
2016	34,834,531	9,926,651	24,907,880	2,448,193,900	122,309,695	20.36%	48,653	512	10.18%
2017	35,174,580	9,077,447	26,097,133	2,619,605,000	130,980,250	19.92%	48,402	539	9.96%
2018	44,854,629	19,443,694	25,410,935	2,809,902,500	140,495,125	18.09%	48,329	526	9.04%

Data Source:

City of Sheboygan Annual Financial Reports
 State of Wisconsin Department of Administration, Demographic Service Center
 State of Wisconsin Department of Revenue, Bureau of Property Tax

Note:

Equalized value is used instead of assessed value due to the fact that the statutory debt capacity in Wisconsin is based on equalized value.

City of Sheboygan, Wisconsin

Table 14
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	GOVERNMENTAL ACTIVITIES							BUSINESS-TYPE ACTIVITIES				Total	Population	Net Debt Per Capita	Per Capita Personal Income*	Percentage of Personal Income
	General Obligation Debt	NOTE Anticipation Note	Bond Premium	Bond Discount	Mortgage Notes	Capital Lease	Other	Revenue Bonds	General Obligation Debt	Bond Premium	Plant Energy Notes					
2009	\$ 54,081,839	\$ -	\$ 2,207	\$ -	\$ 225,000	\$ 440,255	\$ 1,000,000	\$ 12,321,629	\$ 293,996	\$ 1,247	\$ 72,128	\$ 71,443,192	50,480	\$ 1,418	N/A	N/A
2010	52,477,589	-	-	-	225,000	844,190	1,000,000	14,430,204	285,540	3,050	1,229,484	70,443,101	49,298	1,429	42,708	235%
2011	46,965,441	-	-	-	225,000	737,277	1,000,000	14,980,502	275,411	2,834	967,894	62,275,178	49,230	1,306	43,203	207%
2012	43,247,446	-	84,845	(87,111)	225,000	423,925	1,000,000	12,934,655	264,718	2,657	745,195	61,060,790	49,110	1,243	42,549	202%
2013	39,840,723	-	77,474	(89,740)	225,000	589,915	1,000,000	17,496,222	253,249	14,542	497,819	59,832,567	48,965	1,222	41,533	201%
2014	34,724,159	-	88,082	(73,475)	225,000	813,544	1,000,000	21,107,993	241,278	13,720	249,740	58,410,134	48,897	1,195	41,187	207%
2015	32,894,142	-	115,872	(64,342)	225,000	664,183	1,000,000	21,977,576	228,493	12,899	-	54,123,905	48,806	1,150	43,381	205%
2016	34,673,332	-	218,453	(57,779)	225,000	1,137,924	1,000,000	21,161,644	214,974	46,784	-	58,337,199	48,633	1,204	43,381	207%
2017	34,973,945	-	794,858	(52,894)	225,000	978,938	1,000,000	20,439,128	290,615	41,339	-	58,052,139	48,462	1,199	43,631	203%
2018	44,649,238	18,905,000	947,278	(44,853)	225,000	718,978	1,000,000	21,790,435	183,391	297,441	-	88,687,704	48,329	1,835	43,729	401%

Data Source: City of Sheboygan Annual Financial Reports
State of Wisconsin Department of Administration, Demographic Service Center
State of Wisconsin Department of Revenue, Bureau of Property Tax
* U.S. Census Bureau, American Community Survey 2010-2015. Prior data not available

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City of Sheboygan, Wisconsin

Table 15
Computation of Overlapping Debt
December 31, 2018

	Number of Taxing Entities	Amount of Debt Net of Sinking Funds	Applicable to City	Overlapping Debt
DIRECT DEBT:				
City of Sheboygan				
General obligation debt		\$ 44,669,238	100.00%	\$ 44,669,238
Note anticipation note		18,905,000	100.00%	18,905,000
Premium / discount		896,217	100.00%	896,217
Capital lease		718,978	100.00%	718,978
Mortgage notes and other		1,225,000	100.00%	1,225,000
Total Direct Debt		\$ 66,414,433		\$ 66,414,433
OVERLAPPING DEBT:				
Sheboygan Area School District	1	\$ 52,048,000	65.95%	\$ 34,325,656
Kohler School District	1	4,100,000	34.20%	1,402,200
Lakeshore Technical College	1	29,755,000	17.81%	5,299,366
Sheboygan County	1	36,820,000	28.95%	10,659,390
Total Overlapping Debt		\$ 122,723,000		\$ 51,686,612
Total Direct and Overlapping Debt		\$ 189,137,433		\$ 118,101,045

Source: Confirmations with the respective municipalities

City of Sheboygan, Wisconsin

Table 16
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Equalized Value										
submit to Debt	\$2,865,434	\$2,710,785	\$2,586,264	\$2,476,416	\$2,447,794	\$2,475,095	\$2,407,532	\$2,446,194	\$2,619,605	\$2,809,903
Legal Debt Limit (5%)	143,272	135,514	129,313	123,821	122,390	123,755	120,377	122,310	130,980	140,495
Amount of Debt applicable to Limitation										
General Obligation Bonds:										
Governmental	29,000	36,665	33,855	30,875	28,345	25,780	23,275	16,195	13,950	20,330
General Obligation Notes:										
Governmental	27,376	18,046	13,387	14,633	11,749	9,185	9,800	18,640	21,225	24,525
Total General Obligation Debt	56,376	52,713	47,242	45,508	40,094	34,965	33,075	34,835	35,175	44,855
Amount Available for financing general obligation debt										
Debt Service Fund Reserves	1,398	6,082	6,058	7,579	7,229	7,033	10,365	9,927	9,077	19,444
Net Outstanding GO Debt										
Applicable to Debt Limitation	54,978	46,630	40,384	37,929	32,365	27,932	22,710	24,908	26,098	25,411
Percent of Debt to Legal Limit	38.37%	34.41%	31.23%	30.63%	26.44%	22.57%	18.87%	20.36%	19.93%	18.09%
Legal Margin for New Debt	88,294	88,884	88,329	88,392	90,025	95,823	97,667	97,402	104,882	115,084
Percentage of legal margin remaining	61%	66%	69%	69%	74%	77%	81%	80%	80%	82%
Governmental Percent	62%	66%	69%	69%	74%	77%	81%	80%	80%	82%
Population	50,400	49,288	49,230	49,110	48,945	48,806	48,806	48,653	48,402	48,329
Per Capita Debt	\$1,118.57	\$1,069.49	\$959.62	\$926.65	\$818.83	\$716.41	\$677.68	\$715.99	\$726.73	\$928.12

All dollar amounts are represented in thousands except Per Capita Debt
Wisconsin State Statute 67.03 limits total debt to be no greater than 5 percent of the equalized real property of the City.

City of Sheboygan, Wisconsin

Table 17
Revenue Bond Coverage
Last Ten Fiscal Years

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service	Debt Service Requirement (3)			Coverage
				Principal	Interest	Total	
2018	\$18,190,691	\$10,401,513	\$7,789,178	\$3,729,853	\$565,491	\$4,295,344	181.34%
2017	16,088,274	9,939,904	6,148,370	2,548,699	470,862	3,019,561	203.62%
2016	15,887,042	9,726,466	6,160,576	1,488,107	582,352	2,070,459	297.55%
2015	15,272,630	9,242,550	6,030,080	1,672,214	621,635	2,293,849	262.88%
2014	15,298,362	9,763,240	5,535,122	1,293,418	580,216	1,873,634	295.42%
2013	14,602,721	8,284,188	6,318,533	1,180,805	430,992	1,611,797	392.02%
2012	14,801,829	8,012,182	6,789,647	1,143,846	471,198	1,615,044	420.40%
2011	14,457,633	8,654,944	5,802,689	1,067,956	492,245	1,560,201	371.92%
2010	13,314,362	8,624,057	4,690,305	1,006,347	476,844	1,483,191	316.23%
2009	12,155,804	8,958,047	3,197,757	973,828	510,037	1,483,865	215.50%

Notes: (1) Total operating revenues plus interest on investments and intergovernmental nonoperating revenues
(2) Total operating expenses less depreciation
(3) Includes interest and principal on revenue bonds issued for water and wastewater

City of Sheboygan, Wisconsin

Table 18
Principal Taxpayers Current Year and Nine Years Ago
Ten Largest Taxpayers - 2018

Name of Taxpayer	Nature of Business	Equalized Value	Net Taxes Paid	Percent of Total Taxes Levied
Acuity Mutual Insurance Co	Insurance	\$165,137,798	\$3,486,567	4.98%
Aurora Medical Group/Sheboygan Clinic	Medical Clinic	24,458,344	564,393	0.81%
Sheboygan Acquisitions LLC	Hospitality resort (Blue Harbor)	19,922,071	469,217	0.67%
J.L. French Corp	Aluminum die castings	18,414,014	46,974	0.07%
PJR Properties LLC	Nonresidential building operators	16,364,058	377,385	0.54%
Plastics Engineering Co	Manufacturer of phenolic epoxy	15,543,546	358,515	0.51%
Wal-Mart	Department and grocery store	15,497,336	327,047	0.47%
Country Village Apartments	Real Estate	15,421,508	355,768	0.51%
St. Nicholas Hospital	Hospital/surgery facilities	13,485,378	310,936	0.44%
Voilrath Co LLC	Manufacturer of stainless steel	12,136,936	287,457	0.41%
American Orthodontics	Manufacturer of orthodontic appliances	12,450,044	287,247	0.41%
Total for Ten Largest Taxpayers		\$328,831,034	\$6,871,506	9.82%
Ten Largest Taxpayers - 2009				
Name of Taxpayer	Nature of Business	Equalized Value	Net Taxes Paid	Percent of Total Taxes Levied
Acuity Mutual Insurance Co	Insurance	\$51,794,722	\$1,189,136	1.76%
Blue Harbor Resort Sheboygan LLC	Hotel/Convention Center	40,329,077	908,075	1.34%
Aurora Medical Group/Sheboygan Clinic	Medical Clinic	22,189,444	499,632	0.74%
Wal-Mart	Retail	18,094,669	415,518	0.61%
Plastics Engineering Co	Manufacturer of phenolic epoxy	17,234,619	388,066	0.57%
JFM1 LLC	Real Estate	15,555,626	350,260	0.52%
Country Village Apartments	Real Estate	14,923,894	336,036	0.50%
Fresh Brands Distributing, Inc	Wholesale/Retail Grocer	14,730,678	331,685	0.49%
J.L.French Corp	Aluminum die castings	14,679,625	330,633	0.49%
Development 3000 LLC	Real Estate	11,129,583	258,021	0.38%
Total for Ten Largest Taxpayers		\$220,661,936	\$5,007,062	7.39%

City of Sheboygan, Wisconsin

Table 19
Principal Employers Current Year and Nine Years Ago
Ten Largest Employers - 2018

Name of Employer	Nature of Business	Approximate Number of Employees Full Time
Aurora Medical Group/ Aurora Health Care	Sheboygan Memorial Medical Center and Sheboygan Clinic	1370
Nemak	Aluminum die castings	1279
Acuity Mutual Insurance Co	Insurance	1253
Sheboygan Area School District	Education	1198
Rockline Industries Inc	Manufacturer	870
Sheboygan County	County employees	842
Piggly Wiggly Midwest LLC	Wholesale/retail grocers	580
The Vollrath Company	Manufacturer	560
American Orthodontics	Manufacturer	515
City of Sheboygan	Government	494

Ten Largest Employers - 2009

Name of Employer	Nature of Business	Approximate Number of Employees Full Time
Sheboygan Area School District	Education	1526
Nemak (formerly J.L. French)	Aluminum die castings	1242
Sheboygan Clinic	Medical Clinic	1090
Acuity Mutual Insurance Co	Insurance	870
The Vollrath Company, LLC	Manufacturer	731
Fresh Brands Distributing Inc	Wholesale/retail grocers	672
St. Nicholas Hospital	Hospital	567
Plastics Engineering Company	Manufacturer	546
City of Sheboygan	Government	538
Nemschoff	Manufacturer	412

City of Sheboygan, Wisconsin

Table 20
Demographics

Area- Square Miles		Population	
2018	15.80	2018	48,329
2017	15.78	2017	48,402
2016	14.81	2016	48,653
2015	14.81	2015	50,650
2014	14.71	2014	50,600
2013	14.53	2013	50,580
2012	14.52	2012	50,400
2011	14.46	2011	49,288
2010	14.19	2010	49,288
2009	14.19	2009	49,110
2008	14.19	2008	48,965

Age (2018)		Housing Units (2018)	
Under 5 years	7.30%	Total Dwelling Units	21,602
5 to 9 years	6.80%	Single Family	15,276
10 to 14 years	6.50%	Two Family	4,760
15 to 19 years	6.70%	Three Family	180
20 to 24 years	6.30%	Condominiums	744
25 to 29 years	7.40%	Apartment Units	642
30 to 34 years	6.70%		
40 to 44 years	6.60%		
45 to 49 years	7.40%		
50 to 54 years	6.90%		
55 to 59 years	5.90%		
60 to 64 years	4.80%		
65 to 69 years	3.80%		
70 to 74 years	2.90%		
75 to 79 years	2.70%		
80 to 84 years	2.80%		
85 years and older	2.60%		

Building Permits		
Year	Number	Value in Millions
2018	3394	110.6
2017	3497	110.2
2016	3323	114.4
2015	3331	144.0
2014	3238	273.3
2013	3384	28.5
2012	3288	45.9
2011	3235	55.1
2010	3166	29.1

Race (2018)		Water/Wastewater (2018)	
White	79.28%	Active Accounts Served	19,252
Black or African American	1.76%	Water Treated/Distrib.	3,881,393
American Indian - Alaskan Native	5.00%	Miles of Sanitary Sewers	170
Hispanic - Latino	9.90%	Miles of Water Main	205

Major Employers (2018)		Largest Property Taxpayers (2018)	
			Assessed Value
Aurora Medical Group	1,370	Acuity Mutual Insurance	\$ 149,754,280
Nemak	1,279	Aurora Medical Group	\$ 24,389,110
Acuity Mutual Insurance	1,253	Sheboygan Acquisitions LLC	\$ 18,025,490
Sheboygan Area School District	1,198	Nemak USA, Inc	\$ 16,661,000
Rockline Industries	870	PJR Properties LLC	\$ 14,806,200
Sheboygan County	842	Plastics Engineering Co.	\$ 14,063,800
The Vollrath Company	560	Wal-Mart	\$ 14,021,990
American Orthodontics	515	Country Village Apartments	\$ 13,953,380
Piggly Wiggly Midwest LLC	580	St. Nicholas Hospital	\$ 12,201,570
City of Sheboygan, Wisconsin	494	American Orthodontics	\$ 11,264,800

City of Sheboygan, Wisconsin

Table 20
Demographics

Employment Trends - Sheboygan County

Year	Employment	Unemployment Rate
2018	62,749	2.1
2017	62,123	2.5
2016	60,905	3.7
2015	59,614	3.8
2014	57,860	5.2
2013	54,490	7.5
2012	54,420	8.4

Parks

Year	Developed Parks	Acres Maintained
2018	38	705.00
2017	38	675.00
2016	38	614.04
2015	38	614.04
2014	38	614.04
2013	36	557.25
2012	36	557.25
2011	36	557.25
2010	36	557.25

Infrastructure(2018)

Miles of State Highway System	17
Miles of County Highway System	17
Miles of Local Roads & Streets	200
Miles of Sidewalks	375
Number of City-owned Street Lights	4505

Elections (2018)

Registered Voters	Turn-Out	Percent	
February	19,635	3,658	18.63%
Spring	19,863	6,283	31.63%
August	20,472	6,640	32.43%
November	23,250	18,170	78.15%

Public Safety- Police

Number of Sworn Officers	
2018	83
2017	82
2016	82
2015	81
2014	81
2013	81
2012	81
2011	81
2010	78

Number of Police Stations	1
Number of Fire Stations	5
ISO Rating	2

Public Safety- Firefighter

Number of Sworn Officers	
2018	73
2017	73
2016	72
2015	69
2014	72
2013	72
2012	72
2011	72
2010	76

School Registration (2018-2019)

Elementary Schools	5,088
Middle Schools	2,043
High Schools	3,022

Education Attainment (2018)

(Population 25 years and older)	
High School Graduate	92.60%
Associates Degree	6.00%
Bachelor's Degree	23.80%
Graduate or Professional Degree	4.90%

City of Sheboygan, Wisconsin

Table 21
Authorized Permanent Positions
Last Ten Calendar Years

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual
GENERAL FUND										
General Government	30.00	30.00	30.00	25.00	25.00	24.75	24.75	22.81	21.95	21.95
Public Safety	190.40	186.40	189.40	186.40	185.40	190.90	192.40	179.40	181.90	174.90
Public Works	94.00	94.00	94.00	60.00	60.00	59.00	58.00	59.00	62.00	61.00
Culture and Recreation	37.00	37.00	37.00	23.00	23.00	22.28	22.28	22.28	21.28	22.30
Development and Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	12.00
Total General Fund	355.40	351.40	354.40	298.40	297.40	300.93	301.43	287.49	291.13	282.15
Mead Public Library	39.00	39.00	39.00	39.00	38.00	36.63	34.44	38.50	39.50	39.50
Municipal Court	2.50	2.50	2.50	2.50	2.50	2.50	2.13	2.23	2.50	2.50
Ambulance	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Cable Television Division	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	1.50
Transit Utility	58.00	58.00	58.00	56.00	56.00	55.45	55.45	51.45	51.45	51.45
Parking Utility	3.00	3.00	3.00	3.00	2.30	2.30	2.30	2.30	2.30	2.30
Water Utility*	31.00	31.00	31.00	31.00	31.00	31.00	30.00	30.00	30.00	30.00
Wastewater Utility	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00
Information Technology Department	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Motor Vehicle Fund	9.00	8.00	8.00	7.00	7.00	7.00	7.00	7.00	6.00	6.00
	573.90	518.90	521.90	462.90	460.20	461.81	458.75	444.97	448.38	449.40

*Approval authorized by Board of Water Commissioners

City of Sheboygan, Wisconsin

Table 22
Select Operating Indicators by Function / Program
Last Ten Calendar Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police										
Arrests	8,503	8,552	7,600	7,677	10,306	7,046	5,998	6,118	7,675	7,915
Parking citations	8,993	7,517	6,616	8,164	12,898	10,991	8,745	9,842	10,476	9,032
Fire										
Total fire calls	3,551	3,751	3,865	4,503	5,011	5,026	5,034	5,007	5,007	5,369
EMS calls	2,215	2,218	2,548	3,005	3,318	3,310	3,316	3,506	3,867	4,220
Building Inspection										
Permits issued	2,160	3,166	3,145	3,288	3,384	3,238	3,331	3,323	3,417	3,394
Public Works										
Refuse curbside collection (tons)	12,715	12,925	12,454	12,287	11,984	12,144	12,510	11,248	11,273	11,102
Recycling curbside collection (tons)	2,777	3,049	3,310	3,297	3,398	3,547	3,232	3,207	3,337	3,582
Salt (tonnage)	*	*	*	5,012	4,667	2,302	4,552	4,133	4,133	4,167
Municipal Court										
Cases	6,321	7,240	7,042	7,173	6,905	6,008	5,732	5,974	7,089	6,931
Mead Library										
Annual visits	358,267	356,491	345,852	334,399	316,764	308,293	316,162	335,999	319,693	346,769
Material checkout	903,265	897,531	841,853	757,380	711,743	648,034	604,841	570,709	813,117	557,824
Digital content checkout	42	148	3,435	14,895	22,375	38,634	50,425	69,802	78,272	76,913
Shoreline Metro										
Fixed route passengers	457,183	440,780	468,361	475,173	520,860	538,802	537,765	527,775	543,561	599,714
Paratransit passengers	65,708	64,259	56,737	47,565	41,892	37,062	35,492	34,317	35,589	34,658
Water and Wastewater Utility										
Active accounts	19,053	19,088	19,028	19,003	18,974	18,833	18,797	18,857	18,774	18,787

* Information is not available

Source: City Finance Department

City of Sheboygan, Wisconsin

Table 23
Capital Asset Statistics by Function/Program
Last Ten Calendar Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Function/Program										
General Government:										
City Hall	1	1	1	1	1	1	1	1	1	1
Public Safety:										
Police Facility	1	1	1	1	1	1	1	1	1	1
Fire Stations	5	5	5	5	5	5	5	5	5	5
Patrol Units	46	46	46	46	46	46	46	46	46	46
Fire Engines	13	13	13	13	13	13	13	13	13	13
Ambulances	4	4	4	4	4	4	4	4	4	4
Public Works:										
Office and Maintenance Shop	1	1	1	1	1	1	1	1	1	1
Bridges	16	16	16	16	16	16	16	16	16	16
Salt storage shed	1	1	1	1	1	1	1	1	1	1
Signalized Intersections	39	39	39	39	39	39	39	39	39	39
Health and Human Services										
Wildwood Cemetery	1	1	1	1	1	1	1	1	1	1
Culture and Recreation										
Parks	36	36	36	36	36	36	36	36	36	36
Park Shelters	18	18	18	18	18	18	18	18	18	18
Maywood Environmental Park	1	1	1	1	1	1	1	1	1	1
Mead Public Library	1	1	1	1	1	1	1	1	1	1
Senior Activity Center	1	1	1	1	1	1	1	1	1	1
Enterprise:										
Wastewater Plant	1	1	1	1	1	1	1	1	1	1
Water Utility Plant	1	1	1	1	1	1	1	1	1	1
Transit Facility	1	1	1	1	1	1	1	1	1	1
Boat Facilities Docks	123	123	123	123	123	123	123	123	123	123
Parking Lots	22	22	22	22	22	22	22	22	22	22

Source: City Finance Department

SINGLE AUDIT SECTION

DRAFT



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*

To the Mayor Michael Vandersteen and the Common Council
City of Sheboygan, Wisconsin

We have audited, 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, the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Sheboygan, Wisconsin, (the "City") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated [REDACTED] 2019. Our report includes a reference to other auditors who audited the financial statements of the Water Utility Enterprise Fund and the Housing Authority of the City of Sheboygan, Wisconsin, as described in our report on the City of Sheboygan, Wisconsin's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported separately by those auditors. The financial statements of the Water Utility Enterprise Fund were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Water Utility Enterprise Fund.

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.

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. 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.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2018-001, 2018-002, and 2018-003 that we consider to be material weaknesses.

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*.

CITY OF SHEBOYGAN'S RESPONSE TO FINDINGS

The City's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. 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* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CliftonLarsonAllen LLP

Sheboygan, Wisconsin

██████████ 2019



Independent auditors' report on compliance for each major federal and state program and on internal control over compliance required by the Uniform Guidance and the *State Single Audit Guidelines*

To the Mayor Michael Vandersteen and the Common Council
City of Sheboygan, Wisconsin

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM

We have audited City of Sheboygan, Wisconsin's (the "City") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration that could have a direct and material effect on each of the City's major federal and state programs for the year ended December 31, 2018. The City's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of the Housing Authority of the City of Sheboygan, Wisconsin, a component unit, which expended \$1,603,213 in federal awards which are not included in the City's schedule of expenditures of federal awards during the year ended December 31, 2018. Our audit, described below, did not include the operations of the Housing Authority of the City of Sheboygan, Wisconsin because the organizational unit engaged other auditors to perform an audit of compliance.

MANAGEMENT'S RESPONSIBILITY

Management is responsible for compliance with the requirements of federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on compliance for each of the City's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration. Those standards, Uniform Guidance and the *State Single Audit Guidelines* require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City's compliance.

OPINION ON EACH MAJOR FEDERAL AND STATE PROGRAM

In our opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended December 31, 2018.

REPORT ON INTERNAL CONTROL OVER COMPLIANCE

Management of the City is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State Single Audit Guidelines*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control over compliance, described in the accompanying schedule of findings and questioned costs as items 2018-002 and 2018-003 that we consider to be material weaknesses.

The City's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the *State Single Audit Guidelines*. Accordingly, this report is not suitable for any other purpose.

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
██████████ 2019

City of Sheboygan, Wisconsin

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS FOR THE YEAR ENDED DECEMBER 31, 2018

Grantor Agency/Federal Program Title	CFDA Number	Pass-Through Agency
U.S. DEPARTMENT OF COMMERCE		
Costal Zone Management Administration Awards	11.419	WI Department of Administration
Costal Zone Management Administration Awards	11.419	Sheboygan County
Total Costal Zone Management Administrative Awards		
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		
Community Development Block Grant Entitlements Grants Cluster		
Community Development Block Grant	14.218	Direct Program
Community Development Block Grant - Program Income	14.218	Direct Program
Total Community Development Block Grant Entitlement Grants Cluster		
U.S. DEPARTMENT OF JUSTICE		
Public Safety Partnership and Community Policing Grant	16.710	WI Department of Justice
Justice Assistance Grant	16.738	WI Department of Justice
Justice Assistance Grant	16.738	WI Department of Justice
Total Justice Assistance Grant		
Total U.S. Department of Justice		
U.S. DEPARTMENT OF TRANSPORTATION		
Federal Transit Cluster		
Federal Transit Formula Grants	20.507	WI Department of Transportation
Highway Safety Cluster		
National Priority Safety Programs	20.616	WI Department of Transportation
National Priority Safety Programs	20.616	WI Department of Transportation
Total Highway Safety Cluster		
Total U.S. Department of Transportation		
U.S. DEPARTMENT OF HOMELAND SECURITY		
Assistance to Firefighters Grant	97.044	Direct Program
TOTAL EXPENDITURES OF 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 1/1/18	Cash Received (Refunded)	Accrued (Deferred) Revenue 12/31/18	Total Expenditures	Subrecipient Payment
AD179125-018.31 Unknown	\$ -	\$ 28,439	\$ 28,438	\$ 56,877	\$ -
	-	-	3,463	3,463	-
	-	28,439	31,901	60,340	-
N/A	(657,113)	1,222,113	-	565,000	-
N/A	-	432,547	-	432,547	-
	(657,113)	1,654,660	-	997,547	-
Unknown	(6,196)	30,570	-	24,374	2,340
2017-DJ-01-12793	-	8,727	-	8,727	-
2015-DJ-01-12793	-	17,289	-	17,289	-
	-	26,016	-	26,016	-
	(6,196)	56,586	-	50,390	2,340
Unknown	(1,206,561)	2,377,452	-	1,170,891	-
FG-2018-SHEBOYGAN-04217	-	29,539	-	29,539	-
Unknown	-	28,074	-	28,074	-
	-	57,613	-	57,613	-
	(1,206,561)	2,435,065	-	1,228,504	-
N/A	34,377	54,045	-	88,422	-
	\$ (1,835,493)	\$ 4,228,795	\$ 31,901	\$ 2,425,203	\$ 2,340

City of Sheboygan, Wisconsin

SCHEDULE OF EXPENDITURES OF STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2018

Grantor Agency/State Program Title	State I.D. Number	Pass-Through Agency	Pass-Through Entity Identifying Number
DEPARTMENT OF NATURAL RESOURCES			
Urban Forestry Grants	370.587	Direct Program	17UF1292
DEPARTMENT OF TRANSPORTATION			
Elderly and Handicapped Transportation Aids	395.101	Sheboygan County	Unknown
Transit Operating Aids	395.104	Direct Program	N/A
Transit Operating Aids - Paratransit	395.104	Direct Program	N/A
Total Department of Transportation			
DEPARTMENT OF HEALTH SERVICES			
EMS-FAB Grant	435.167	Direct Program	EMS-APPR119-286
DEPARTMENT OF JUSTICE			
Drug Crimes Enforcement	455.225	Direct Program	2015-DJ-01-12793
Drug Crimes Enforcement	455.225	Direct Program	2017-DJ-01-12793
Total Drug Crimes Enforcement			
Beat Patrol Grant	455.275	Direct Program	2018-BP-01-11597-3
Total Department of Justice			
DEPARTMENT OF ADMINISTRATION			
Land Information Board	505.110	Sheboygan County	Unknown
TOTAL STATE PROGRAMS			

The notes to the schedule of expenditures of state awards are an integral part of this schedule.

<u>(Accrued) Deferred Revenue 1/1/18</u>	<u>Cash Received (Refunded)</u>	<u>Accrued (Deferred) Revenue 12/31/18</u>	<u>Total Expenditures</u>	<u>Subrecipient Payment</u>
\$ (25,000)	\$ 25,000	\$ -	\$ -	\$ -
(158,823)	403,679	81,619	326,475	-
(192,174)	917,899	192,174	917,899	-
-	42,500	-	42,500	-
<u>(350,997)</u>	<u>1,364,078</u>	<u>273,793</u>	<u>1,286,874</u>	<u>-</u>
-	7,955	-	7,955	-
-	12,014	-	12,014	-
-	8,727	-	8,727	-
-	20,741	-	20,741	-
-	121,434	-	121,434	-
-	142,175	-	142,175	-
-	50,000	-	50,000	-
<u>\$ (375,997)</u>	<u>\$ 1,589,208</u>	<u>\$ 273,793</u>	<u>\$ 1,487,004</u>	<u>\$ -</u>

City of Sheboygan, Wisconsin

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED DECEMBER 31, 2018

NOTE 1: BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal and State Awards for the City are presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State Single Audit Guidelines* issued by the Wisconsin Department of Administration.

The Schedules of Expenditures of Federal and State Awards include all federal and state awards of the City. Because the schedules present only a selected portion of the operations of the City, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City.

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 2018 fund financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and State Single Audit Guidelines, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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 rate of 10% of modified total costs.

NOTE 3: OVERSIGHT AGENCIES

The federal and state oversight agencies for the City are as follows:

Federal - U.S. Department of Housing and Urban Development
State - Wisconsin Department of Transportation

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION 1 - 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?	None Reported
Noncompliance material to basic financial statements noted?	No

FEDERAL AND STATE AWARDS

Internal control over major program:	
▶ Material weakness(es) identified?	Yes
▶ Significant deficiency(ies) identified?	None Reported
Type of auditors' report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance?	Yes
Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Guidelines?	Yes

Identification of major federal programs:

CFDA Number	Name of Federal Program
20.507	Federal Transit Cluster Federal Transit Formula Grant

Identification of major state programs:

State ID Number	Name of State Program
395.104	Transit Operating Assistance

Audit threshold used to determine between Type A and Type B programs:

Federal Awards	\$750,000
State Awards	\$250,000
Auditee qualified as low-risk auditee	Yes

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION II - FINANCIAL STATEMENT FINDINGS

<u>FINDING NO.</u>	<u>CONTROL DEFICIENCIES</u>
2018-001	Preparation of Annual Financial Report
Condition:	Current City staff maintain accounting records which reflect the City's financial transactions; however, preparing the City's comprehensive 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. For the same reasons, the City contracts with us to compile the Wisconsin Municipal Report Form C.
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 and Municipal Financial Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.
Cause:	City management currently does not have the time and experience necessary to prepare a complete comprehensive annual financial report in accordance with applicable accounting standards.
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. 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 and Municipal Financial Report.
Views of responsible officials:	Refer to the management response per the corrective action plan.

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

FINDING NO.	CONTROL DEFICIENCIES
2018-002	Adjustments to the City's Financial Records
Condition:	As part of our 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.
Cause:	Due to turnover within the Finance department, the City has been behind with the preparation of account reconciliations and year end adjusting and closing entries.
Effect:	Year-end financial records prepared by the City may contain material misstatements.
Recommendation:	We recommend the City review its procedures and designate an individual to be responsible for month end and year end account reconciliations and year end adjusting and closing entries.
Views of responsible officials:	Refer to the management response per the corrective action plan.

FINDING NO.	CONTROL DEFICIENCIES
2018-003	General Ledger Reconciliations
Condition:	Bank accounts and other significant balance sheet accounts were not consistently reconciled on a timely basis throughout the year.
Context:	While performing audit procedures, it was noted that management does not have sufficient internal controls in place related to bank reconciliations and reconciliations of significant balance sheet accounts.
Criteria:	Verification of City balances to supporting documentation is a key control intended to prevent or decrease the occurrence of financial reporting errors or intentional fraud.
Cause:	The City had turnover in the Finance Director position in the finance department and did not have an effective transition plan or adequate cross training of employees resulting in delays in completion of general ledger account reconciliations.
Effect:	Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities.
Recommendation:	We recommend the City implement procedures to ensure that all significant balance sheet accounts are reconciled consistently throughout the year. In addition, the City needs to identify opportunities to cross-train employees.
Views of responsible officials:	Refer to the management response per the corrective action plan.

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION III - FEDERAL AND STATE AWARD FINDINGS AND QUESTIONED COSTS

2018-002: Adjustments to the City's Financial Records

Federal agency: U.S. Department of Transportation

Federal program title: Federal Transit Cluster

CFDA number: 20.507

State agency: Wisconsin Department of Transportation

State program title: Transit operating aids

State ID number: 395.104

Compliance requirement: Activities allowed or unallowed, allowable costs/cost principles, and reporting

Type of Finding:

- Internal control and compliance, Material Weakness
- See Financial Statement Finding 2018-002

Questioned costs: None

2018-003: General Ledger Reconciliations

Federal agency: U.S. Department of Transportation

Federal program title: Federal Transit Cluster

CFDA number: 20.507

State agency: Wisconsin Department of Transportation

State program title: Transit operating aids

State ID number: 395.104

Compliance requirement: Activities allowed or unallowed, allowable costs/cost principles, and reporting

Type of Finding:

- Internal control and compliance, Material Weakness
- See Financial Statement Finding 2018-003

Questioned costs: None

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

SECTION IV - OTHER ISSUES


- 1. Does the auditor have substantial doubt as to the auditee's ability to continue as a going concern? No

- 2. Does the audit report show audit issues (i.e. material non-compliance, non-material non-compliance, questioned cost, material weakness, significant deficiencies, management letter comment, excess revenue or excess reserve) related to grant/contracts with funding agencies that require audits to be in accordance with the *State Single Audit Guidelines*:
 - Department of Natural Resources Yes
 - Department of Transportation Yes
 - Department of Health Services Yes
 - Department of Justice Yes
 - Department of Administration Yes

- 3. Was a Management Letter or other document conveying audit comments issued as a result of this audit? Yes

- 4. Name and signature of partner

Bryan Grunewald, CPA

- 5. Date of report  2019

DRAFT

City of Sheboygan Name, Wisconsin

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2018

PRIOR YEAR AUDIT FINDINGS

There were no findings or questioned costs for federal or state awards for the year ended December 31, 2017.

CORRECTIVE ACTION PLAN

<u>Finding No.</u>	<u>Corrective Action Plan</u>
Finding 2018-001	Management agrees with the comment and in early 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department. Management will continue to review and approve the annual financial report and Wisconsin Municipal Financial Report Form C prior to issuance.
Finding 2018-002	The City hired a new Finance Director during 2018. The Finance Director has been proactive in reviewing and discussing any proposed adjusting entries. The City expects that the number of journal entries and the significance of any proposed entries will decrease significantly during 2019. Establishing and improving written processes will aid in the controls to ensure a more complete year-end closing procedure.
Finding 2018-003	Management agrees with the comment and in early 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department. This additional expertise and experience will lend to improved and defined process improvement related to reconciliations.

Contact for corrective action plan:
Marty Halverson, Finance Director
City of Sheboygan
828 Center Avenue, Room 205
Sheboygan, WI 53081
920-459-3304



City of Sheboygan, Wisconsin

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2018

PRIOR YEAR AUDIT FINDINGS

There were no findings or questioned costs for federal or state awards for the year ended December 31, 2017.

CORRECTIVE ACTION PLAN

<u>Finding No.</u>	<u>Corrective Action Plan</u>
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Finding 2018-001	Management agrees with the comment and in early 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department. Management will continue to review and approve the annual financial report and Wisconsin Municipal Financial Report Form C prior to issuance.
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Finding 2018-002	The City hired a new Finance Director during 2018. The Finance Director has been proactive in reviewing and discussing any proposed adjusting entries. The City expects that the number of journal entries and the significance of any proposed entries will decrease significantly during 2019. Establishing and improving written processes will aid in the controls to ensure a more complete year-end closing procedure.
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Finding 2018-003	Management agrees with the comment and in early 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department. This additional expertise and experience will lead to improved and defined process improvement related to reconciliations.
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Contact for corrective action plan:
Marty Halverson, Finance Director

FINANCE DEPARTMENT

828 Center Avenue,
Suite 205
Sheboygan, WI 53081

920-459-3311 (Phone)
www.sheboyganwi.gov

VI

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred DIRECT REFERRAL R. O. No. 33-19-20 by Finance Director submitting the findings and management response related to the Comprehensive Annual Financial Report of the City of Sheboygan for the year ended December 31, 2018, prepared by CliftonLarsonAllen, LLP (CLA); recommends

Reg.

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

II

DIRECT REFERRAL TO FINANCE AND PERSONNEL COMMITTEE

R. O. No. 33 - 19 - 20. By FINANCE DIRECTOR. June 10, 2019.

Submitting the findings and management response related to the Comprehensive Annual Financial Report of the City of Sheboygan for the year ended December 31, 2018, prepared by Clifton Larson Allen, LLP (CLA).

The full report will be released when made available.

*Finance
Personnel*

FINANCE DIRECTOR

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR
THE YEAR ENDED DECEMBER 31, 2018

SECTION II - FINANCIAL STATEMENT FINDINGS

FINDING NO.	CONTROL DEFICIENCIES
2018-001	Preparation of Annual Financial Report
Condition:	Current City staff maintain accounting records which reflect the City's financial transactions; however, preparing the City's comprehensive 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. For the same reasons, the City contracts with us to compile the Wisconsin Municipal Report Form C.
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 and Municipal Financial Report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.
Cause:	City management currently does not have the time and experience necessary to prepare a complete comprehensive annual financial report in accordance with applicable accounting standards.
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. 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 and Municipal Financial Report.
Views of responsible officials:	Refer to the management response per the corrective action plan.

City of Sheboygan, Wisconsin

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED DECEMBER 31, 2018

FINDING NO.	CONTROL DEFICIENCIES
2018-002	Adjustments to the City's Financial Records
Condition:	As part of our 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.
Cause:	Due to turnover within the Finance department, the City has been behind with the preparation of account reconciliations and year end adjusting and closing entries.
Effect:	Year-end financial records prepared by the City may contain material misstatements.
Recommendation:	We recommend the City review its procedures and designate an individual to be responsible for month end and year end account reconciliations and year end adjusting and closing entries.
Views of responsible officials:	Refer to the management response per the corrective action plan.

FINDING NO.	CONTROL DEFICIENCIES
2018-003	General Ledger Reconciliations
Condition:	Bank accounts and other significant balance sheet accounts were not consistently reconciled on a timely basis throughout the year.
Context:	While performing audit procedures, it was noted that management does not have sufficient internal controls in place related to bank reconciliations and reconciliations of significant balance sheet accounts.
Criteria:	Verification of City balances to supporting documentation is a key control intended to prevent or decrease the occurrence of financial reporting errors or intentional fraud.
Cause:	The City had turnover in the Finance Director position in the finance department and did not have an effective transition plan or adequate cross training of employees resulting in delays in completion of general ledger account reconciliations.
Effect:	Errors or intentional fraud could occur and not be detected timely by other employees in the normal course of their responsibilities.
Recommendation:	We recommend the City implement procedures to ensure that all significant balance sheet accounts are reconciled consistently throughout the year. In addition, the City needs to identify opportunities to cross-train employees.
Views of responsible officials:	Refer to the management response per the corrective action plan.

City of Sheboygan, Wisconsin

SCHEDULE OF PRIOR YEAR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN FOR THE YEAR ENDED DECEMBER 31, 2018

PRIOR YEAR AUDIT FINDINGS

There were no findings or questioned costs for federal or state awards for the year ended December 31, 2017.

CORRECTIVE ACTION PLAN

<u>Finding No.</u>	<u>Corrective Action Plan</u>
Finding 2018-001	Management agrees with the comment and in May 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department through additional training at conferences and seminars. Management will continue to review and approve the annual financial report and Wisconsin Municipal Financial Report Form C prior to issuance.
Finding 2018-002	The City hired a new Finance Director during 2018. The Finance Director has been proactive in reviewing and discussing any proposed adjusting entries. The City expects that the number of journal entries and the significance of any proposed entries will decrease significantly during 2019. Establishing and improving written processes will aid in the controls to ensure a more complete year-end closing procedure.
Finding 2018-003	Management agrees with the comment and in May 2019 the City added a senior accountant position within the Finance Department. The intent is to develop additional expertise and experience within the Finance Department. This additional expertise and experience will lend to improved and defined process improvement related to reconciliations.

Contact for corrective action plan:
Marty Halverson, Finance Director
City of Sheboygan
828 Center Avenue, Room 205
Sheboygan, WI 53081
920-459-3304

VIII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred Res. No. 35-19-20 by Alderpersons Donohue and Bohren authorizing entering into a Contract for Sale of Land for Private Development with Office Service Company, LLP; recommends adopting the Resolution.

Res

_____ Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

5.1

Res. No. 35- 19 - 20. By Alderpersons Donohue and Bohren. June 3, 2019.

A RESOLUTION authorizing entering into a Contract for Sale of Land for Private Development with Office Service Company, LLP.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the Contract for Sale of Land for Private Development with Office Service Company, LLP regarding proposed development of the former 14th Street Boat Launch and Boat Doctors property in Sheboygan, including sale of City property and a TIF incentive for development, in form substantially similar to the attached agreement.

Finances
Personnel

Julianne Nowlan
James A. Bohren

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

**CONTRACT FOR
SALE OF LAND FOR PRIVATE DEVELOPMENT
BY AND BETWEEN
CITY OF SHEBOYGAN
AND
OFFICE SERVICE COMPANY, LLP**

THIS DEVELOPMENT AGREEMENT (the "Agreement") made this ____ day of May, 2019, by and between the City of Sheboygan, a public body corporate of the State of Wisconsin (which, together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter called "City"), having its principal offices at 828 Center Avenue in the City of Sheboygan, Wisconsin, and Office Service Company, LLP, a Wisconsin limited liability partnership (hereinafter called "Developer"), having an office for the transaction of business at 7722 Hawthorne Road, Mequon, WI 53097.

RECITALS

WHEREAS, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in Exhibit "A" attached hereto and made a part hereof ("the Property") and to develop the Property with an adjoining parcel legally described on attached Exhibit A; and

WHEREAS, the City believes that the development of the Property pursuant to this Agreement is in the vital and best interests of the City and the health, safety and welfare of its residents.

WHEREAS, the City has established a Tax Incremental District, which includes the Property ("TID #19") in accordance with §66.1105, Wis. Stats. ("the Tax Increment Law"), in order to provide a viable method of financing eligible project costs within TID #19 for appropriate private development, which will contribute to the overall development of the City.

WHEREAS, the City is authorized by the Tax Increment Law to pay project costs, as defined in §66.105(2)(f), Wis. Stats., from the special fund of TID #19 or from the proceeds of municipal obligations issued pursuant to statute.

WHEREAS, the City is authorized by the Tax Increment Law to enter into any contract or agreement necessary or convenient to implement the provisions and effectuate the purposes of a Project Plan, as defined in §66.1105(2)(g), Wis. Stats.

WHEREAS, the Project Plan for TID #19 includes the payment of Development Incentive Payments for purposes of carrying out the Project Plan.

WHEREAS, the City proposes to enter into this Agreement with the Developer to achieve the objectives of TID #19 and to facilitate the implementation of TID #19's Project Plan. The City is prepared to provide financial assistance to the Developer through Development Incentive Payments in order to bring about the continued development in accordance with this Agreement.

AGREEMENT

NOW, THEREFORE, it is in the mutual interest of all parties to proceed with development of the Project, and in return for the benefits to be derived therefrom, the City is prepared to provide financial assistance to the Developer through Development Incentive Payments in order to bring about the development and thereby promote the sound redevelopment of the City's riverfront area.

ARTICLE I. OVERVIEW OF THE PROJECT

The Project consists of the renovation of a former boat works building located on the Boat Doctors Property (as hereafter defined) into a multi-tenant facility with residential and commercial tenants, adjacent parking, and a waterfront feature on the north side adjacent to the Sheboygan River, all together with the Property.

ARTICLE II. DEFINITIONS

All capitalized terms used herein and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Agreement" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"Boat Doctors Property" means the real property located at 1320 and 1336 Niagara Ave. with Tax Parcel # 59281500120 and 59281500131.

"Certification Date" shall mean the date each year when the City certifies the assessment of property for purpose of real property tax assessment in that year.

"Construction Plans" means the plans and specifications for the Project prepared from time to time by the Developer which are approved by the City in accordance with this Agreement.

"Deed" means the warranty deed provided by the City as set forth in Article VII.

"Development Incentive Payments" means the incentive payments to the Developer by the City as set forth in Section 603 hereafter.

"Events of Default" means any breach of this Agreement, including any such breach or other of the events described in Section 1403 hereof.

"Project" means the development described in Article I.

"Property" means the city owned property known as the "14th Street Boat Launch," Tax Parcel # 59281500110.

"Real Property" means both the Boat Doctors Property and the Property and all improvements therein, but not including any personal property.

“Substantial Completion” shall mean completion of the Project to an extent that an occupancy permit is issued or issuable.

“Tax Incremental Value” means the increased real property assessment of the Property generated by the Project.

“Tax Increment Revenue” means the tax revenue (as defined in sec. 66.1105(2)(i), Wis. Stats.) generated from the Tax Incremental Value. Personal Property is not included in Tax Increment Revenue.

“Title Commitment” shall mean the title commitment for the Project provided by the City.

**ARTICLE III.
SALE: PURCHASE PRICE**

Subject to all the terms, covenants and conditions of this Agreement, the City agrees to sell the Property to the Developer for, and the Developer will purchase the Property from the City and pay therefor, the total amount of Fifty Thousand and 00/100 (\$50,000) dollars, (“Purchase Price”), to be paid in cash or by certified check simultaneously with the delivery of the Deed conveying the Property to the Developer (the “Sale”).

**ARTICLE IV.
ESCROW**

At Closing, the City shall deposit the net proceeds from the sale into an escrow account held at Woodland Title Services (the “Account”) pursuant to an agreed escrow agreement. Upon request by the Developer, the City shall pay directly or reimburse Developer for up to Fifty Percent (50%) of Eligible Environmental Costs. Eligible Environmental Costs shall include all of the following costs incurred only as to the Property: environmental investigations, remediation or monitoring of the site, removal of hazardous waste containers, soil removal, capping, barrier installation, vapor intrusion systems, piling support systems, and other demolition activities that facilitate redevelopment of a brownfield property. On the first to occur of (i) no funds remaining in the Account; or (ii) December 31, 2020, the Account shall be closed and any remaining funds in the escrow account shall be paid to the City, and the City shall have no further responsibility to the Developer related to environmental costs for the Project.

**ARTICLE V.
SCHEDULE**

It is anticipated that the construction schedule for the Project will be carried out as follows:

City Plan Approvals	June 2019
Issuance of Building Permits	July 2019
Start Construction	July 2019
Substantial Completion	October 2019

**ARTICLE VI.
UNDERTAKINGS OF THE CITY AND OF THE DEVELOPER**

Section 601. Financing Confirmation. As promptly as possible, but not later than sixty (60) days after approval by the City of the Construction Plans, the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has the equity capital and/or commitments for mortgage financing necessary for the timely completion of construction of the Project.

Section 602. Minimum Investment. Developer shall incur at least One Million, Six Hundred Thousand and 00/100 Dollars (\$1,600,000) in Construction Costs for the Project ("Minimum Investment"). Construction Costs include all costs for construction and development of the Project including without limitation those set forth on attached Exhibit B.

Section 603. Development Incentive Payments. Providing the Developer has provided evidence reasonably satisfactory to the City that Construction Costs have equaled or exceeded the Minimum Investment and shown that the Tax Incremental Value for the Real Property based on the 2021 Certification Date is at least \$1,250,000 higher than the assessment of the Real Property based on the 2019 Certification Date, the City agrees to provide to the Developer each year, for a maximum period of ten (10) years, an annual Development Incentive Payment as described in this Section 603 in a total principal sum over the ten years not to exceed \$75,000 ("Maximum Development Payment"). Each year, commencing in 2021 and ending in 2030, the City will pay the Developer a Development Incentive Payment in an amount equal to Seven Thousand, Five Hundred and 00/100 (\$7,500), up to the Maximum Development Payment; except that if, in any given year, the assessed value of the real property upon which the Project is situated is less than \$1,600,000, the amount of said payment for that year shall be reduced by the ratio of the assessed value to \$1,600,000. For the avoidance of doubt, and as an example, should the assessed value of the real Property upon which the Project is situated be \$1,400,000, the payment that year shall be \$6,562.50 ($\$1,400,000 \div \$1,600,000 = 0.875$; $\$7,500 \times 0.875 = \$6,562.50$). The City shall make an annual Development Incentive Payment due under this Section no later than September 30 of each year, commencing in 2021. Payment by the City of a Development Incentive Payment will only be made if the Developer is current for all property taxes (real and personal) to the City in full.

Section 604. Off-Site Public Improvements. The City shall, at its sole cost and expense; (i) have prepared and pay for the preparation of the engineering and construction plans and specifications for certain off-site improvements, as described more particularly on Exhibit "B" attached hereto ("City Improvements"); and (ii) contract for and install, maintain, repair and replace the City Improvements. The City shall place up to a three inch asphalt layer during the summer of the 2019 to provide a temporary repair to Niagara Avenue between North 14th Street and the Shoreland 400 recreation trail. The City further agrees to completely reconstruct Niagara Avenue from North 14th Street to the Wisconsin Avenue within the City's right-of-way by September 30, 2020 including without limitation the replacement of curb and gutter and pavement. The Developer shall be responsible for the cost of installing, constructing, planting, or maintaining sidewalks and street trees which may be required in or adjacent to public rights-of-way

**ARTICLE VII.
CONVEYANCE OF PROPERTY**

Section 701. *Form of Deed.* The City shall convey to the Developer title to the Property by warranty deed (the "Deed"), free and clear of all liens and encumbrances except those restrictions set forth in this Agreement and such exceptions noted by the Title Commitment and accepted by Developer.

Section 702. *Time and Place for Delivery of Deed.* The closing of the Sale shall occur on or before May 31, 2019 ("Closing" or "Closing Date"), or such other date as mutually agreed to by the parties, at the principal office of the City.

Section 703. *Recording of Deed.* The Developer shall promptly record the Deed with the Sheboygan County Register of Deeds. The Developer shall pay all costs for so recording the Deed.

Section 704. *Conditions Precedent to Developer's Obligations.* The Developer's obligation to conclude the Sale contemplated herein shall be subject to the Developer's satisfaction, or waiver thereof, of each of the following conditions on or prior to ten (10) days before the Closing Date (unless a different time period is noted below):

- (a) **Due Diligence.** Developer shall determine after receipt of the City Documents that it is satisfied with the environmental condition of the Project. The City shall provide the City Documents not later than fifteen (15) days after execution of this Agreement. The City Documents shall include all environmental information in the possession of the City and/or the City's agents, attorneys, consultants or independent contractors, including, but not limited to, any and all environmental Phase I and Phase II environmental reports, soil and groundwater test results, correspondence with and orders or directives from governmental agencies (e.g. the Environmental Protection Agency, the Wisconsin Dept. of Natural Resources and other such agencies), case closure letters, remedial action plans and similar information.
- (b) **Financing Contingency.** Developer obtaining a written loan commitment from a lending institution of Developer's choice in an amount and with such terms and conditions acceptable to Developer within Developer's sole discretion for the construction of the Project.
- (c) **Title.** Within twenty (20) days after Developer's receipt of the Title Commitment, Developer shall notify the City in writing of any unacceptable exceptions which are disclosed in the Title Commitment. In the absence of such notification, such exceptions shall be deemed accepted by Developer. In the event Developer disapproves of any matter pertaining to title, Developer may request and the City shall, upon receipt of written request from Developer, use its best efforts to correct such defect or disapproved matter and to effectuate the same within fifteen (15) days after receipt of such request from Developer. During such period that the City is attempting to cure such defect or disapproved matter, the time for satisfaction or waiver of the condition pertaining to title shall be extended for a commensurate period. Any mortgages, liens or judgments shown on the Title Commitment will be satisfied by the City.

In the event that the City elects to cure, but is unable to satisfy any such defect or disapproved matter within such fifteen (15) day period, or in the event that the City elects not to cure any defect or disapproved matter, Developer may, within ten (10) days after receipt of written notice from the City that the City has been unable to cure or is unwilling to cure:

- (1) terminate this Agreement by providing written notice thereof to the City thereby cancelling the Sale; or
 - (2) take title to the Property "as-is".
- (d) Governmental Permits, Licenses and Approvals. Developer obtaining prior to Closing Date, all necessary permits, licenses and approvals from the City, and/or any other applicable governmental entity or City, for the Project as determined by Developer, within Developer's sole discretion. The City agrees to use its best efforts and cooperate with Developer in the application for any such permits, licenses and approvals.
- (e) Utility Connections. Developer obtaining written evidence that sanitary sewer, storm sewer and potable water mains are located adjacent to the Real Property boundary line. In the event that sewer and water laterals are not stubbed off at the mains and located at the Real Property boundary line, the Developer shall be solely responsible for any and all costs and expenses related to bringing such sewer and water laterals to the Property boundary line.
- (f) Soil and Topographic Conditions. Developer determining, in Developer's sole discretion, on or prior to the Closing Date, that the Soil Information does not disclose any soil or topographic conditions that would impair, interfere with or negatively impact, the development of the Project. Soil Information shall mean all information, reports, documentation or otherwise in the possession of the City/City and/or the City's/City's agents, attorneys, consultants or independent contractors relating to the soil and topographic conditions of the Property and which shall be delivered to the Developer by the City within ten (10) days of the execution of this Agreement. Developer's obligation to conclude this Sale is further contingent upon Developer obtaining, at Developer's sole expense, on or prior to the Closing Date:
- (1) written confirmation from a recognized and qualified soil and engineering firm (selected by Developer), that the soil and subsoil conditions of the Real Property are sufficient and suitable, as determined by Developer, in its sole discretion, for the Project, and
 - (2) soil borings and soil reports which verify a minimum poundage per square foot (psf) of soil bearing capacity, as determined by Developer.

If the above written confirmation or soil reports show the existence of any condition that would burden, interfere with or impair Developer's contemplated development of the Property, as determined by Developer in its sole discretion, prior to Closing, Developer may

- (1) terminate this Agreement by providing written notice thereof to the Agency thereby cancelling the Sale; or
- (2) accept the Property "as-is" despite the existence of such condition.

**ARTICLE VIII.
TIME FOR COMMENCEMENT AND COMPLETION OF IMPROVEMENTS**

The construction of the Project shall be commenced in within four (4) months after the Closing Date and, except as otherwise provided in this Agreement, Substantially Completion shall occur within twelve (12) months after commencement of construction.

**ARTICLE IX.
RIGHTS OF ACCESS TO PROPERTY**

Section 901. *Right of Entry for Utility Service.* The City reserves for itself, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the Property boundary lines.

Section 902. *Developer Not to Construct Over Utility Easements.* The Developer shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in such easement or has been approved by the City, and unless Developer indemnifies and agrees to hold harmless the City and any public utility company as may be appropriate from all loss or damage to property or injury to persons arising from such construction.

Section 903. *Access to Property.* Prior to Closing, the City shall permit representatives of the Developer to have access to the Property, at all reasonable times for the purpose of obtaining data and making various tests concerning the Property necessary to carry out this Agreement. After Closing, upon advance written request, the Developer shall permit the representatives of the City access to the Property at reasonable times for the purposes of inspection of all work being performed in connection with the construction of the Project. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this section.

**ARTICLE XI
CONSTRUCTIONS PLANS; CONSTRUCTION OF IMPROVEMENTS;
CERTIFICATE OF COMPLETION**

Section 1001. *Plans for Construction of Improvements.* . As promptly as possible after the date of execution of this Agreement but no sooner than sixty (60) days of execution of this Agreement, the Developer shall submit to the City, for approval by the City, plans, drawings, specifications and related documents, with respect to the Improvements to in sufficient completeness and detail to show the construction of the Project will be materially in accordance with the provisions of this Agreement and shall be in material conformity with this Agreement, and all applicable federal, state and local laws and regulations

The City shall, if the Construction Plans submitted materially conform to the provisions of this Agreement, approve in writing such Construction Plans and no further filing by the Developer or approval by the City thereof shall be required, except with respect to any material change. The Construction Plans shall, in any event, be deemed approved unless rejected in writing by the City, in whole or in part, setting forth in detail the reasons therefor, within thirty (30) days after the date of their receipt by the City.

If the City, in its reasonable discretion, rejects the Construction Plans in whole or in part as not being in material conformity with this Agreement, the Developer shall submit new or corrected Construction Plans which are in material conformity with this Agreement within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of Construction Plans shall continue to apply until the Construction Plans have been approved by the City, which approval shall not be unreasonably withheld or delayed.

All work with respect to the Project shall be in material conformity with the Construction Plans as approved by the City.

Developer, hereby represents that the Project will be fully subject to real estate and personal property taxes under state law. Developer further represents and agrees for itself, its successors and assigns, that it shall take no action(s) or advocate any position or change in state law which would jeopardize or call into question the taxability of the Project.

Notwithstanding the above, in the event that the Real Property, or any part thereof, is determined at any time to be exempt from real and/or personal property taxation under state law, Developer, for itself, its successors and assigns, agrees to make payments in lieu of taxes to the City, County, school district, and any other property taxing jurisdictions in the amounts and within the time periods that would otherwise be required as if the property were fully taxable, in recognition of the valuable governmental services and benefits available and/or provided to the Project and the Real Property.

Section 1002. Changes in Construction Plans. If the Developer desires to make any material change in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for its approval. If the Construction Plans, as modified by the proposed change, materially conform to the requirements of Section 1101 hereof with respect to such previously approved Constructions Plans, the City shall approve the proposed change and notify the Developer in writing of its approval, which approval shall not be unreasonably withheld or delayed. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejection thereof, in whole or in part, by written notice thereof by the City to the Developer, setting forth in detail the reasons therefor, shall be made within thirty (30) days after the date of the City's receipt of notice of such change.

Section 1003. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance. The submission of Construction Plans and their approval by the City as provided in Section 1101 hereof, and the submission of satisfactory evidence of equity capital and commitments for mortgage financing as provided in Articles V and VI hereof, are conditions precedent to the obligations of the City to convey the Property to the Developer pursuant to the Sale.

Section 1004. Progress Reports. Subsequent to the Sale of the Property, or any part thereof, to the Developer, and until construction of the Improvements has been completed, the Developer shall make monthly reports, in such detail as may reasonably be requested by the City, as to the actual progress of the Developer with respect to such construction.

**ARTICLE XI.
RESTRICTIONS UPON USE OF PROPERTY**

Section 1101. Restrictions on Use. The Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain the following covenants on the part of the Developer and its successors and assigns, that Developer shall:

- (a) devote the Property to and in accordance with the uses specified in this Agreement for a period of not less than twenty-seven (27) years from date of completion of the Project; and
- (b) not discriminate upon the basis of race, color, creed, sex, religion, ancestry, disability, sexual orientation, marital status, family status, lawful source of income, age or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

The above covenants run with the Property and they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the City and any successor in interest to the Property, or any part thereof, against the Developer, its successors and assigns and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

Section 1102. City Rights to Enforce. In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the City and its governmental successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in Section 1201 hereof, for and in its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided in Section 1201. Such agreements and covenants shall (and the Deed shall so state) run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the City has at any time been, remains, or is an owner of any land or interest therein or in favor of which such agreements and covenants relate. The City shall have the right, in the event of any material breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

**ARTICLE XII.
PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER**

Section 1201. *Representations as to Development.* The Developer represents and agrees that its purchase of the Property and its other undertakings pursuant to this Agreement are, and will be, used for the purpose of development of the Property and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the development of the Property to the general welfare of the community; and
- (b) the below market purchase price that has been made available by the City for the purpose of making such development possible;

the qualifications and identity of the Developer are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with the Developer and, in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants hereby by it to be performed without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement.

Section 1202. *Prohibition Against Transfer of Ownership Interests.* For the foregoing reasons, the Developer represents and agrees for itself, its members, and any successor in interest of itself and its members, respectively, that prior to Substantial Completion of the Project and without the prior written approval of the City:

- (a) there shall be no transfer of ownership interests in the Developer by any party owning ten percent (10%) or more of the ownership interests in the Developer (which term shall be deemed for the purposes of this and related provisions to include successors in interest);
- (b) nor shall any such owner suffer any such transfer to be made; and
- (c) nor shall there be or be suffered to be by the Developer, or by any owner of ten percent (10%) or more of the ownership interests therein, any other similarly significant change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, by any other method or means.

With respect to this provision, the Developer and the parties signing this Agreement on behalf of the Developer represent that they have the authority of all of its existing members to agree to this provision on their behalf and to bind them with respect thereto.

Section 1203. Prohibition Against Transfer of Property and Assignment of Agreement.
For the foregoing reasons the Developer represents and agrees for itself and its successors and assigns, that prior to Substantial Completion of the Project:

- (a) Except only by way of security for, and only for,
 - (1) The purpose of obtaining financing necessary to enable the Developer or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to constructing the Project under this Agreement; and
 - (2) Any other purpose or as otherwise authorized by this Agreement, the Developer, its successors or assigns, (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Project as certified by the City, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed.
- (b) The City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval, that:
 - (1) Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).
 - (2) Any proposed transferee, by instrument in writing satisfactory to the City and in form recordable among the land records shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part). Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) relieve or except such transferee or successor of or from such obligations, conditions or restrictions, or deprive or limit the City of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of this Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no

transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property and the construction of the Improvements that the City would have had, had there been no such transfer or change.

- (3) There shall be submitted to the City for review all instruments and other legal documents involved in effecting transfer; and if approved by the City, which approval shall not be unreasonably withheld or delayed, its approval shall be indicated to the Developer in writing.

In the event, the transferee satisfies the conditions set forth in Subsections (b)(1)-(3) above, and City approves the sale, assignment, conveyance, lease or transfer to the transferee, then any and all obligations under this Agreement shall be transferred to the transferee and the Developer shall be released from any and all obligations under this Agreement. Notwithstanding anything contained in this Section 1203 or this Agreement to the contrary, Developer, prior to Substantial Completion of the Project, shall have the right to enter into agreements with third parties for the pre-leasing or leasing of any apartments which are part of the Project and such third parties (and the agreements entered into by Developer with them) shall not be subject to any approval by the City.

Section 1204. Termination of Prohibitions and Restrictions in Sections 1202 and 1203. For purposes of clarity, notwithstanding anything contained in this Agreement to the contrary, upon Substantial Completion of the Project, the Developer may transfer, assign, sell, or convey the Property or any portion thereof to any person without the consent of the City. It being understood that all restrictions on transfer in Section 1202 and 1203 of this Agreement shall terminate upon completion of the Project.

Section 1205. Information as to Members. In order to assist in the effectuation of the purposes of this Article XII, the Developer agrees that during the period between execution of this Agreement and Substantial Completion of the Project:

- (a) the Developer will promptly notify the City of any and all changes of greater than ten percent (10%) in the ownership of the company, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, of which it or any of its members have been notified or otherwise have knowledge or information; and
- (b) the Developer, its successors or assigns, shall, at such time or times as the City may request, furnish the City with a complete statement, subscribed and sworn to by the authorized or managing member(s) of the Developer, setting forth all of the members of the Developer and the extent of their respective holdings, and in the event any other parties have a beneficial interest in the company their names and the extent of such interest, all as determined or indicated by the records of the Developer, by specific inquiry made by any such member, of all parties who on the basis of such records own ten percent (10%) or more interest in the Developer, and by such other knowledge or information as such authorized

representative shall have. Such lists, data and information shall in any event be furnished to the City immediately prior to the delivery of the Deed to the Developer and as a condition precedent thereto and annually thereafter on the anniversary of the Closing Date.

**ARTICLE XIII.
MORTGAGE FINANCING; RIGHTS OF MORTGAGEES**

Section 1301. *Limitation Upon Encumbrance of Property.* Prior to the completion of the Project, as certified by the City in the form of an Occupancy Certificate, neither the Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining:

- (a) funds only to the extent necessary for construction of the Project; and,
- (b) such additional funds, if any, unless requested by Developer and approved by the City in its reasonable discretion.

Except for the financing, mortgage, encumbrances or liens permitted above, the Developer (or successor in interest) shall notify the City in advance of any financing, secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, or any part thereof, and in any event it shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Developer or otherwise.

Section 1302. *Mortgagee Not Obligated to Construct.* Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including:

- (a) any other party who thereafter obtains title to the Property or such part from or through such holder; or
- (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself);

shall in no way be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder. Provided, that nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or Improvements provided or permitted in this Agreement.

Section 1303. Copy of Notice of Default to Mortgagee. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations under this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder shown in the records of the City.

Section 1304. Mortgagee's Option to Cure Defaults. After any breach or default referred to in Section 1303 hereof, which has not been cured by Developer within seventy-five (75) days (of receiving notice of such breach or default from the City as set forth in Section 1401 below, each such holder of a mortgage authorized by this Agreement shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Provided, that if the breach or default is with respect to construction of the Project, nothing contained in this section or any other section of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect improvements or construction already made) without first having expressly assumed the obligation to the City, by written agreement satisfactory to the City, to complete, in the manner provided in this Agreement, the Project on the Property or the part thereof to which the lien or title of such holder relates.

Section 1305. Mortgage and Holder. For the purposes of this Agreement the term "mortgage" shall include mortgages, deeds of trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deeds of trust.

ARTICLE XIV. REMEDIES

Section 1401. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach and, in any event, within seventy-five (75) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time after the initial seventy-five (75) days, the aggrieved party may take such action as set forth under this Agreement or allowed by law as may be necessary or desirable in its opinion to cure and remedy such default or breach including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

Section 1402. Termination by Developer Prior to Conveyance. The Developer shall be entitled to terminate this Agreement in the event that:

- (a) the City does not tender conveyance of the Property, or possession thereof, by Deed as part of the Sale in the manner and condition provided in this Agreement;
or

- (b) the Developer shall, after preparation of Construction Plans satisfactory to the City, furnish evidence reasonably satisfactory to the City that Developer has been unable, after and despite diligent effort for a period of sixty (60) days after approval by the City of the Construction Plans, to obtain mortgage financing for the construction of the Project on a basis and on terms that are satisfactory to Developer; or,
- (c) the Developer is unable to satisfy (and otherwise has not waived), any of the conditions precedent contained in this Agreement;

then this Agreement shall, at the option of the Developer, be terminated by written notice thereof to the City and neither the City nor the Developer shall have any further rights against or liability to the other under this Agreement.

Section 1403. Termination by City Prior to Conveyance. The City shall be entitled to terminate this Agreement in the event that:

- (a) prior to conveyance of the Property by Deed as part of the Sale to the Developer and except as otherwise permitted under this Agreement,
 - (1) the Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property; or
 - (2) there is any change of more than ten percent (10%) in the ownership of the Developer or with respect to the identity of the parties in control of the Developer or the degree thereof; or
- (b) the Developer does not submit Construction Plans within the permitted time period, as required by this Agreement, or (except as excused under subdivision (b) of Section 1002 hereof) evidence that it has the necessary equity capital and mortgage financing, in reasonably satisfactory forms and in the manner and by the dates respectively provided in this Agreement therefor; or
- (c) the Developer does not pay the Purchase Price and take title to the Property upon tender of Deed by the City pursuant to the Sale,

then this Agreement, and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property shall, at the option of the City, be terminated by the City by written notice thereof to the Developer, in which event, neither the Developer (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement.

Section 1404. *Other Rights and Remedies of City; No Waiver by Delay.* The City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article XIV, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title and interest of the Developer and its successors in interest and assigns in the Property, that any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article XIV shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City should not be constrained (so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the City with respect to any specific default by the Developer under this section be considered or treated as a waiver of the rights of the City with respect to any other defaults by the Developer under this section or with respect to the particular default except to the extent specifically waived in writing.

Section 1405. *Enforced Delay in Performance for Causes Beyond Control of Party.* For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for development, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence including, but not restricted to, acts of God, acts of the public enemy, acts of the Federal Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unavailability of materials, unusually severe weather, or delays of subcontractors due to any of the foregoing causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City with respect to the preparation of the Property for development or of the Developer with respect to construction of the Project, or progress in respect thereto, as the case may be, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this section shall, within ten (10) business days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the enforced delay.

Section 1406. *Rights and Remedies Cumulative.* The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

Section 1407. Indemnification.

(a) Developer agrees to indemnify and hold harmless the City, the governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "City Indemnified Parties") against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project, provided that the foregoing indemnification shall not be effective for any actions of the City Indemnified Parties that are not contemplated by this Agreement or which result from negligent acts or willful misconduct of the City Indemnified Parties in fulfilling the obligations of the City or their agents as set forth under this Agreement.

(b) Except for any negligent acts or any willful misrepresentation of the City Indemnified Parties, Developer agrees to protect and defend the City Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of Developer (or other persons acting on its behalf or under its direction or control) with respect to the Project work to be performed by Developer under this Agreement.

(c) The City agrees to protect and defend Developer, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Developer Indemnified Parties"), and further agrees to hold Developer Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the negligence, willful misrepresentation of the City (or other persons acting on their behalf or under their direction or control) under this Agreement, or the transactions contemplated hereby. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City, as the case may be.

**ARTICLE XV.
MISCELLANEOUS**

Section 1501. Conflict of Interests; City Representatives Not Individually Liable. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

Section 1502. Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project provided for in this Agreement:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry,

disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours. The Developer will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

- (b) The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours.
- (c) The Developer will furnish all information and reports required by law and any and all applicable federal, state and local rules, regulations and orders, and will permit access to the Developer's books, records and accounts by the City, or appropriate governmental entity, for purposes of investigation to ascertain compliance with such laws, rules, regulations and orders.
- (d) In the event of the Developer's noncompliance with the nondiscrimination clauses of this section, or with any of the said rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part, and such other sanctions may be imposed and remedies invoked as provided by such law, rule, regulation or order, or as otherwise provided by law.
- (e) The Developer will include the provisions of Paragraphs (a) through (d) of this section in every contract or purchase order, and will use its best efforts to require the inclusion of these provisions in every subcontract entered into by any of its contractors, unless exempted by such rules, regulations or orders, so that such provisions will be binding upon each such contractor, subcontractor or vendor, as the case may be. The Developer will take such action with respect to any construction contract, subcontract or purchase order as the City may direct as a means of enforcing such provisions, including sanctions for noncompliance. For the purpose of including such provisions in any construction contract, subcontract or purchase order, as required hereby, the first three lines of this section shall be changed to read "During the performance of this Contract, the Contractor agrees as follows:" and the term "Developer" shall be changed to "Contractor."

Section 1503. Provisions Not Merged with Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of the Deed transferring title to the Property from the City to the Developer or any successor in interest, and the Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 1504. Titles of Articles and Sections. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 1505. Successors and Assigns. This Agreement shall be binding upon the respective successors and assigns of the parties. Notwithstanding anything contained in this Agreement to the contrary, Developer may assign this Agreement by one or more successive assignments at any time prior to closing to any related entity or affiliate of Developer. Upon any such assignment, the assignee shall have the rights and obligations of Developer hereunder and Developer shall thereupon, automatically and without execution of further instruments or documents, be relieved and released from any obligations under this Agreement, without any further action or approval of the parties.

Section 1506. Notices and Demands. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (a) in the case of the Developer, is addressed to or delivered personally to the Developer at Office Service Company, LLP, 7722 Hawthorne Road, Mequon, WI 53097 , Attn: Paul Weaver; and
- (b) in the case of the City, is addressed to or delivered personally to the City, Attention: City Clerk, at 828 Center Avenue, Sheboygan, Wisconsin 53081;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. If delivered by registered or certified mail, such notice, demand or other communication shall be deemed delivered and received upon deposit in the U.S. Mail.

Section 1507. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

Section 1508. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Signatures delivered by facsimile, email (in pdf.) or similar electronic methods shall be deemed to be original signatures for all purposes.

Section 1509. Recording. This agreement or a memorandum of this Agreement shall be recorded in the Office of Sheboygan County Register of Deeds against the Property at the cost of the Developer.

(Signature Page Follows)

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

**CITY OF SHEBOYGAN,
WISCONSIN**

OFFICE SERVICE COMPANY, LLP

BY: _____
Michael Vandersteen, Mayor

BY: _____
Paul Weaver, Partner

ATTEST:

Meredith DeBruin, City Clerk

**ACKNOWLEDGEMENT
STATE OF WISCONSIN**

SS.

COUNTY OF SHEBOYGAN

This instrument was acknowledged before me
on

by _____

(Name(s) of Person(s))

as

(Type of authority: e.g., officer,
trustee, etc., if any)

of

*

(Name of party on behalf of whom
instrument was executed, if any)

Notary Public,
Wisconsin
My commission
(Expires) Is _____

This instrument drafted by:

City Attorney Charles Adams
828 Center Ave.
Sheboygan, WI 53081-4442
WI State Bar No. 1021454

EXHIBIT "A"
Description of Property

Property

Tax Parcel # 59281500110

Boat Doctors Property

Tax Parcel # 59281500120 and 59281500131

EXHIBIT "B"
Proposed/Estimated Construction Costs

Site acquire		
Properties		\$460,000
Legal/accounting		\$12,000
Closing costs		\$4,000
Total Site acquisition cost	Total	\$476,000

Development costs		
Site Acquisition and pre dev.		
Topo and full survey		\$6,000
Haz Mat testing		\$8,000
Remediation		\$12,000
Environmental management		\$35,000
Architectural		\$65,000
Engineering		\$19,000
Structural Hist engineering		\$3,000
Development fee costs		\$35,000
Site and civil design		\$12,000
Other dev costs		\$5,000
Contingency		\$10,000
	Total	\$210,000

Soft costs:		
Start up costs		\$2,000
Legal and accounting		\$6,000
Financing		\$8,000
Property taxes		\$8,000
Utilities		\$4,000
Property Insurance		\$2,000
Contingency		\$10,000
	Total	\$40,000

Construction costs		
Abatement		\$16,000
Demo and fill		\$55,000
Site/civil design		\$3,000
Parking lot		\$148,000
Site Utilities		\$38,000

Landscape/Sidewalk	\$34,000
Site Lighting	\$14,000
Permits and plan review	\$8,000
General Conditions	\$56,000
Sandblast exterior	\$65,000
Paint exterior	\$15,000
Canopies- steel	\$45,000
Façade restoration	\$85,000
Selective demo-Interior	\$25,000
Interior remodel	\$798,000
Roofing	\$42,000
Façade restoration-tuck point	\$28,000
Windows and frames	\$49,000
Doors and hardware-Ext	\$26,000
Parking lot and landscaping	\$85,000
Interest cost during const.	\$15,000
Contingency	\$35,000
	Total
	\$1,103,000
Total All costs	\$1,829,000

**CONTRACT FOR
SALE OF LAND FOR PRIVATE DEVELOPMENT
BY AND BETWEEN
CITY OF SHEBOYGAN
AND
OFFICE SERVICE COMPANY, LLP**

THIS DEVELOPMENT AGREEMENT (the "Agreement") made this ____ day of June, 2019, by and between the City of Sheboygan, a public body corporate of the State of Wisconsin (which, together with any successor public body or officer hereafter designated by or pursuant to law, is hereinafter called "City"), having its principal offices at 828 Center Avenue in the City of Sheboygan, Wisconsin, and Office Service Company, LLP, a Wisconsin limited liability partnership (hereinafter called "Developer"), having an office for the transaction of business at 7722 Hawthorne Road, Mequon, WI 53097.

RECITALS

WHEREAS, the City has offered to sell and the Developer is willing to purchase certain real property more particularly described in Exhibit "A" attached hereto and made a part hereof ("the Property") and to develop the Property with an adjoining parcel legally described on attached Exhibit A; and

WHEREAS, the City believes that the development of the Property pursuant to this Agreement is in the vital and best interests of the City and the health, safety and welfare of its residents.

WHEREAS, the City has established a Tax Incremental District, which includes the Property ("TID #19") in accordance with §66.1105, Wis. Stats. ("the Tax Increment Law"), in order to provide a viable method of financing eligible project costs within TID #19 for appropriate private development, which will contribute to the overall development of the City.

WHEREAS, the City is authorized by the Tax Increment Law to pay project costs, as defined in §66.105(2)(f), Wis. Stats., from the special fund of TID #19 or from the proceeds of municipal obligations issued pursuant to statute.

WHEREAS, the City is authorized by the Tax Increment Law to enter into any contract or agreement necessary or convenient to implement the provisions and effectuate the purposes of a Project Plan, as defined in §66.1105(2)(g), Wis. Stats.

WHEREAS, the Project Plan for TID #19 includes the payment of Development Incentive Payments for purposes of carrying out the Project Plan.

WHEREAS, the City proposes to enter into this Agreement with the Developer to achieve the objectives of TID #19 and to facilitate the implementation of TID #19's Project Plan. The City is prepared to provide financial assistance to the Developer through Development Incentive Payments in order to bring about the continued development in accordance with this Agreement.

AGREEMENT

NOW, THEREFORE, it is in the mutual interest of all parties to proceed with development of the Project, and in return for the benefits to be derived therefrom, the City is prepared to provide financial assistance to the Developer through Development Incentive Payments in order to bring about the development and thereby promote the sound redevelopment of the City's riverfront area.

ARTICLE I. OVERVIEW OF THE PROJECT

The Project consists of the renovation of a former boat works building located on the Boat Doctors Property (as hereafter defined) into a multi-tenant facility with residential and commercial tenants, adjacent parking, and a waterfront feature on the north side adjacent to the Sheboygan River, all together with the Property.

ARTICLE II. DEFINITIONS

All capitalized terms used herein and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Agreement" means this Agreement, as the same may be from time to time modified, amended, or supplemented.

"Boat Doctors Property" means the real property located at 1320 and 1336 Niagara Ave. with Tax Parcel # 59281500120 and 59281500131.

"Certification Date" shall mean the date each year when the City certifies the assessment of property for purpose of real property tax assessment in that year.

"Construction Plans" means the plans and specifications for the Project prepared from time to time by the Developer which are approved by the City in accordance with this Agreement.

"Deed" means the warranty deed provided by the City as set forth in Article VII.

"Development Incentive Payments" means the incentive payments to the Developer by the City as set forth in Section 603 hereafter.

"Events of Default" means any breach of this Agreement, including any such breach or other of the events described in Section 1403 hereof.

"Project" means the development described in Article I.

"Property" means the city owned property known as the "14th Street Boat Launch," Tax Parcel # 59281500110.

"Real Property" means both the Boat Doctors Property and the Property and all improvements therein, but not including any personal property.

"Substantial Completion" shall mean completion of the Project to an extent that an occupancy permit is issued or issuable.

"Tax Incremental Value" means the increased real property assessment of the Property generated by the Project.

"Tax Increment Revenue" means the tax revenue (as defined in sec. 66.1105(2)(i), Wis. Stats.) generated from the Tax Incremental Value. Personal Property is not included in Tax Increment Revenue.

"Title Commitment" shall mean the title commitment for the Project provided by the City.

**ARTICLE III.
SALE: PURCHASE PRICE**

Subject to all the terms, covenants and conditions of this Agreement, the City agrees to sell the Property to the Developer for, and the Developer will purchase the Property from the City and pay therefor, the total amount of Fifty Thousand and 00/100 (\$50,000) dollars, ("Purchase Price"), to be paid in cash or by certified check simultaneously with the delivery of the Deed conveying the Property to the Developer (the "Sale").

**ARTICLE IV.
ESCROW**

At Closing, the City shall deposit the net proceeds from the sale into an escrow account held at Woodland Title Services (the "Account") pursuant to an agreed escrow agreement. Upon request by the Developer, the City shall pay directly or reimburse Developer for up to Fifty Percent (50%) of Eligible Environmental Costs. Eligible Environmental Costs shall include all of the following costs incurred only as to the Property: environmental investigations, remediation or monitoring of the site, removal of hazardous waste containers, soil removal, capping, barrier installation, vapor intrusion systems, piling support systems, and other demolition activities that facilitate redevelopment of a brownfield property. On the first to occur of (i) no funds remaining in the Account; (ii) sixty days after Developer securing legal occupancy of the Project; or (iii) December 31, 2020, the Account shall be closed and any remaining funds in the escrow account shall be paid to the City, and the City shall have no further responsibility to the Developer related to environmental costs for the Project.

**ARTICLE V.
SCHEDULE**

It is anticipated that the construction schedule for the Project will be carried out as follows:

City Plan Approvals	June 2019
Issuance of Building Permits	July 2019
Start Construction	July 2019
Substantial Completion	October 2019

**ARTICLE VI.
UNDERTAKINGS OF THE CITY AND OF THE DEVELOPER**

Section 601. Financing Confirmation. As promptly as possible, but not later than sixty (60) days after approval by the City of the Construction Plans, the Developer shall submit to the City evidence reasonably satisfactory to the City that the Developer has the equity capital and/or commitments for mortgage financing necessary for the timely completion of construction of the Project.

Section 602. Minimum Investment. Developer shall incur at least One Million, Six Hundred Thousand and 00/100 Dollars (\$1,600,000) in Construction Costs for the Project ("Minimum Investment"). Construction Costs include all costs for construction and development of the Project including without limitation those set forth on attached Exhibit B.

Section 603. Development Incentive Payments. Providing the Developer has provided evidence reasonably satisfactory to the City that Construction Costs have equaled or exceeded the Minimum Investment and shown that the Tax Incremental Value for the Real Property based on the 2021 Certification Date is at least \$1,250,000 higher than the assessment of the Real Property based on the 2019 Certification Date, the City agrees to provide to the Developer each year, for a maximum period of ten (10) years, an annual Development Incentive Payment as described in this Section 603 in a total principal sum over the ten years not to exceed \$75,000 ("Maximum Development Payment"). Each year, commencing in 2021 and ending in 2030, the City will pay the Developer a Development Incentive Payment in an amount equal to Seven Thousand, Five Hundred and 00/100 (\$7,500), up to the Maximum Development Payment; except that if, in any given year, the assessed value of the real property upon which the Project is situated is less than \$1,600,000, the amount of said payment for that year shall be reduced by the ratio of the assessed value to \$1,600,000. For the avoidance of doubt, and as an example, should the assessed value of the real Property upon which the Project is situated be \$1,400,000, the payment that year shall be \$6,562.50 ($\$1,400,000 \div \$1,600,000 = 0.875$; $\$7,500 \times 0.875 = \6562.50). The City shall make an annual Development Incentive Payment due under this Section no later than September 30 of each year, commencing in 2021. Payment by the City of a Development Incentive Payment will only be made if the Developer is current for all property taxes (real and personal) to the City in full.

Section 604. Off-Site Public Improvements. The City shall, at its sole cost and expense; (i) have prepared and pay for the preparation of the engineering and construction plans and specifications for certain off-site improvements, as described more particularly on Exhibit "C" attached hereto ("City Improvements"); and (ii) contract for and install, maintain, repair and replace the City Improvements. The City shall place up to a three inch asphalt layer during the summer of the 2019 to provide a temporary repair to Niagara Avenue between North 14th Street and the Shoreland 400 recreation trail. The City further agrees to completely reconstruct Niagara Avenue from North 14th Street to the Wisconsin Avenue within the City's right-of-way by September 30, 2020 including without limitation the replacement of curb and gutter and pavement. The Developer shall be responsible for the cost of installing, constructing, planting, or maintaining sidewalks and street trees which may be required in or adjacent to public rights-of-way

**ARTICLE VII.
CONVEYANCE OF PROPERTY**

Section 701. *Form of Deed.* The City shall convey to the Developer title to the Property by warranty deed (the "Deed"), free and clear of all liens and encumbrances except those restrictions set forth in this Agreement and such exceptions noted by the Title Commitment and accepted by Developer.

Section 702. *Time and Place for Delivery of Deed.* The closing of the Sale shall occur on or before June 26, 2019 ("Closing" or "Closing Date"), or such other date as mutually agreed to by the parties, at the principal office of the City.

Section 703. *Recording of Deed.* The Developer shall promptly record the Deed with the Sheboygan County Register of Deeds. The Developer shall pay all costs for so recording the Deed.

Section 704. *Conditions Precedent to Developer's Obligations.* The Developer's obligation to conclude the Sale contemplated herein shall be subject to the Developer's satisfaction, or waiver thereof, of each of the following conditions on or prior to ten (10) days before the Closing Date (unless a different time period is noted below):

- (a) Due Diligence. Developer shall determine after receipt of the City Documents that it is satisfied with the environmental condition of the Project. The City shall provide the City Documents not later than fifteen (15) days after execution of this Agreement. The City Documents shall include all environmental information in the possession of the City and/or the City's agents, attorneys, consultants or independent contractors, including, but not limited to, any and all environmental Phase I and Phase II environmental reports, soil and groundwater test results, correspondence with and orders or directives from governmental agencies (e.g. the Environmental Protection Agency, the Wisconsin Dept. of Natural Resources and other such agencies), case closure letters, remedial action plans and similar information.
- (b) Financing Contingency. Developer obtaining a written loan commitment from a lending institution of Developer's choice in an amount and with such terms and conditions acceptable to Developer within Developer's sole discretion for the construction of the Project.
- (c) Title. Within twenty (20) days after Developer's receipt of the Title Commitment, Developer shall notify the City in writing of any unacceptable exceptions which are disclosed in the Title Commitment. In the absence of such notification, such exceptions shall be deemed accepted by Developer. In the event Developer disapproves of any matter pertaining to title, Developer may request and the City shall, upon receipt of written request from Developer, use its best efforts to correct such defect or disapproved matter and to effectuate the same within fifteen (15) days after receipt of such request from Developer. During such period that the City is attempting to cure such defect or disapproved matter, the time for satisfaction or waiver of the condition pertaining to title shall be extended for a commensurate period. Any mortgages, liens or judgments shown on the Title Commitment will be satisfied by the City.

In the event that the City elects to cure, but is unable to satisfy any such defect or disapproved matter within such fifteen (15) day period, or in the event that the City elects not to cure any defect or disapproved matter, Developer may, within ten (10) days after receipt of written notice from the City that the City has been unable to cure or is unwilling to cure:

- (1) terminate this Agreement by providing written notice thereof to the City thereby cancelling the Sale; or
 - (2) take title to the Property "as-is".
- (d) Governmental Permits, Licenses and Approvals. Developer obtaining prior to Closing Date, all necessary permits, licenses and approvals from the City, and/or any other applicable governmental entity or City, for the Project as determined by Developer, within Developer's sole discretion. The City agrees to use its best efforts and cooperate with Developer in the application for any such permits, licenses and approvals.
- (e) Utility Connections. Developer obtaining written evidence that sanitary sewer, storm sewer and potable water mains are located adjacent to the Real Property boundary line. In the event that sewer and water laterals are not stubbed off at the mains and located at the Real Property boundary line, the Developer shall be solely responsible for any and all costs and expenses related to bringing such sewer and water laterals to the Property boundary line.
- (f) Soil and Topographic Conditions. Developer determining, in Developer's sole discretion, on or prior to the Closing Date, that the Soil Information does not disclose any soil or topographic conditions that would impair, interfere with or negatively impact, the development of the Project. Soil Information shall mean all information, reports, documentation or otherwise in the possession of the City/City and/or the City's/City's agents, attorneys, consultants or independent contractors relating to the soil and topographic conditions of the Property and which shall be delivered to the Developer by the City within ten (10) days of the execution of this Agreement. Developer's obligation to conclude this Sale is further contingent upon Developer obtaining, at Developer's sole expense, on or prior to the Closing Date:
- (1) written confirmation from a recognized and qualified soil and engineering firm (selected by Developer), that the soil and subsoil conditions of the Real Property are sufficient and suitable, as determined by Developer, in its sole discretion, for the Project, and
 - (2) soil borings and soil reports which verify a minimum poundage per square foot (psf) of soil bearing capacity, as determined by Developer.

If the above written confirmation or soil reports show the existence of any condition that would burden, interfere with or impair Developer's contemplated development of the Property, as determined by Developer in its sole discretion, prior to Closing, Developer may

- (1) terminate this Agreement by providing written notice thereof to the Agency thereby cancelling the Sale; or
- (2) accept the Property "as-is" despite the existence of such condition.

**ARTICLE VIII.
TIME FOR COMMENCEMENT AND COMPLETION OF IMPROVEMENTS**

The construction of the Project shall be commenced in within four (4) months after the Closing Date and, except as otherwise provided in this Agreement, Substantially Completion shall occur within twelve (12) months after commencement of construction.

**ARTICLE IX.
RIGHTS OF ACCESS TO PROPERTY**

Section 901. *Right of Entry for Utility Service.* The City reserves for itself, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstructing, maintaining, repairing, or servicing the public utilities located within the Property boundary lines.

Section 902. *Developer Not to Construct Over Utility Easements.* The Developer shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities, unless such construction is provided for in such easement or has been approved by the City, and unless Developer indemnifies and agrees to hold harmless the City and any public utility company as may be appropriate from all loss or damage to property or injury to persons arising from such construction.

Section 903. *Access to Property.* Prior to Closing, the City shall permit representatives of the Developer to have access to the Property, at all reasonable times for the purpose of obtaining data and making various tests concerning the Property necessary to carry out this Agreement. After Closing, upon advance written request, the Developer shall permit the representatives of the City access to the Property at reasonable times for the purposes of inspection of all work being performed in connection with the construction of the Project. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this section.

**ARTICLE XI
CONSTRUCTIONS PLANS; CONSTRUCTION OF IMPROVEMENTS;
CERTIFICATE OF COMPLETION**

Section 1001. *Plans for Construction of Improvements.* . As promptly as possible after the date of execution of this Agreement but no sooner than sixty (60) days of execution of this Agreement, the Developer shall submit to the City, for approval by the City, plans, drawings, specifications and related documents, with respect to the Improvements to in sufficient completeness and detail to show the construction of the Project will be materially in accordance with the provisions of this Agreement and shall be in material conformity with this Agreement, and all applicable federal, state and local laws and regulations

The City shall, if the Construction Plans submitted materially conform to the provisions of this Agreement, approve in writing such Construction Plans and no further filing by the Developer or approval by the City thereof shall be required, except with respect to any material change. The Construction Plans shall, in any event, be deemed approved unless rejected in writing by the City, in whole or in part, setting forth in detail the reasons therefor, within thirty (30) days after the date of their receipt by the City.

If the City, in its reasonable discretion, rejects the Construction Plans in whole or in part as not being in material conformity with this Agreement, the Developer shall submit new or corrected Construction Plans which are in material conformity with this Agreement within thirty (30) days after written notification to the Developer of the rejection. The provisions of this Section relating to approval, rejection and resubmission of Construction Plans shall continue to apply until the Construction Plans have been approved by the City, which approval shall not be unreasonably withheld or delayed.

All work with respect to the Project shall be in material conformity with the Construction Plans as approved by the City.

Developer, hereby represents that the Project will be fully subject to real estate and personal property taxes under state law. Developer further represents and agrees for itself, its successors and assigns, that it shall take no action(s) or advocate any position or change in state law which would jeopardize or call into question the taxability of the Project.

Notwithstanding the above, in the event that the Real Property, or any part thereof, is determined at any time to be exempt from real and/or personal property taxation under state law, Developer, for itself, its successors and assigns, agrees to make payments in lieu of taxes to the City, County, school district, and any other property taxing jurisdictions in the amounts and within the time periods that would otherwise be required as if the property were fully taxable, in recognition of the valuable governmental services and benefits available and/or provided to the Project and the Real Property.

Section 1002. Changes in Construction Plans. If the Developer desires to make any material change in the Construction Plans after their approval by the City, the Developer shall submit the proposed change to the City for its approval. If the Construction Plans, as modified by the proposed change, materially conform to the requirements of Section 1101 hereof with respect to such previously approved Constructions Plans, the City shall approve the proposed change and notify the Developer in writing of its approval, which approval shall not be unreasonably withheld or delayed. Such change in the Construction Plans shall, in any event, be deemed approved by the City unless rejection thereof, in whole or in part, by written notice thereof by the City to the Developer, setting forth in detail the reasons therefor, shall be made within thirty (30) days after the date of the City's receipt of notice of such change.

Section 1003. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance. The submission of Construction Plans and their approval by the City as provided in Section 1101 hereof, and the submission of satisfactory evidence of equity capital and commitments for mortgage financing as provided in Articles V and VI hereof, are conditions precedent to the obligations of the City to convey the Property to the Developer pursuant to the Sale.

Section 1004. *Progress Reports.* Subsequent to the Sale of the Property, or any part thereof, to the Developer, and until construction of the Improvements has been completed, the Developer shall make monthly reports, in such detail as may reasonably be requested by the City, as to the actual progress of the Developer with respect to such construction.

**ARTICLE XI.
RESTRICTIONS UPON USE OF PROPERTY**

Section 1101. *Restrictions on Use.* The Developer agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain the following covenants on the part of the Developer and its successors and assigns, that Developer shall:

- (a) devote the Property to and in accordance with the uses specified in this Agreement for a period of not less than twenty-seven (27) years from date of completion of the Project; and
- (b) not discriminate upon the basis of race, color, creed, sex, religion, ancestry, disability, sexual orientation, marital status, family status, lawful source of income, age or national origin in the sale, lease or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

The above covenants run with the Property and they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in this Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the City and any successor in interest to the Property, or any part thereof, against the Developer, its successors and assigns and every successor in interest to the Property, or any part thereof or any interest therein, and any party in possession or occupancy of the Property or any part thereof.

Section 1102. *City Rights to Enforce.* In amplification, and not in restriction of, the provisions of the preceding section, it is intended and agreed that the City and its governmental successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in Section 1201 hereof, for and in its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided in Section 1201. Such agreements and covenants shall (and the Deed shall so state) run in favor of the City for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the City has at any time been, remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The City shall have the right, in the event of any material breach of any such agreement or covenant, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

**ARTICLE XII.
PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER**

Section 1201. *Representations as to Development.* The Developer represents and agrees that its purchase of the Property and its other undertakings pursuant to this Agreement are, and will be, used for the purpose of development of the Property and not for speculation in land holding. The Developer further recognizes that, in view of:

- (a) the importance of the development of the Property to the general welfare of the community; and
- (b) the below market purchase price that has been made available by the City for the purpose of making such development possible;

the qualifications and identity of the Developer are of particular concern to the community and the City. The Developer further recognizes that it is because of such qualifications and identity that the City is entering into this Agreement with the Developer and, in so doing, is further willing to accept and rely on the obligations of the Developer for the faithful performance of all undertakings and covenants hereby by it to be performed without requiring in addition a surety bond or similar undertaking for such performance of all undertakings and covenants in this Agreement.

Section 1202. *Prohibition Against Transfer of Ownership Interests.* For the foregoing reasons, the Developer represents and agrees for itself, its members, and any successor in interest of itself and its members, respectively, that prior to Substantial Completion of the Project and without the prior written approval of the City:

- (a) there shall be no transfer of ownership interests in the Developer by any party owning ten percent (10%) or more of the ownership interests in the Developer (which term shall be deemed for the purposes of this and related provisions to include successors in interest);
- (b) nor shall any such owner suffer any such transfer to be made; and
- (c) nor shall there be or be suffered to be by the Developer, or by any owner of ten percent (10%) or more of the ownership interests therein, any other similarly significant change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, by any other method or means.

With respect to this provision, the Developer and the parties signing this Agreement on behalf of the Developer represent that they have the authority of all of its existing members to agree to this provision on their behalf and to bind them with respect thereto.

Section 1203. Prohibition Against Transfer of Property and Assignment of Agreement.
For the foregoing reasons the Developer represents and agrees for itself and its successors and assigns, that prior to Substantial Completion of the Project:

- (a) Except only by way of security for, and only for,
 - (1) The purpose of obtaining financing necessary to enable the Developer or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to constructing the Project under this Agreement; and
 - (2) Any other purpose or as otherwise authorized by this Agreement, the Developer, its successors or assigns, (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Project as certified by the City, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease, or any trust or power, or transfer in any other mode or form of or with respect to this Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed.
- (b) The City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such approval, that:
 - (1) Any proposed transferee shall have the qualifications and financial responsibility, as reasonably determined by the City, necessary and adequate to fulfill the obligations undertaken in this Agreement by the Developer (or, in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).
 - (2) Any proposed transferee, by instrument in writing satisfactory to the City and in form recordable among the land records shall, for itself and its successors and assigns, and expressly for the benefit of the City, have expressly assumed all of the obligations of the Developer under this Agreement and agreed to be subject to all the conditions and restrictions to which the Developer is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions and restrictions to the extent that they relate to such part). Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) relieve or except such transferee or successor of or from such obligations, conditions or restrictions, or deprive or limit the City of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of this Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no

transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the City of or with respect to any rights or remedies or controls provided in or resulting from this Agreement with respect to the Property and the construction of the Improvements that the City would have had, had there been no such transfer or change.

- (3) There shall be submitted to the City for review all instruments and other legal documents involved in effecting transfer; and if approved by the City, which approval shall not be unreasonably withheld or delayed, its approval shall be indicated to the Developer in writing.

In the event, the transferee satisfies the conditions set forth in Subsections (b)(1)-(3) above, and City approves the sale, assignment, conveyance, lease or transfer to the transferee, then any and all obligations under this Agreement shall be transferred to the transferee and the Developer shall be released from any and all obligations under this Agreement. Notwithstanding anything contained in this Section 1203 or this Agreement to the contrary, Developer, prior to Substantial Completion of the Project, shall have the right to enter into agreements with third parties for the pre-leasing or leasing of any apartments which are part of the Project and such third parties (and the agreements entered into by Developer with them) shall not be subject to any approval by the City.

Section 1204. Termination of Prohibitions and Restrictions in Sections 1202 and 1203. For purposes of clarity, notwithstanding anything contained in this Agreement to the contrary, upon Substantial Completion of the Project, the Developer may transfer, assign, sell, or convey the Property or any portion thereof to any person without the consent of the City. It being understood that all restrictions on transfer in Section 1202 and 1203 of this Agreement shall terminate upon completion of the Project.

Section 1205. Information as to Members. In order to assist in the effectuation of the purposes of this Article XII, the Developer agrees that during the period between execution of this Agreement and Substantial Completion of the Project:

- (a) the Developer will promptly notify the City of any and all changes of greater than ten percent (10%) in the ownership of the company, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of such company, or with respect to the identity of the parties in control of the Developer or the degree thereof, of which it or any of its members have been notified or otherwise have knowledge or information; and
- (b) the Developer, its successors or assigns, shall, at such time or times as the City may request, furnish the City with a complete statement, subscribed and sworn to by the authorized or managing member(s) of the Developer, setting forth all of the members of the Developer and the extent of their respective holdings, and in the event any other parties have a beneficial interest in the company their names and the extent of such interest, all as determined or indicated by the records of the Developer, by specific inquiry made by any such member, of all parties who on the basis of such records own ten percent (10%) or more interest in the Developer, and by such other knowledge or information as such authorized

representative shall have. Such lists, data and information shall in any event be furnished to the City immediately prior to the delivery of the Deed to the Developer and as a condition precedent thereto and annually thereafter on the anniversary of the Closing Date.

**ARTICLE XIII.
MORTGAGE FINANCING; RIGHTS OF MORTGAGEES**

Section 1301. *Limitation Upon Encumbrance of Property.* Prior to the completion of the Project, as certified by the City in the form of an Occupancy Certificate, neither the Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining:

- (a) funds only to the extent necessary for construction of the Project; and,
- (b) such additional funds, if any, unless requested by Developer and approved by the City in its reasonable discretion.

Except for the financing, mortgage, encumbrances or liens permitted above, the Developer (or successor in interest) shall notify the City in advance of any financing, secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, or any part thereof, and in any event it shall promptly notify the City of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Developer or otherwise.

Section 1302. *Mortgagee Not Obligated to Construct.* Notwithstanding any of the provisions of this Agreement, including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by this Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including:

- (a) any other party who thereafter obtains title to the Property or such part from or through such holder; or
- (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself);

shall in no way be obligated by the provisions of this Agreement to construct or complete the Project or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such holder. Provided, that nothing in this section or any other section or provision of this Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or Improvements provided or permitted in this Agreement.

Section 1303. Copy of Notice of Default to Mortgagee. Whenever the City shall deliver any notice or demand to the Developer with respect to any breach or default by the Developer in its obligations under this Agreement, the City shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Agreement at the last address of such holder shown in the records of the City.

Section 1304. Mortgagee's Option to Cure Defaults. After any breach or default referred to in Section 1303 hereof, which has not been cured by Developer within seventy-five (75) days (of receiving notice of such breach or default from the City as set forth in Section 1401 below, each such holder of a mortgage authorized by this Agreement shall (insofar as the rights of the City are concerned) have the right, at its option, to cure or remedy such breach or default and to add the cost thereof to the mortgage debt and the lien of its mortgage. Provided, that if the breach or default is with respect to construction of the Project, nothing contained in this section or any other section of this Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Project (beyond the extent necessary to conserve or protect improvements or construction already made) without first having expressly assumed the obligation to the City, by written agreement satisfactory to the City, to complete, in the manner provided in this Agreement, the Project on the Property or the part thereof to which the lien or title of such holder relates.

Section 1305. Mortgage and Holder. For the purposes of this Agreement the term "mortgage" shall include mortgages, deeds of trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deeds of trust.

ARTICLE XIV. REMEDIES

Section 1401. In General. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach and, in any event, within seventy-five (75) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time after the initial seventy-five (75) days, the aggrieved party may take such action as set forth under this Agreement or allowed by law as may be necessary or desirable in its opinion to cure and remedy such default or breach including, but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations.

Section 1402. Termination by Developer Prior to Conveyance. The Developer shall be entitled to terminate this Agreement in the event that:

- (a) the City does not tender conveyance of the Property, or possession thereof, by Deed as part of the Sale in the manner and condition provided in this Agreement; or

- (b) the Developer shall, after preparation of Construction Plans satisfactory to the City, furnish evidence reasonably satisfactory to the City that Developer has been unable, after and despite diligent effort for a period of sixty (60) days after approval by the City of the Construction Plans, to obtain mortgage financing for the construction of the Project on a basis and on terms that are satisfactory to Developer; or,
- (c) the Developer is unable to satisfy (and otherwise has not waived), any of the conditions precedent contained in this Agreement;

then this Agreement shall, at the option of the Developer, be terminated by written notice thereof to the City and neither the City nor the Developer shall have any further rights against or liability to the other under this Agreement.

Section 1403. Termination by City Prior to Conveyance. The City shall be entitled to terminate this Agreement in the event that:

- (a) prior to conveyance of the Property by Deed as part of the Sale to the Developer and except as otherwise permitted under this Agreement,
 - (1) the Developer (or any successor in interest) assigns or attempts to assign this Agreement or any rights therein or in the Property; or
 - (2) there is any change of more than ten percent (10%) in the ownership of the Developer or with respect to the identity of the parties in control of the Developer or the degree thereof; or
- (b) the Developer does not submit Construction Plans within the permitted time period, as required by this Agreement, or (except as excused under subdivision (b) of Section 1002 hereof) evidence that it has the necessary equity capital and mortgage financing, in reasonably satisfactory forms and in the manner and by the dates respectively provided in this Agreement therefor; or
- (c) the Developer does not pay the Purchase Price and take title to the Property upon tender of Deed by the City pursuant to the Sale,

then this Agreement, and any rights of the Developer, or any assignee or transferee, in this Agreement, or arising therefrom with respect to the City or the Property shall, at the option of the City, be terminated by the City by written notice thereof to the Developer, in which event, neither the Developer (or assignee or transferee) nor the City shall have any further rights against or liability to the other under this Agreement.

Section 1404. *Other Rights and Remedies of City; No Waiver by Delay.* The City shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article XIV, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title and interest of the Developer and its successors in interest and assigns in the Property, that any delay by the City in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article XIV shall not operate as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City should not be constrained (so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the City with respect to any specific default by the Developer under this section be considered or treated as a waiver of the rights of the City with respect to any other defaults by the Developer under this section or with respect to the particular default except to the extent specifically waived in writing.

Section 1405. *Enforced Delay in Performance for Causes Beyond Control of Party.* For the purposes of any of the provisions of this Agreement, neither the City nor the Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for development, or the beginning and completion of construction of the Project, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence including, but not restricted to, acts of God, acts of the public enemy, acts of the Federal Government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, unavailability of materials, unusually severe weather, or delays of subcontractors due to any of the foregoing causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City with respect to the preparation of the Property for development or of the Developer with respect to construction of the Project, or progress in respect thereto, as the case may be, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this section shall, within ten (10) business days after the beginning of any such enforced delay, have first notified the other party thereof in writing, and of the cause or causes thereof, and requested an extension for the period of the enforced delay.

Section 1406. *Rights and Remedies Cumulative.* The rights and remedies of the parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or any of its remedies for any other default or breach by the other party. No waiver made by either such party with respect to the performance, or manner or time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

Section 1407. Indemnification.

(a) Developer agrees to indemnify and hold harmless the City, the governing body members, officers, agents, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "City Indemnified Parties") against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the Project, provided that the foregoing indemnification shall not be effective for any actions of the City Indemnified Parties that are not contemplated by this Agreement or which result from negligent acts or willful misconduct of the City Indemnified Parties in fulfilling the obligations of the City or their agents as set forth under this Agreement.

(b) Except for any negligent acts or any willful misrepresentation of the City Indemnified Parties, Developer agrees to protect and defend the City Indemnified Parties, now and forever, and further agrees to hold the aforesaid harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the actions or inactions of Developer (or other persons acting on its behalf or under its direction or control) with respect to the Project work to be performed by Developer under this Agreement.

(c) The City agrees to protect and defend Developer, including the independent contractors, consultants and legal counsel, servants and employees thereof (hereinafter, for purposes of this Section, collectively the "Developer Indemnified Parties"), and further agrees to hold Developer Indemnified Parties harmless from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the negligence, willful misrepresentation of the City (or other persons acting on their behalf or under their direction or control) under this Agreement, or the transactions contemplated hereby. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City, as the case may be.

**ARTICLE XV.
MISCELLANEOUS**

Section 1501. Conflict of Interests; City Representatives Not Individually Liable. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the City shall be personally liable to the Developer, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer or successor or on any obligations under the terms of this Agreement.

Section 1502. Equal Employment Opportunity. The Developer, for itself and its successors and assigns, agrees that during the construction of the Project provided for in this Agreement:

(a) The Developer will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, ancestry,

disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours. The Developer will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause.

- (b) The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin, ancestry, disability, marital status, arrest record, conviction record, membership in the national guard, state defense force or any reserve component of the military forces of the United States or this state or use or nonuse of lawful products off the employer's premises during nonworking hours.
- (c) The Developer will furnish all information and reports required by law and any and all applicable federal, state and local rules, regulations and orders, and will permit access to the Developer's books, records and accounts by the City, or appropriate governmental entity, for purposes of investigation to ascertain compliance with such laws, rules, regulations and orders.
- (d) In the event of the Developer's noncompliance with the nondiscrimination clauses of this section, or with any of the said rules, regulations or orders, this Agreement may be canceled, terminated or suspended in whole or in part, and such other sanctions may be imposed and remedies invoked as provided by such law, rule, regulation or order, or as otherwise provided by law.
- (e) The Developer will include the provisions of Paragraphs (a) through (d) of this section in every contract or purchase order, and will use its best efforts to require the inclusion of these provisions in every subcontract entered into by any of its contractors, unless exempted by such rules, regulations or orders, so that such provisions will be binding upon each such contractor, subcontractor or vendor, as the case may be. The Developer will take such action with respect to any construction contract, subcontract or purchase order as the City may direct as a means of enforcing such provisions, including sanctions for noncompliance. For the purpose of including such provisions in any construction contract, subcontract or purchase order, as required hereby, the first three lines of this section shall be changed to read "During the performance of this Contract, the Contractor agrees as follows:" and the term "Developer" shall be changed to "Contractor."

Section 1503. Provisions Not Merged with Deed. None of the provisions of this Agreement are intended to or shall be merged by reason of the Deed transferring title to the Property from the City to the Developer or any successor in interest, and the Deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

Section 1504. Titles of Articles and Sections. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 1505. Successors and Assigns. This Agreement shall be binding upon the respective successors and assigns of the parties. Notwithstanding anything contained in this Agreement to the contrary, Developer may assign this Agreement by one or more successive assignments at any time prior to closing to any related entity or affiliate of Developer. Upon any such assignment, the assignee shall have the rights and obligations of Developer hereunder and Developer shall thereupon, automatically and without execution of further instruments or documents, be relieved and released from any obligations under this Agreement, without any further action or approval of the parties.

Section 1506. Notices and Demands. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (a) in the case of the Developer, is addressed to or delivered personally to the Developer at Office Service Company, LLP, 7722 Hawthorne Road, Mequon, WI 53097, Attn: Paul Weaver; and
- (b) in the case of the City, is addressed to or delivered personally to the City, Attention: City Clerk, at 828 Center Avenue, Sheboygan, Wisconsin 53081;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. If delivered by registered or certified mail, such notice, demand or other communication shall be deemed delivered and received upon deposit in the U.S. Mail.

Section 1507. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

Section 1508. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Signatures delivered by facsimile, email (in pdf.) or similar electronic methods shall be deemed to be original signatures for all purposes.

Section 1509. Recording. This agreement or a memorandum of this Agreement shall be recorded in the Office of Sheboygan County Register of Deeds against the Property at the cost of the Developer.

(Signature Page Follows)

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

CITY OF SHEBOYGAN,
WISCONSIN

OFFICE SERVICE COMPANY, LLP

BY:

Michael Vandersteen
Michael Vandersteen, Mayor

BY:

Paul Weaver, Partner

ATTEST:

Melissa Clevenger
Melissa Clevenger, Deputy City Clerk

ACKNOWLEDGEMENT
STATE OF WISCONSIN

SS.

COUNTY OF SHEBOYGAN

This instrument was acknowledged before me

on June 20, 2019

by Michael J. Vandersteen and Melissa Clevenger

as (Name(s) of Person(s)
Mayor and Deputy City Clerk

of (Type of authority: e.g., officer,
trustee, etc., if any)
City of Sheboygan

(Name of party on behalf of whom
instrument was executed, if any)
Kathryn A. Hoffman
Notary Public, Kathryn A. Hoffman
Wisconsin
My commission
(Expires) 1-27-22

ACKNOWLEDGEMENT
STATE OF WISCONSIN

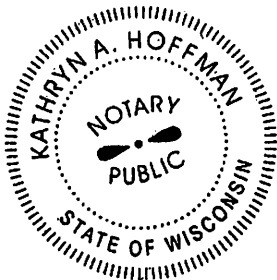
SS.

COUNTY OF SHEBOYGAN

This instrument was acknowledged
before me on

by Paul Weaver as Partner
of Office Service Company, LLP.

Notary Public, State of Wisconsin
My commission _____



This instrument drafted by:


City Attorney Charles Adams
828 Center Ave.
Sheboygan, WI 53081-4442
WI State Bar No. 1021454

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

CITY OF SHEBOYGAN,
WISCONSIN

OFFICE SERVICE COMPANY, LLP

BY: _____
Michael Vandersteen, Mayor

BY: 
Paul Weaver, Partner

ATTEST:

Meredith DeBruin, City Clerk

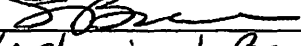
ACKNOWLEDGEMENT
STATE OF WISCONSIN

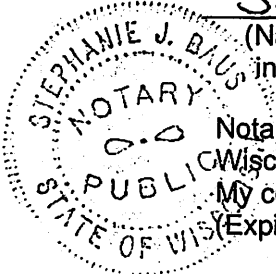
SS.

COUNTY OF SHEBOYGAN

This instrument was acknowledged before me
on June 27, 2019
by Paul C. Weaver

(Name(s) of Person(s)
as Partner of Office Service Company, LLP
(Type of authority: e.g., officer,
trustee, etc., if any)

of
* 
Stephanie J. Baus
(Name of party on behalf of whom
instrument was executed, if any)



Notary Public,
Wisconsin
My commission
(Expires) is

4/09/23

This instrument drafted by:

City Attorney Charles Adams
828 Center Ave.
Sheboygan, WI 53081-4442
WI State Bar No. 1021454

EXHIBIT "A"
Description of Property

Property

Tax Parcel # 59281500110

Boat Doctors Property

Tax Parcel # 59281500120 and 59281500131

EXHIBIT "B"
Proposed/Estimated Construction Costs

Site acquire		
Properties		\$460,000
Legal/accounting		\$12,000
Closing costs		\$4,000
Total Site acquisition cost	Total	\$476,000
Development costs		
Site Acquisition and pre dev.		
Topo and full survey		\$6,000
Haz Mat testing		\$8,000
Remediation		\$12,000
Environmental management		\$35,000
Architectural		\$65,000
Engineering		\$19,000
Structural Hist engineering		\$3,000
Development fee costs		\$35,000
Site and civil design		\$12,000
Other dev costs		\$5,000
Contingency		\$10,000
	Total	\$210,000
Soft costs:		
Start up costs		\$2,000
Legal and accounting		\$6,000
Financing		\$8,000
Property taxes		\$8,000
Utilities		\$4,000
Property Insurance		\$2,000
Contingency		\$10,000
	Total	\$40,000
Construction costs		
Abatement		\$16,000
Demo and fill		\$55,000
Site/civil design		\$3,000
Parking lot		\$148,000
Site Utilities		\$38,000

Landscape/Sidewalk	\$34,000
Site Lighting	\$14,000
Permits and plan review	\$8,000
General Conditions	\$56,000
Sandblast exterior	\$65,000
Paint exterior	\$15,000
Canopies- steel	\$45,000
Façade restoration	\$85,000
Selective demo-Interior	\$25,000
Interior remodel	\$798,000
Roofing	\$42,000
Façade restoration-tuck point	\$28,000
Windows and frames	\$49,000
Doors and hardware-Ext	\$26,000
Parking lot and landscaping	\$85,000
Interest cost during const.	\$15,000
Contingency	\$35,000
	Total
	\$1,103,000
Total All costs	\$1,829,000

EXHIBIT "C"
City Improvements

Street Reconstruction Scope:

- Niagara Avenue from N. 14th Street (west) to Commerce Street (east)
- Commerce Street from Niagara Ave. (north) to Wisconsin Ave. (south)
- Provide angled parking along Commerce Street with block retaining wall design

Sanitary Sewer Relay Construction Scope:

- Relay of a new sanitary sewer main in Niagara Avenue and Commerce Street as to be determined by televising
- Provide new sanitary sewer laterals in the right-of-way and reconnect to existing laterals at the right-of-way lines

Storm Sewer Relay Construction Scope:

- Relay of new storm sewer main in Niagara Avenue and Commerce Street as required for drainage of new roadways
- Replace existing storm laterals with new in the right-of-way and reconnect to existing laterals at the right-of-way lines

VIII

R. C. No. _____ - 19 - 20. By FINANCE AND PERSONNEL COMMITTEE. June 17, 2019.

Your Committee to whom was referred DIRECT REFERRAL Res. No. 40-19-20 by Alderpersons Donohue and Bohren authorizing the City of Sheboygan to enter into a Municipal Advisory Agreement for Municipal Advisor services regarding the sale of municipal bonds in 2019; recommends

reg.

Committee

I HEREBY CERTIFY that the foregoing Committee Report was duly accepted and adopted by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

DIRECT REFERRAL TO FINANCE AND PERSONNEL COMMITTEE

Res. No. 40 - 19 - 20. By Alderpersons Donohue and Bohren. June 17, 2019.

A RESOLUTION authorizing the City of Sheboygan to enter into a Municipal Advisory Agreement for Municipal Advisor services regarding the sale of municipal bonds in 2019.

WHEREAS, the city requires advisory services with respect to the issuance of \$6,665,000 in General Obligation Corporate Purpose Bonds, Series 2019A, and \$4,225,000 General Obligation Community Development Bonds, Series 2019B, and \$3,315,000 Taxable General Obligation Refunding Bonds - 2019; and

WHEREAS, the Municipal Advisor services will be provided by Wisconsin Public Finance Professionals, LLC (WFPF), Brookfield, WI, 53005; and

WHEREAS, WFPF will provide professional aid and guidance in arranging the sale of the bonds.

NOW, THEREFORE, BE IT RESOLVED: That the City of Sheboygan is hereby authorized to enter into contract with Wisconsin Public Finance Professionals, LLC to provide Municipal Advisor services with respect to the issuance of the 2019 Bonds, with fees to be paid out of the Bond proceeds.

Finance + Personnel

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



WISCONSIN PUBLIC FINANCE PROFESSIONALS, LLC
1025 SOUTH MOORLAND ROAD, SUITE 504
BROOKFIELD, WI 53005
414-434-9644
FAX: 414-226-2014

Municipal Advisory Agreement

City of Sheboygan, Sheboygan County, Wisconsin

Wisconsin Public Finance Professionals, LLC ("WPFP") is a "municipal advisor" as defined by the Securities and Exchange Commission ("SEC") Final Rule adopted September 18, 2013. WPFP is registered and regulated by the SEC and the Municipal Securities Rulemaking Board ("MSRB"). The City of Sheboygan, Sheboygan County, Wisconsin ("City"), hereby retains WPFP to serve as its Municipal Advisor in accordance with the terms and conditions of this Municipal Advisory Agreement ("Agreement") effective the date of execution (the "Effective Date"). As Municipal Advisor, WPFP will have fiduciary duties, including a duty of care and a duty of loyalty. WPFP is required to act in the City's best interests without regard to its own financial and other interests.

MSRB Rule G-10 and G-42 Notifications, Disclosures of Conflicts of Interest and Other Information

As a Municipal Advisor registered with the MSRB and the SEC, WPFP is required to provide certain notifications, disclosures and information to the City, in writing, no less than once each calendar year. Included on the last page of the Agreement are notifications and disclosures in accordance with MSRB Rule G-10 regarding a brochure available on the MSRB's website at www.msrb.org that describes the protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority; and, disclosures in accordance with MSRB Rule G-42 related to conflicts of interest and other information. All municipal advisory services are performed by employees of WPFP. WPFP has no relationships with other firms, or employees of the City, that could present a real or perceived conflict of interest. Carol Ann Wirth is the responsible party for WPFP in its relationship with the City.

Scope of Municipal Advisory Services

WPFP is engaged by the City as its Municipal Advisor to provide services with respect to the issuance of \$6,655,000* General Obligation Corporate Purpose Bonds, Series 2019A, and \$4,225,000* General Obligation Community Development Bonds, Series 2019B, and \$3,315,000* Taxable General Obligation Refunding Bonds - 2019 (collectively referred to as the "Issues"), as follows:

*Preliminary

(a) Services to be Provided:

1. Prepare and/or evaluate structuring options or alternatives with respect to the proposed new Issues
2. Review financial and other information regarding City, the proposed Issues and any source of repayment of or security for the Issues
3. Consult with and/or advise City on actual or potential changes in market place practices, market conditions, regulatory requirements or other matters that may have an impact on the City and its financing plans, or related to its outstanding issues
4. Assist City in establishing a plan of finance

5. Assist City in establishing the structure, timing, terms and other similar matters concerning the Issues
6. Prepare the financing timeline
7. Consult and meet with representatives of City and its agents or consultants with respect to the Issues
8. Attend meetings of City's governing body, as requested
9. Advise City on the manner of sale of the Issues
10. Assist in the gathering of information with respect to financial, statistical and factual information relating to City in connection with the preparation of the Preliminary and Final Official Statement
11. For Issues to be sold on a competitive bid basis, prepare the Preliminary and Final Official Statement, Official Notices of Sale and bid forms, obtain CUSIP numbers and provide an electronic version of the Official Statement to the winning underwriters
12. Advise City with regard to any continuing disclosure undertaking required to be entered into in connection with the Issues
13. In a competitive bid sale, assist City in collecting and verifying bids submitted by underwriters and in connection with City's selection of a winning bidder
14. At the time of sale, provide City with relevant data on comparable issues recently or currently being sold nationally and by comparable municipalities
15. Respond to questions from bidders, underwriters or potential investors
16. Prepare materials for, and participate in, presentation to rating agency
17. Work with bond counsel and other transaction participants to prepare and/or review necessary authorizing documentation of City and other documents necessary to finalize and close the Issues, and to issue an unqualified opinion approving the legality and tax status of the Issue
18. Coordinate closing, delivery of the new Issues and transfer of funds
19. Prepare a closing memorandum or transaction summary, together with general guidance for City with respect to the use of bond proceeds and the payment of debt service
20. Provide such other usual and customary municipal advisory services as may be requested by City including services related to debt management, structuring potential issues, credit management and continuing disclosure requirements
21. Advise City on potential refinancing opportunities of its outstanding issues
22. Advise City on potential exercise of optional call rights for outstanding issues
23. Assist City with dissemination and publication of notices of call for issues being refunded

(b) Limitations on Scope of Municipal Advisory Services. The Scope of Municipal Advisory Services is subject to the following limitations:

(i) The scope of services is limited solely to the services described herein and is subject to any limitations set forth within the description of the Scope of Municipal Advisory Services.

(ii) Unless otherwise provided in the Scope of Municipal Advisory Services described herein, Municipal Advisor is not responsible for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about Municipal Advisor provided by Municipal Advisor for inclusion in such documents.

(iii) The Scope of Municipal Advisory Services does not include tax, legal, accounting or engineering advice with respect to any Issue or in connection with any opinion or certificate rendered by counsel or any other person at closing; and, does not include review or advice on any feasibility study.

(c) Amendment to Scope of Municipal Advisory Services

The Scope of Municipal Advisory Services may be changed only by written amendment or supplement to the Scope of Municipal Advisory Services described herein. The parties agree to amend or supplement the Scope of Municipal Advisory Services described herein promptly to reflect any material changes or additions to the Scope of Municipal Advisory Services

Municipal Advisor's Regulatory Duties When Servicing City

MSRB Rule G-42 requires that Municipal Advisor make a reasonable inquiry as to the facts that are relevant to City's determination whether to proceed with a course of action with a course of action or that form the basis for and advice provided by Municipal Advisor to City. The rule also requires that Municipal Advisor undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about City and the authority of each person acting on City's behalf. The City agrees to cooperate, and to cause its agents to cooperate, with Municipal Advisor in carrying out these regulatory duties, including providing to Municipal Advisor accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties.

Term of this Engagement

The term of this Agreement begins on the Effective Date and ends, unless earlier terminated as provided below, on December 31, 2019. This Agreement may be terminated with or without cause by either party upon the giving of at least sixty (60) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of termination, the Municipal Advisor shall be paid in full for any services performed to the date of that termination at the normal hourly rates (\$75/hour professional staff, \$50/hour support staff) for time actually spent. WFPF may not assign this Agreement without the City's prior written consent. The laws of the State of Wisconsin shall apply to this Agreement.

Compensation - Fees and Expenses

WFPF's fee for services performed under this Agreement shall be \$15,055 for the General Obligation Corporate Purpose Bonds, Series 2019A, and \$12,625 for the General Obligation Community Development Bonds Series 2019B, and \$11,750 for the Taxable General Obligation Refunding Bonds. WFPF's fee includes all necessary in-state travel and general out-of-pocket expenses i.e. supplies and copying. WFPF's fee is due and payable upon the closing of the Issue. The City shall pay the fees and expenses determined by each respective financing team participant (i.e. bond counsel, rating agency and underwriter), and costs associated with the printing and distribution of Official Statements (\$1,000). If WFPF performs services under this Agreement, and, a financing is not consummated, WFPF shall be compensated at our normal hourly rates (\$75/hour professional staff, \$50/hour support staff) for time actually spent.

Limitation of Liability/Insurance

In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Municipal Advisor, Municipal Advisor shall have no liability to City for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, or for any financial or other damages resulting from City's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Municipal Advisor to the City. No recourse shall be had against Municipal Advisor for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of City arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the Issue or otherwise relating to the tax treatment of the Issue, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by the City of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor's fiduciary duty to City under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

WPFP shall maintain, throughout the term of this Agreement, professional general liability insurance in the amount of \$1,000,000 per occurrence, having a \$5,000 deductible.

The City acknowledges that the City is responsible for the contents of Preliminary and Final Official Statements prepared for the Issue, and, is subject to, and may be held liable under, federal or state securities laws for misleading or incomplete disclosure.

Authority

The undersigned represents and warrants that he/she has full legal authority to execute this Agreement on behalf of the City. The following individuals have the authority to direct Municipal Advisor's performance of its activities under this Agreement: Darrell Hofland, City Administrator, Marty Halverson, Finance Director.

WISCONSIN PUBLIC FINANCE
PROFESSIONALS, LLC

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By *Carol Ann Smith*

By: _____

Title: _____

Date: _____

Wisconsin Public Finance Professionals, LLC

MSRB Rule G-10 Disclosure - Notifications

- Wisconsin Public Finance Professionals, LLC (“WPFP”) is a Municipal Advisor registered with the Municipal Securities Rulemaking Board (“MSRB”) and the Securities and Exchange Commission (“SEC”).
- The MSRB’s website address is as follows: www.msrb.org.
- A brochure is available on the MSRB website that describes protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority.

MSRB Rule G-42 Disclosure

1. Wisconsin Public Finance Professionals, LLC (“WPFP”) is an MSRB Registered Municipal Advisor that conducts all municipal advisory activities subject to the fiduciary standards of conduct.
2. The Form MA of WPFP along with the most recent Form MA-I for each MSRB associated person is posted in the Edgar Database located on the US Securities and Exchange Commission website (www.sec.gov/edgar/searchedgar/companysearch.htm) searching under the name “Wisconsin Public Finance Professionals, LLC.” If you require a hard-copy of any of these forms, please send a written request to the Firm’s Chief Compliance Officer’s attention at the address below.
3. To the best of our knowledge and belief, neither WPFP nor any Associated Person has any material undisclosed conflict of interest.
 - A. WPFP has no financial interest in, nor does WPFP receive any undisclosed compensation from, any firm or person that WPFP may use in providing any advice, service, or product to or on behalf of any WPFP client.
 - B. WPFP does not pay MSRB registered solicitors or other MSRB Registered Municipal Advisors directly or indirectly in order to obtain or retain an engagement to perform municipal advisory services for any municipal entity.
 - C. WPFP does not receive any payments from a third party to enlist WPFP’s recommendation of services, municipal securities transactions, or any municipal financial product or service.
 - D. WPFP does not have any undisclosed fee-splitting arrangements with any provider of investments or services to any municipal entity.
 - E. WPFP does not have any conflicts of interest arising from compensation for municipal activities to be performed that are contingent on the size or closing of any transaction for which WPFP is providing advice.
 - F. There is no other actual or potential conflict of interest that could reasonably be anticipated to impair WPFP’s ability to provide advice to any municipal entity in accordance with the standards of fiduciary conduct.
4. WPFP (“the Firm”) nor any of its Associated Person are not currently subject to or have been subject to any legal or disciplinary event that could be material to a client’s evaluation of the Firm or the integrity of its management or Associated Persons.

1025 South Moorland Road, Suite 504, Brookfield, WI 53005



WISCONSIN PUBLIC FINANCE PROFESSIONALS, LLC
1025 SOUTH MOORLAND ROAD, SUITE 504
BROOKFIELD, WI 53005
414-434-9644
FAX: 414-226-2014

Municipal Advisory Agreement

City of Sheboygan, Sheboygan County, Wisconsin

Wisconsin Public Finance Professionals, LLC ("WPFP") is a "municipal advisor" as defined by the Securities and Exchange Commission ("SEC") Final Rule adopted September 18, 2013. WPFP is registered and regulated by the SEC and the Municipal Securities Rulemaking Board ("MSRB"). The City of Sheboygan, Sheboygan County, Wisconsin ("City"), hereby retains WPFP to serve as its Municipal Advisor in accordance with the terms and conditions of this Municipal Advisory Agreement ("Agreement") effective the date of execution (the "Effective Date"). As Municipal Advisor, WPFP will have fiduciary duties, including a duty of care and a duty of loyalty. WPFP is required to act in the City's best interests without regard to its own financial and other interests.

MSRB Rule G-10 and G-42 Notifications, Disclosures of Conflicts of Interest and Other Information

As a Municipal Advisor registered with the MSRB and the SEC, WPFP is required to provide certain notifications, disclosures and information to the City, in writing, no less than once each calendar year. Included on the last page of the Agreement are notifications and disclosures in accordance with MSRB Rule G-10 regarding a brochure available on the MSRB's website at www.msrb.org that describes the protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority; and, disclosures in accordance with MSRB Rule G-42 related to conflicts of interest and other information. All municipal advisory services are performed by employees of WPFP. WPFP has no relationships with other firms, or employees of the City, that could present a real or perceived conflict of interest. Carol Ann Wirth is the responsible party for WPFP in its relationship with the City.

Scope of Municipal Advisory Services

WPFP is engaged by the City as its Municipal Advisor to provide services with respect to the issuance of \$6,655,000* General Obligation Corporate Purpose Bonds, Series 2019A, and \$4,225,000* General Obligation Community Development Bonds, Series 2019B, and \$3,315,000* Taxable General Obligation Refunding Bonds - 2019 (collectively referred to as the "Issues"), as follows:

*Preliminary

(a) Services to be Provided:

1. Prepare and/or evaluate structuring options or alternatives with respect to the proposed new Issues
2. Review financial and other information regarding City, the proposed Issues and any source of repayment of or security for the Issues
3. Consult with and/or advise City on actual or potential changes in market place practices, market conditions, regulatory requirements or other matters that may have an impact on the City and its financing plans, or related to its outstanding issues
4. Assist City in establishing a plan of finance

5. Assist City in establishing the structure, timing, terms and other similar matters concerning the Issues
6. Prepare the financing timeline
7. Consult and meet with representatives of City and its agents or consultants with respect to the Issues
8. Attend meetings of City's governing body, as requested
9. Advise City on the manner of sale of the Issues
10. Assist in the gathering of information with respect to financial, statistical and factual information relating to City in connection with the preparation of the Preliminary and Final Official Statement
11. For Issues to be sold on a competitive bid basis, prepare the Preliminary and Final Official Statement, Official Notices of Sale and bid forms, obtain CUSIP numbers and provide an electronic version of the Official Statement to the winning underwriters
12. Advise City with regard to any continuing disclosure undertaking required to be entered into in connection with the Issues
13. In a competitive bid sale, assist City in collecting and verifying bids submitted by underwriters and in connection with City's selection of a winning bidder
14. At the time of sale, provide City with relevant data on comparable issues recently or currently being sold nationally and by comparable municipalities
15. Respond to questions from bidders, underwriters or potential investors
16. Prepare materials for, and participate in, presentation to rating agency
17. Work with bond counsel and other transaction participants to prepare and/or review necessary authorizing documentation of City and other documents necessary to finalize and close the Issues, and to issue an unqualified opinion approving the legality and tax status of the Issue
18. Coordinate closing, delivery of the new Issues and transfer of funds
19. Prepare a closing memorandum or transaction summary, together with general guidance for City with respect to the use of bond proceeds and the payment of debt service
20. Provide such other usual and customary municipal advisory services as may be requested by City including services related to debt management, structuring potential issues, credit management and continuing disclosure requirements
21. Advise City on potential refinancing opportunities of its outstanding issues
22. Advise City on potential exercise of optional call rights for outstanding issues
23. Assist City with dissemination and publication of notices of call for issues being refunded

(b) Limitations on Scope of Municipal Advisory Services. The Scope of Municipal Advisory Services is subject to the following limitations:

(i) The scope of services is limited solely to the services described herein and is subject to any limitations set forth within the description of the Scope of Municipal Advisory Services.

(ii) Unless otherwise provided in the Scope of Municipal Advisory Services described herein, Municipal Advisor is not responsible for certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to any information about Municipal Advisor provided by Municipal Advisor for inclusion in such documents.

(iii) The Scope of Municipal Advisory Services does not include tax, legal, accounting or engineering advice with respect to any Issue or in connection with any opinion or certificate rendered by counsel or any other person at closing; and, does not include review or advice on any feasibility study.

(c) Amendment to Scope of Municipal Advisory Services

The Scope of Municipal Advisory Services may be changed only by written amendment or supplement to the Scope of Municipal Advisory Services described herein. The parties agree to amend or supplement the Scope of Municipal Advisory Services described herein promptly to reflect any material changes or additions to the Scope of Municipal Advisory Services

Municipal Advisor's Regulatory Duties When Servicing City

MSRB Rule G-42 requires that Municipal Advisor make a reasonable inquiry as to the facts that are relevant to City's determination whether to proceed with a course of action with a course of action or that form the basis for and advice provided by Municipal Advisor to City. The rule also requires that Municipal Advisor undertake a reasonable investigation to determine that it is not basing any recommendation on materially inaccurate or incomplete information. Municipal Advisor is also required under the rule to use reasonable diligence to know the essential facts about City and the authority of each person acting on City's behalf. The City agrees to cooperate, and to cause its agents to cooperate, with Municipal Advisor in carrying out these regulatory duties, including providing to Municipal Advisor accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties.

Term of this Engagement

The term of this Agreement begins on the Effective Date and ends, unless earlier terminated as provided below, on December 31, 2019. This Agreement may be terminated with or without cause by either party upon the giving of at least sixty (60) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. In the event of termination, the Municipal Advisor shall be paid in full for any services performed to the date of that termination at the normal hourly rates (\$75/hour professional staff, \$50/hour support staff) for time actually spent. WFPF may not assign this Agreement without the City's prior written consent. The laws of the State of Wisconsin shall apply to this Agreement.

Compensation - Fees and Expenses

WFPF's fee for services performed under this Agreement shall be \$15,055 for the General Obligation Corporate Purpose Bonds, Series 2019A, and \$12,625 for the General Obligation Community Development Bonds Series 2019B, and \$11,750 for the Taxable General Obligation Refunding Bonds. WFPF's fee includes all necessary in-state travel and general out-of-pocket expenses i.e. supplies and copying. WFPF's fee is due and payable upon the closing of the Issue. The City shall pay the fees and expenses determined by each respective financing team participant (i.e. bond counsel, rating agency and underwriter), and costs associated with the printing and distribution of Official Statements (\$1,000). If WFPF performs services under this Agreement, and, a financing is not consummated, WFPF shall be compensated at our normal hourly rates (\$75/hour professional staff, \$50/hour support staff) for time actually spent.

Limitation of Liability/Insurance

In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Municipal Advisor, Municipal Advisor shall have no liability to City for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, or for any financial or other damages resulting from City's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Municipal Advisor to the City. No recourse shall be had against Municipal Advisor for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of City arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with the Issue or otherwise relating to the tax treatment of the Issue, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by the City of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Municipal Advisor's fiduciary duty to City under Section 15B(c)(1) of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

WFPF shall maintain, throughout the term of this Agreement, professional general liability insurance in the amount of \$1,000,000 per occurrence, having a \$5,000 deductible.

The City acknowledges that the City is responsible for the contents of Preliminary and Final Official Statements prepared for the Issue, and, is subject to, and may be held liable under, federal or state securities laws for misleading or incomplete disclosure.

Authority

The undersigned represents and warrants that he/she has full legal authority to execute this Agreement on behalf of the City. The following individuals have the authority to direct Municipal Advisor's performance of its activities under this Agreement: Darrell Hofland, City Administrator, Marty Halverson, Finance Director.

WISCONSIN PUBLIC FINANCE
PROFESSIONALS, LLC

CITY OF SHEBOYGAN
SHEBOYGAN COUNTY, WISCONSIN

By *Carol Ann Smith*

By: *Darrell Hofland*

Title: *City Administrator*

Date: *6/25/19*

Wisconsin Public Finance Professionals, LLC

MSRB Rule G-10 Disclosure - Notifications

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- A brochure is available on the MSRB website that describes protections available under MSRB rules and how to file a complaint with an appropriate regulatory authority.

MSRB Rule G-42 Disclosure

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2. The Form MA of WPFP along with the most recent Form MA-I for each MSRB associated person is posted in the Edgar Database located on the US Securities and Exchange Commission website (www.sec.gov/edgar/searchedgar/companysearch.htm) searching under the name "Wisconsin Public Finance Professionals, LLC." If you require a hard-copy of any of these forms, please send a written request to the Firm's Chief Compliance Officer's attention at the address below.
3. To the best of our knowledge and belief, neither WPFP nor any Associated Person has any material undisclosed conflict of interest.
 - A. WPFP has no financial interest in, nor does WPFP receive any undisclosed compensation from, any firm or person that WPFP may use in providing any advice, service, or product to or on behalf of any WPFP client.
 - B. WPFP does not pay MSRB registered solicitors or other MSRB Registered Municipal Advisors directly or indirectly in order to obtain or retain an engagement to perform municipal advisory services for any municipal entity.
 - C. WPFP does not receive any payments from a third party to enlist WPFP's recommendation of services, municipal securities transactions, or any municipal financial product or service.
 - D. WPFP does not have any undisclosed fee-splitting arrangements with any provider of investments or services to any municipal entity.
 - E. WPFP does not have any conflicts of interest arising from compensation for municipal activities to be performed that are contingent on the size or closing of any transaction for which WPFP is providing advice.
 - F. There is no other actual or potential conflict of interest that could reasonably be anticipated to impair WPFP's ability to provide advice to any municipal entity in accordance with the standards of fiduciary conduct.
4. WPFP ("the Firm") nor any of its Associated Person are not currently subject to or have been subject to any legal or disciplinary event that could be material to a client's evaluation of the Firm or the integrity of its management or Associated Persons.

1025 South Moorland Road, Suite 504, Brookfield, WI 53005

~~X~~

Gen. Ord. No. _____ - 19 - 20. By Alderpersons Wolf and Sorenson. June 17, 2019.

AN ORDINANCE creating a no parking, stopping, or standing zone on the east side of North Point Drive between North Point Court and Barrett Street.

THE COMMON COUNCIL OF THE CITY OF SHEBOYGAN DO ORDAIN AS FOLLOWS:

Section 1. Pursuant to Section 118-126 of the Municipal Code entitled "Prohibitions and Restrictions Authorized," the east side of North Point Drive, from the west edge of pavement of North Point Court to the east Right-of-Way Line of Barrett Street, is hereby added to the list of locations where no parking, stopping, or standing is permitted.

Section 2. The Department of Public Works and the Police Department are hereby authorized and directed to install the signs to give notification of the aforementioned parking restriction.

Section 3. All ordinances or parts thereof in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict, and this ordinance shall be in effect from and after its passage and publication.

Public Works

I HEREBY CERTIFY that the foregoing Ordinance was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk
Approved _____ 20____. _____, Mayor

II

Other Matters

R. O. No. 40 - 19 - 20. By CITY CLERK. June 17, 2019.

Submitting various license applications for the period ending December 31, 2019, June 30, 2020 and June 30, 2021.

City Clerk

BEVERAGE OPERATOR'S LICENSE (NEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2818	Ammons, Julia M.	522 Erie Avenue
2811	Arnold, Tasia R.	1424 Martins Avenue
2822	Boy, Denisa M.	3706 N. 48 th Street
2806	Cornell, Kenneth J.	N4489 State Rd32, Sheb. Falls
2816	Fleck, Christopher J.	829A Huron Avenue
2813	Hankins, Kimberly J.	830 N. Water Street #204
1640	Horne, Cassandra J.	1229 N. 27 th Street
8388	Lawrence, Carole A.	5308 Morning Dove Cove
2807	Lisberg, Deborah A.	415 Timberlake Road
0841	Mcatee, Thomas G.	1828 N. 5 th Street
1305	Mederos, Maria D.	1313 Alabama Avenue
2821	Movrich, Danielle N.	605 Main Street, Belgium
2820	Rango, John W.	1405 N. 11 th Street
2819	Slinger, Zachary M.	730 S. 8 th Street Unit 413
2808	Wehr, Laura A.	611 N. Water Street #504

BEVERAGE OPERATOR'S LICENSE (RENEW) (June 30, 2021)

<u>No.</u>	<u>Name</u>	<u>Address</u>
1924	Andrews, Cheyenne	1622 S. 12 th Street
1952	Arndt, Joshua R.	1242 Main Avenue
0800	Balge, Jennifer A.	633 Pinetree Road, Kohler
1888	Barthels, Jessica L.	1404 N. 27 th Street
9427	Bedore, Amanda L.	4441 Lilac Court W102
0253	Berg, Stacey L.	1618 Georgia Avenue
0878	Bradford, Danielle C.	W5505 County Road F, Waldo
1929	Budnik, Kathleen A.	2432 Cross Creek Drive
5340	Call, Matthew D.	1617 N. 35 th Street
5433	Cordle, Alexia J.	1520 S. 13 th Street
2138	Crary, Heather M.	3323 N. 13 th Street
0821	Creager, Jennifer L.	303 S Wisconsin Drive, Howards Grove

AHPS.

7020 Dawson, Elizabeth M.	1419 Alabama Avenue
1937 Haag, Lisaann	1840 N. 23 rd Street
6181 Harpold, William A.	1914A Calumet Drive
0791 Hyland, Benhamin J.	3709 N. 13 th Street
0799 Johnson, Mollijayne M.	W1833 Smies Road, Oostburg
1756 Klein, Sara P.	1626A S. 14 th Street
2034 Knapp, Brittany L.	647 A Leavens Ave, Sheb. Falls
1681 Krajniak, Melody A.	1332 N. 15 th Street
1869 Leppanen, Martha H.	2638 N. 20 th Street
2151 Lyke, Jevon D.	1441 Parkview Terrace #37
0602 Magray, Leviathan C.	1517 N. 4 th Street
7676 Meulbroek, Robert W.	4830 Ferndale Court
6805 Oelhafen, Vanessa A.	1617 New Jersey Avenue
1722 Ordonez, Alyssa M.	3621 Sheridan Avenue Apt. G4
1072 Rietbrock, Jennifer L.	W4412 CTY Rd. EH, Elkhart Lake
9881 Rose, Denise K.	2725 Michigan Avenue
1910 Rouse, Paul S.	337A W. First St., Waldo
2168 Schmidt, Samantha M.	1015 Elm Street, Cleveland
7621 Skrube, Lisa L.	1844 N. 20 th Street
1665 Stefancin, Marie M.	305 Wisconsin Avenue
2219 Tauferner, Richard M.	3523 Lannon Road
7762 Van Veghel, Stephen F.	402 Clement Avenue
9083 Von Der Puetten, Frank	1716 N. 19 th Street
1874 Wunsch, Lois J.	2107 Lake Aire Drive

TAXICAB DRIVERS LICENSE (NEW) (December 31, 2019)

<u>No.</u>	<u>Name</u>	<u>Address</u>
2810	Smith, Sonia S.	826 High Avenue

CHANGE OF PREMISE

<u>No.</u>	<u>Name</u>	<u>Address</u>
2805	Blue Harbor Resort 1	725 Blue Harbor Drive - One day event to be held 07/20/19 to include current premise description plus lawn outside north end of building (Peninsula Room).

CLASS "B" BEER LICENSE (June 30, 2020) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3407	Taqueria Sheboygan	1410 Indiana Avenue

"CLASS C" WINE LICENSE (June 30, 2020) (NEW)

<u>No.</u>	<u>Name</u>	<u>Address</u>
3407	Taqueria Sheboygan	1410 Indiana Avenue

CHANGE OF AGENT

Cameron Bopp is replacing Mark Zipperer as agent effective immediately for Sheboygan Hotel, LLC (Holiday Inn Express) 3823 Germaine Avenue.

III

Other Matters

Res. No. 46 - 19 - 20. By Alderpersons Sorenson and Mitchell.
June 17, 2019.

A RESOLUTION authorizing the appropriate City official to execute the Law Enforcement Agreement between LexisNexis Coplogic Solutions Inc. and the Sheboygan Police Department to provide various products and services related to law enforcement.

RESOLVED: That the Chief of Police is authorized to execute the Law Enforcement Agreement, a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED: That for the avoidance of doubt, the Chief of Police is authorized to execute Orders, as defined in the Agreement, with LexisNexis Coplogic Solutions Inc. which are consistent with the terms of the Agreement.

JHPS

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

LAW ENFORCEMENT AGREEMENT

This Law Enforcement Agreement ("Agreement") is dated _____ ("Effective Date") by and between LexisNexis Coplogic Solutions Inc., with its principal place of business at 1000 Alderman Drive, Alpharetta, Georgia 30005 ("Provider"), and Sheboygan Police Department, with its principal place of operations at 1315 N. 23rd Street, Sheboygan, Wisconsin 53081 ("Agency"). Provider and Agency may be referred to herein individually as a "Party" and collectively referred to as "Parties".

1. SCOPE. Provider as part of its business has developed several comprehensive products and services for law enforcement. Subject to the terms and conditions of this Agreement, Agency desires to order and Provider agrees to provide the various products and services contained herein (collectively referred to as the "Services") as described in an applicable order to this Agreement ("Order"). The parties acknowledge Agency is a law enforcement entity with responsibility for the documentation, retention, and management of information and reporting related to vehicle accidents, citations, and incidents occurring within its jurisdiction (as used within this Agreement, each documented event is a "Report"). "Report" shall also include any associated or supplemental information provided with the Report including agency name, images and upload date, as applicable.

2. LICENSE AND RESTRICTIONS.

2.1 License Grant and License Restrictions. Upon execution of an applicable Order, Provider hereby grants to Agency a restricted, limited, revocable license to use the Services only as set forth in this Agreement and any applicable Order, and for no other purposes, subject to the restrictions and limitations set forth below:

- a. Agency shall not use the Services for marketing or commercial solicitation purposes, resell, or broker the Services to any third-party or otherwise use the Services for any personal (non-law enforcement) purposes; and
- b. Agency shall not access or use Services from outside the United States without Provider's prior written approval; and
- c. Agency shall not use the Services to create a competing product or provide data processing services to third parties; and
- d. Agency's use of the Services hereunder will not knowingly violate any agreements to which Agency is bound; and
- e. Agency shall not harvest, post, transmit, copy, modify, create derivative works from, tamper, distribute the Services, or in any way circumvent the navigational structure of the Services, including to upload or transmit any computer viruses, Trojan Horses, worms or anything else designed to interfere with, interrupt or disrupt the normal operating procedures of Services; and
- f. Agency may not use the Services to store or transmit infringing, libelous, or otherwise unlawful or tortious material, or to store or transmit material in violation of third-party privacy rights or otherwise infringe on the rights of others; and
- g. Agency shall not reveal any user accounts or passwords for the Services to any third parties (third parties shall not include Agency's employees who have a need to know such information); and
- h. Agency shall not permit any third party (third parties shall not include Agency's employees who have a need to know such information) to view or use the Services, even if such third party is under contract to provide services to Agency; and
- i. Agency shall comply with all laws, regulations, and rules which govern the use of the Services.

2.2 Other Restrictions. In addition Provider may, at any time, impose restrictions and/or prohibitions on the Agency's use of the Services, or certain data or no longer offer certain functionalities or features that may be the result of a modification in Provider policy, a modification of third-party agreements, a modification in industry standards, a Security Event (defined below), a change in law or regulation, or the interpretation thereof. Upon written notification by Provider of such restrictions, Agency agrees to comply with such restrictions or, in the event that Agency is unable to comply, it shall notify Provider in writing of its inability to comply within ten (10) days after receipt of Provider's written notification. In that event, either Party may immediately terminate this Agreement by providing written notice thereof to the other Party without such termination constituting a breach of this Agreement. Provider shall be Agency's designated preferred provider of such Services as are mutually agreed to and defined hereunder, related to the handling of Agency's Reports.

2.3 Violation of License Terms and / or Restrictions. Agency agrees that, if Provider determines or reasonably suspects that: (i) Agency is violating any license terms, restrictions, or other material provision of the Agreement; or (ii) Agency has experienced a Security Event (as herein defined), Provider may, at its sole option, take immediate action up to and including, without further obligation or liability of any kind, terminating Agency's account and the license to use the Services.

3. SUPPORT AND MAINTENANCE.

- 3.1. **Ongoing Maintenance.** Provider will, from time-to-time issue and/or provide maintenance including bug fixes, enhancements, new features, or new functionality that are generally made available to customers along with any corresponding changes to documentation ("Maintenance"). Maintenance does not include work to custom code, customized configurations, or to unauthorized modifications of the Services. Any Provider assistance beyond standard Maintenance will be billed at Provider's then current pricing schedule, as agreed upon in advance by the Parties. Additionally, upon Agency's written notice of new or revised legislation, statutes, or ordinances requiring any Services to be updated, Provider shall update or modify the Services or particular form consistent with such new regulation within a reasonable time.
- 3.2. **Support Services.** Provider will provide ongoing support services for problems, queries or requests for assistance ("Support") provided that all requests for Support must be made to Provider Monday through Friday from 8:00 AM ET to 8:00 PM ET at 1-888-949-3835. Provider will also provide limited after hours Support including the ability to leave a message and receive a call back the following business day or sooner, if critical. In order to provide Support, Agency will provide all information reasonably required by Provider to identify the issue, including: an Agency point of contact (familiar with the Services and issue), description of issue, screenshots, the impact, and assist in Provider's efforts to reproduce the problem (as applicable). Provider will work to resolve problem with reasonable promptness for issues that are application or Services related (Provider is not responsible for resolving issues caused by Agency hardware). The Agency agrees to provide Provider with data transfers, as requested, remote access to the Services system, and with sufficient test time on the Agency's computer system to duplicate the problem, to certify that the problem is with the Services, and to certify that the problem has been corrected. If the problem cannot readily be resolved, Provider will attempt to identify a work around. Upon resolution of any issue, Provider shall notify the Agency of such resolution via email. The Parties agree that Provider is not obligated to ensure that its Services are compatible with outdated (exceeding 4 years from date of initial release) hardware, computer operating services or database engines.
- 3.3. **On Site Support.** In response to written Agency requests for Provider to provide on-site routine non-emergency support, Provider shall produce a written estimate of the time required to provide the requested support and state any requirements, such as the presence of Agency staff or other resources or materials. Any on-site support provided by Provider shall only be invoiced by Provider or paid by Agency if the problem arose due to something other than a defect in the Services. The Agency shall reimburse Provider at the rate of two thousand five hundred (\$2,500.00) dollars per day for each Provider employee who provides any on-site support, and such fees will not include any reimbursement for Provider travel time or travel expenses.

4. FEES.

- 4.1. **Fees due to Provider.** Any fees due to Provider for Services hereunder shall be specified in an Order ("Fees"). For any Order where Fees are specified, Provider will issue an invoice to Agency pursuant to the terms in the Order. Invoices shall be paid in full by Agency within thirty (30) days from invoice date. Provider may increase or decrease the Fee following the Initial Term (as defined in an applicable Order) by providing Agency no less than sixty (60) days written notice prior to the effective date of such pricing change. In the event Agency has a good faith dispute on all or a portion of an unpaid invoice ("Dispute"), Agency shall notify Provider in writing and follow the procedures set forth below. To the extent an interface or other technological development is required to enable an Agency designated third party (i.e., RMS Vendor) to receive Reports from Provider at Agency's request or to enable Provider to intake Agency Data, such cost shall not be borne by Provider. If any invoice (or undisputed portion thereof) remains unpaid and not subject to a Dispute after sixty (60) days from the invoice date, Provider shall have the right to terminate this Agreement (including all Services) or the right to discontinue the applicable Service immediately, without such action constituting a breach or incurring any liability herein. All Fees not properly disputed or paid shall accrue interest at the rate of eighteen percent (18%) per annum. All Fees are calculated for payment made via ACH, Wire, or Agency check. Agency agrees that Fees exclude taxes (if applicable) or other cost incurred by Agency's RMS Vendor or other third parties and agrees such costs shall be passed on to Agency. Provider shall not be required to enter into a third-party relationship to obtain payment for the Service provided to Agency; however, should Provider elect to do so, Provider reserves the right to charge Agency additional fees for such accommodation.
- 4.2. **Fees due to Agency.** Using the process as herein defined, on behalf of Agency, Provider will collect and remit to Agency a fee for all Reports ("Agency Fee") purchased from the applicable eCommerce portal as set forth on an Order to this Agreement, including but not limited to purchases of Reports from the applicable eCommerce portal by an Affiliate (as defined in Section 16.1 below) of Provider or an Authorized Requestor (as defined in Section 5 below). On a monthly basis, Provider will electronically transfer to Agency's designated account, the total amount of applicable Agency Fees collected by Provider during the previous month. Provider will make available a monthly report to Agency identifying the number of Reports provided on its behalf via the LexisNexis® Command Center administration portal and its successor.

- 4.2.1. For the avoidance of doubt, no Agency Fee will be paid with respect to the following:
 - 4.2.1.1. When an Affiliate of Provider has paid an Agency Fee to acquire a Report for an Authorized Requestor and such Affiliate later resells that Report from its inventory of previously purchased Reports to another Authorized Requestor; or
 - 4.2.1.2. When one or more components of a Report (e.g., VIN number) is provided to an Authorized Requestor or an Affiliate of Provider by Provider rather than the entirety of the Report being provided; or
 - 4.2.1.3. When a fee is not charged to an Authorized Requestor for the Report.

Nothing in this Agreement shall require Provider or its Affiliate to pay an Agency Fee to the Agency when an Authorized Requestor provides a Report and/or specific data extracted from the Report to a third party after the Authorized Requestor has purchased such Report from the Affiliate's inventory of previously purchased Reports. Agency acknowledges that all Reports requested by Agency Requestors (as defined in Section 5 below) shall be provided free of charge.

- 4.3. **Fees retained by Provider.** Where permitted by law, Provider will charge a convenience fee for each Report provided to an Authorized Requestor ("Convenience Fee") which shall be retained by Provider. The Convenience Fee shall be established by Provider at its discretion, but in no event shall exceed the amount a provider may legally charge an Authorized Requestor.

5. RETENTION / DISTRIBUTION. For all Services provided hereunder that involve Reports, Provider will maintain a copy of each Report for a period of no less than seven (7) years from the date of the Report. For Services that contemplate the sale of Reports as more specifically described in an Order, Provider shall distribute Reports and/or specific data extracted from the Report to individuals or legal entities ("Authorized Requestors") and other authorized law enforcement entities ("Agency Requestors") in accordance with applicable laws and regulations. Nothing in this Agreement shall prohibit Provider's Affiliates from purchasing Reports from the applicable eCommerce portal as set forth in an Order for Affiliate products and services. Provider's Affiliates may distribute previously purchased Reports and/or specific data extracted from the Report to Authorized Requestors and Agency Requestors in accordance with an applicable Order and applicable laws and regulations.

6. TERMS AND TERMINATION.

- 6.1 **Term.** This Agreement shall commence upon the Effective Date and shall continue until terminated in accordance with this Agreement. Each Order shall set forth the specified term for the particular Service.

6.2 Termination.

- 6.2.1 Either Party may terminate this Agreement or any Order for cause if the other Party breaches a material obligation under the terms of this Agreement and fails to cure such breach within thirty (30) days of receiving written notice thereof from the non-breaching Party, provided, however, that if such material breach is of a nature that it cannot be cured, immediate termination shall be allowed. Failure to pay by either Party shall be considered a material default.
- 6.2.2 Either Party may elect to terminate this Agreement or any Order by providing written notice to the other of such intent, at least ninety (90) days prior to the end of the applicable Order term.
- 6.2.3 Provider may, upon six (6) months written notice to Agency, terminate any Service that will no longer be supported or offered by Provider. Provider will make reasonable efforts to transition Agency to a similar Service, if available. Further, Provider may at any time cease to provide Agency access to any portions of features of the Services thereof which Provider is no longer legally or contractually permitted to provide.

- 6.3 **Effect of Termination.** Upon termination of this Agreement, each Party shall be liable for payment to the other Party of all amounts due and payable for Services provided through the effective date of such termination. Upon receipt of Agency's written request after termination, Provider shall provide Agency with access to Reports provided by Agency under this Agreement and/or data provided through provision of the Services by Agency under an applicable Order so Agency may download and/or copy such information. Provider shall not be obligated to delete from its databases (or from other storage media) and/or return to Agency, Reports already provided to Provider by Agency, and shall be permitted to continue to maintain and distribute the Reports already in its possession to Authorized Requestors in compliance with applicable laws and regulations.

7. RELEVANT LAWS. Each party shall comply with all applicable federal, state, and local laws and regulations related to its performance hereunder, including:

- 7.1. **Driver's Privacy Protection Act.** Agency acknowledges that certain Services provided under this Agreement may include the provision of certain personal information from a motor vehicle record obtained by Provider from state Departments of

Motor Vehicles as those terms are defined by the Federal Driver's Privacy Protection Act, 18 U.S.C. § 2721 et seq., ("DPPA") and its state analogues ("DMV Data"), and that Agency is required to comply with the DPPA or its state analogues, as applicable. Agency agrees that it may be required to certify its permissible use of DPPA or DMV Data at the time it requests information in connection with certain Services and will recertify upon request by Provider.

- 7.2. Fair Credit Reporting Act. The Services provided pursuant to this Agreement are not provided by "consumer reporting agencies" as that term is defined in the Fair Credit Reporting Act (15 U.S.C. § 1681, et seq.) ("FCRA") and do not constitute "consumer reports" as that term is defined in the FCRA. Agency certifies that it will not use any of the information it receives through the Services in whole or in part as a factor in determining eligibility for credit, insurance, or employment or for any other eligibility purpose that would qualify the information in as a consumer report.
- 7.3. Protected Health Information. Unless otherwise contemplated by an applicable Business Associate Agreement executed by the Parties, Agency will not provide Provider with any Protected Health Information (as that term is defined in 45 C.F.R. Sec. 160.103) or with Electronic Health Records or Patient Health Records (as those terms are defined in 42 U.S.C. Sec. 17921(5), and 42 U.S.C. Sec. 17921(11), respectively) or with information from such records without the execution of a separate agreement between the Parties.
- 7.4. Social Security Numbers. Social Security Numbers may be available hereunder as part of Reports and/or related data provided from certain states. However, Agency shall not provide Social Security Numbers to Provider under any circumstances under this Agreement. Should Agency require more information on Social Security Numbers or its obligations in relation thereto, Agency should contact Provider Agency Service at 1-866-215-2771 for assistance.
- 7.5. Privacy Principles. Agency shall comply with the "Provider Data Privacy Principles" available at <http://www.lexisnexis.com/privacy/data-privacy-principles.aspx>, as updated from time to time. Provider shall notify Agency in writing in the event that material changes are made to the Provider Data Privacy Principles.
- 7.6. Security. Agency agrees to protect against the misuse and/or unauthorized access of the Services provided to Agency in accordance with this Agreement and as set forth in Exhibit A, attached hereto.

8. CONFIDENTIAL INFORMATION AND INTELLECTUAL PROPERTY OWNERSHIP.

- 8.1. Definition. "Confidential Information" means all non-public information provided by the disclosing Party to the receiving Party hereunder, including, without limitation, all information related to technical, financial, strategies and related information, business information, computer programs, algorithms, know-how, processes, databases, systems, ideas, inventions (whether patentable or not), schematics, Trade Secrets (as defined by applicable law) and other information (whether written or oral). Confidential Information does not include Reports and information related thereto. Confidential Information does not include information that was, at the time of the disclosure: (a) or becomes (through no improper action or inaction by the recipient) generally known to the public; (b) lawfully disclosed to recipient by a third-party and received in good faith and without any duty of confidentiality by the recipient or the third-party; (c) in recipient's possession or known to it prior to receipt from discloser; or (d) independently developed by recipient; provided in each case that such forgoing information was not delivered to or obtained by recipient as a result of any breach of this Agreement.
- 8.2. Treatment of Confidential Information. To the extent permitted by law, each Party agrees to protect the Confidential Information with the same degree of care it uses to protect its own confidential information of a similar nature, but not less than a reasonable standard of care and not to use the other Party's Confidential Information other than as necessary to perform its obligations or as permitted under this Agreement. A Party shall not remove or destroy any proprietary or confidential legends or markings placed upon or contained within any Confidential Information. Nothing in this section or the other sections governing Confidential Information in this Agreement is intended to be inconsistent with Agency's obligations under the Wisconsin Public Records Law.
- 8.3. Intellectual Property Ownership. Each Party retains all right, title, and interest under applicable contractual, copyright and related laws to their respective Confidential Information, including the right to use such information for all purposes permissible by applicable laws, rules, and regulations. Provider retains all rights (other than the limited license granted herein), title, interest, ownership and all intellectual property rights in the Services including any improvements or modifications thereto, and Agency shall use such information consistent with such right, title and interest and notify Provider of any threatened or actual infringement thereof. Agency shall not remove or obscure any copyright or other notices from the Services or materials provided hereunder.
- 8.4. Exception for Subpoenas and Court Orders. Upon receipt of a subpoena or order of a court or other governmental authority (collectively "Subpoena") that seeks Confidential Information, the party that received the Subpoena (the "Ordered Party") shall provide prompt written notice of the Subpoena to the other party. The other party may, at its sole cost and expense, take steps to obtain a protective order or other protection in order to prohibit or limit the requested disclosure. The Ordered Party may disclose Confidential Information to the extent required by the Subpoena in the event the other party does not take steps to prohibit or limit the requested disclosure, or the steps taken are unsuccessful.

Confidential Information disclosed pursuant to a Subpoena shall otherwise remain subject to the terms applicable to Confidential Information.

- 8.5. **Exception for Public Records Requests.** For the avoidance of doubt, this Agreement is not Confidential Information. Therefore, the Agency may—subject to compliance with all other requirements of the Wisconsin Public Records Law (“PRA”)—disclose this Agreement in response to an appropriate request. In the event that the Agency receives a public records request for a document that is, or reasonably could be interpreted to be, Confidential Information as defined in Section 8.1 of this Agreement, the Agency shall provide Provider with notice of the request. This notice need not be written notice as defined in Section 15 of this Agreement. Provider acknowledges and recognizes that under the PRA, Agency is to respond to public records requests within ten days of receipt, and will provide guidance regarding whether it believes a requested document is protected from disclosure as quickly as is practicable.
- 8.6. **Duration.** Each Party’s obligations with respect to Confidential Information shall continue for the term of this Agreement and for a period of five (5) years after termination of this Agreement, provided however, that with respect to Trade Secrets, each Party’s obligations shall continue for so long as such Confidential Information continues to constitute a Trade Secret.
- 8.7. **Return of Confidential Information.** Upon the written request of a Party (and except as otherwise specifically set forth in an applicable Order), each Party shall return or destroy (and certify such destruction in a signed writing) any of the other Party’s Confidential Information unless retention of such information is required by law, regulation, court order, or other similar mandate.
- 8.8. **Injunctive Relief.** In the event of a breach or a threatened breach of the confidentiality or privacy provisions of this Agreement, the non-breaching Party may have no adequate remedy in monetary damages and, accordingly, may seek an injunction against the breaching Party.
- 8.9. **Other.** During the term of this Agreement and subject to approval by Agency, Agency agrees to serve as a reference for the Services, which may include (i) reference calls with mutually acceptable prospects; (ii) a published “success story” describing the partnership with Provider; (iii) the use of Agency’s name in Provider marketing activities; or (iv) a favorable reference of Provider to an industry analyst or at an industry conference.

9. **PROVIDER AUDIT RIGHTS.** Agency understands and agrees that, in order to ensure Agency’s compliance with the Agreement, as well as with applicable laws, regulations and rules, Provider’s obligations under its contracts with its data providers, and Provider’s internal policies, Provider may conduct periodic reviews of Agency’s use of the services and may, upon reasonable notice, audit Agency’s records, processes and procedures related to Agency’s use, storage and disposal of the Services and information received therefrom. Agency agrees to cooperate fully with any and all audits and to respond to any such audit inquiry within ten (10) business days, unless an expedited response is required. Violations discovered in any review and/or audit by Provider will be subject to immediate action including, but not limited to, invoicing for any applicable fees (if Services are based on number of users and Agency’s use exceeds licenses granted), suspension or termination of the license to use the Services, legal action, and/or referral to federal or state regulatory agencies.

10. **REPRESENTATIONS AND WARRANTIES.** Agency represents and warrants to provider that Agency is fully authorized to disclose Reports, information, and related data or images to Provider in accordance with this Agreement and to grant Provider the rights to provide the Services as described herein. Where redaction of Reports is required prior to provision to Provider, Agency represents and warrants it will redact applicable Reports consistent with all laws and regulations. In performing their respective obligations under this Agreement, each Party agrees to use any data and provide any Services, in strict conformance with applicable laws and regulations, and further, to comply with all applicable binding orders of any court or regulatory entity and consistent with the terms of this Agreement.

11. **LIMITATION OF WARRANTY.** FOR PURPOSES OF THIS SECTION, “PROVIDER” INCLUDES PROVIDER AND ITS AFFILIATES, SUBSIDIARIES, PARENT COMPANIES, AND DATA PROVIDERS. THE SERVICES PROVIDED BY PROVIDER ARE PROVIDED “AS IS” AND WITHOUT ANY WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, REGARDING ITS ACCURACY OR PERFORMANCE INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, SUITABILITY, ORIGINALITY, OR OTHERWISE, OF ANY SERVICES, SYSTEMS, EQUIPMENT OR MATERIALS PROVIDED HEREUNDER.

12. **INDEMNIFICATION.** To the extent permitted under applicable law, each Party shall defend, indemnify, and hold harmless the other Party, its affiliates, and their officers, directors, employees, and agents (the “indemnified parties”) against and from any and all losses, liabilities, damages, actions, claims, demands, settlements, judgments, and any other expenses (including reasonable attorneys’ fees), which are asserted against the indemnified parties by a third party, but only to the extent caused by (i) violation of law in the performance of its obligations under this Agreement by the indemnifying Party, its affiliates, or the officers, agents or employees of such Party (the “indemnifying parties”); (ii) the gross negligence or willful misconduct of the indemnifying Parties during the term of this Agreement; (iii) violation, infringement or misappropriation of any U.S. patent, copyright, trade secret or other intellectual property right; or (iv) with respect to Agency, violation of any of the license terms or restrictions contained in this

Agreement. The indemnities in this section are subject to the indemnified Parties promptly notifying the indemnifying Parties in writing of any claims or suits.

13. LIMITATION OF LIABILITY. To the extent permitted by applicable law, Provider's entire liability for any claims(s) resulting from its acts or omissions, including, but not limited to negligence claims under this Agreement shall not exceed six thousand dollars (\$6,000.00) in the aggregate. This limitation of liability will not apply to any claims, actions, damages, liabilities or fines relating to or arising from provider's gross negligence, willful misconduct or as a result of Agency's withholding of an Order requested under the PRA per Provider's explicit request. In no event shall Provider or Agency be liable for any indirect, special, incidental, or consequential damages in connection with this Agreement or the performance or failure to perform hereunder, even if advised of the possibility of such damages.

14. FORCE MAJEURE. Neither Party will be liable for any delay or failure to perform its obligations hereunder due to causes beyond its reasonable control, including but not limited to natural disaster, pandemic, casualty, act of god or public enemy, riot, terrorism, or governmental act; provided, however, that such Party will not have contributed in any way to such event. If the delay or failure continues beyond thirty (30) calendar days, either Party may terminate this Agreement or any impacted Order with no further liability, except that agency will be obligated to pay provider for the Services provided under this Agreement prior to the effective date of such termination.

15. NOTICES. Except as provided in Section 8.5, all notices, requests, demands or other communications under this Agreement shall be in writing to the address set forth in the opening paragraph and shall be deemed to have been duly given: (i) on the date of service if served personally on the party to whom notice is to be given; (ii) on the day after delivery to a commercial or postal overnight carrier service; or (iii) on the fifth day after mailing, if mailed to the Party to whom such notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed. Any Party hereto may change its address for the purpose of this section by giving the other party timely, written notice of its new address in the manner set forth above.

16. MISCELLANEOUS.

16.1 Affiliates. Agency understands and agrees that certain Services furnished under this Agreement may actually be provided by one or more of Provider's Affiliates. For purposes of this Agreement, "Affiliate" means any corporation, firm, partnership or other entity that directly or indirectly controls, or is controlled by, or is under common control with Provider. Affiliates shall not be bound by the terms and conditions of this Agreement with respect to the provision of their applicable Services hereunder. For the avoidance of doubt, Provider remains liable for all of its obligations to Agency under this Agreement notwithstanding that some aspects of the Services may actually be delivered by an Affiliate.

16.2 Independent Contractor/No Agency. Each Party acknowledges that it has no authority to bind or otherwise obligate the other Party.

16.3 Assignment. Neither Party shall assign this Agreement in whole or in part without the prior written consent of the other Party, and any such attempted assignment contrary to the foregoing shall be void. Notwithstanding the foregoing, an assignment by operation of law, as a result of a merger or consolidation of a Party, does not require the consent of the other Party. This Agreement will be binding upon the Parties' respective successors and assigns.

16.4 Headings, Interpretation, and Severability. The headings in this Agreement are inserted for reference only and are not intended to affect the meaning or interpretation of this Agreement. The language of this Agreement shall not be construed against either Party. If any provision of this Agreement shall be held to be invalid, illegal, or unenforceable, the validity, legality, or enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

16.5 Waiver; Remedies Non-Exclusive. No failure or delay on the part of any Party in exercising any right or remedy provided in this Agreement will operate as a waiver thereof. Unless otherwise provided herein, any remedy will be cumulative to any other right or remedy available at law or in equity.

16.6 Survival. Sections 2-4, 7-12, and 15 shall survive the termination or rescission of this Agreement.

16.7 Provider Shared Facilities. Provider may utilize facilities located outside the United States to provide support or the Services under this Agreement, and if such centers are utilized they shall be under the control of Provider and subject to all Provider policies that govern data access, protection and transport in the United States.

16.8 Entire Agreement. This Agreement represents the entire Agreement of the Parties and supersedes all previous and contemporaneous communications or agreements regarding the subject matter hereto. Agency by its signature below hereby certifies that Agency agrees to be bound by the terms and conditions of this Agreement including those terms and conditions posted on web pages specifically set forth herein or contained with any software provided under this Agreement, as may be updated from time to time. Any additional terms or conditions contained in purchase orders or other forms are expressly rejected by Provider and shall not be binding. Acceptance or non-rejection of purchase orders or other forms containing such terms; Provider's continuation of providing Products or Services; or any other inaction by Provider shall not constitute Provider's consent to or acceptance of any additional or different terms from that stated in this Agreement. This Agreement may only be modified by a written document signed by both Parties.

16.9 Governing Law. The Agreement will be governed by and construed under the laws of the State of Wisconsin, excluding its conflict of law rules.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized representatives as of the Effective Date.

Agency: Sheboygan Police Department

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Provider: LexisNexis Coplogic Solutions Inc.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

EXHIBIT A - SECURITY AND NOTIFICATION REQUIREMENTS

- 1. Data Protection.** Agency shall take appropriate measures to protect against the misuse and unauthorized access through or to Agency's (i) credentials ("Account IDs") used to access the Services; or (ii) corresponding passwords, whether by Agency or any third party; or (iii) the Services and/or information derived therefrom. Agency shall manage identification, use, and access control to all Account IDs in an appropriately secure manner and shall promptly deactivate any Account IDs when no longer needed or where access presents a security risk. Agency shall implement its own appropriate program for Account ID management and shall use commercially reasonable efforts to follow the policies and procedures for account maintenance as may be communicated to Agency by Provider from time to time in writing.
- 2. Agency's Information Security Program.** Agency shall implement and document appropriate policies and procedures covering the administrative, physical and technical safeguards in place and relevant to the access, use, storage, destruction, and control of information which are measured against objective standards and controls ("Agency's Information Security Program"). Agency's Information Security Program shall: (1) account for known and reasonably anticipated threats and Agency shall monitor for new threats on an ongoing basis; and (2) meet or exceed industry best practices. Agency will promptly remediate any deficiencies identified in Agency's Information Security Program. Agency shall not allow the transfer of any personally identifiable information received from Provider across any national borders outside the United States without the prior written consent of Provider.
- 3. Agency Security Event.** In the event Agency learns or has reason to believe that Account IDs, the Services, or any information related thereto have been misused, disclosed, or accessed in an unauthorized manner or by an unauthorized person (an "Agency Security Event") Agency shall:

 - (i) provide immediate written notice to:

 - a) the Information Security and Compliance Organization at 1000 Alderman Drive, Alpharetta, Georgia 30005; or
 - b) via email to (security.investigations@lexisnexis.com); or
 - c) by phone at (1-888-872-5375) with a written notification to follow within twenty four (24) hours; and
 - (ii) promptly investigate the situation; and
 - (iii) obtain written consent from Provider, not to be unreasonably withheld, prior to disclosing Provider or the Services to any third party in connection with the Agency Security Event; and
 - (iv) if required by law, or in Provider' discretion, Agency shall:

 - a) notify the individuals whose information was disclosed that an Agency Security Event has occurred; and
 - b) be responsible for all legal and regulatory obligations including any associated costs which may arise in connection with the Agency Security Event; and
 - (v) to the extent permitted by law, remain solely liable for all costs and claims that may arise from the Agency Security Event, including, but not limited to: litigation (including attorney's fees); reimbursement sought by individuals (including costs for credit monitoring and other losses alleged to be in connection with such Agency Security Event); and
 - (vi) provide all proposed third party notification materials to Provider for review and approval prior to distribution.

In the event of an Agency Security Event, Provider may, in its sole discretion, take immediate action, including suspension or termination of Agency's account, without further obligation or liability of any kind.

Other Matters

III

Res. No. 47 - 19 - 20. By Alderpersons Wolf and Sorenson. June 17, 2019.

A RESOLUTION authorizing the appropriate City Officials to enter into a revised State/Municipal Agreement (revised date May 9, 2019) for the reconstruction of North Avenue from Calumet Drive to N. 15th Street.

WHEREAS, in 2018 the City entered into the 3rd Revision to the State/Municipal Agreement regarding the road reconstruction of North Avenue from Calumet Drive to N. 15th Street (Project I.D. 4996-01-78/79/80/81) (the "Project"), which superseded what was at that time the most recent version of the State/Municipal Agreement; and

WHEREAS, the City has now been presented with the 4th Revision to the State/Municipal Agreement for the Project; and

WHEREAS, according to the 4th Revision to the State/Municipal Agreement for the Project, the City's total share of the Project cost will be \$2,635,158.

NOW, THEREFORE, BE IT RESOLVED: That the Mayor and City Clerk are hereby authorized to enter into the 4th Revision to the State/Municipal Agreement for the Project, a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED, the appropriate City Officials are hereby authorized to draw funds from the Capital Improvements Fund (47833140-631200) in payment of the City's share of the Project cost. For the avoidance of doubt, the total amount the appropriate City Officials are authorized to pay for the Project, including any amounts expended to this point, is \$2,635,158.

Public Works

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



**4th REVISION
STATE/MUNICIPAL AGREEMENT
FOR A STATE- LET URBANIZED
AREA STP-URBAN PROJECT**

This agreement supersedes the agreement signed by the Municipality on December 4, 2018 and signed by DOT on December 11, 2018.

Program Name: STP-Urban

Population Group: 50,000 - 200,000

Sub-program #: 206

Revised Date: MAY 9, 2019

Date: JUNE 6, 2014

I.D.: 4996-01-78/79/80/81

Road Name: C SHEBOYGAN, NORTH AVE

Limits: CALUMET DRIVE – 15TH STREET

County: SHEBOYGAN

Roadway Length: 0.6 MILES

Functional Classification: MINOR ARTERIAL

Project Sponsor: CITY OF SHEBOYGAN

Urbanized Area: SHEBOYGAN MPO

The signatory, City of Sheboygan, hereinafter called the Municipality, through its undersigned duly authorized officers or officials, hereby requests the State of Wisconsin Department of Transportation, hereinafter called the State, to initiate and effect the highway or street improvement hereinafter described.

The authority for the Municipality to enter into this agreement with the State is provided by Sections 86.25(1), (2), and (3) and Section 66.0301 of the Statutes.

NEEDS AND ESTIMATE SUMMARY:

All components of the project must be defined in the environmental document if any portion of the project is federally funded. The Municipality agrees to complete all participating and any non-participating work included in this improvement consistent with the environmental document. No work on final engineering and design may occur prior to approval of the environmental document.

Existing Facility - Describe and give reason for request: The existing facility is 2-4 lanes that are 12 feet wide. The cross section is urban. The pavement is a combination of PCC and HMAC on PCC which has transverse and longitudinal cracking and depressions. The facility was last improved in 1952 and 1983. It has curb and gutter, sidewalk, and bicycle accommodations. There is spot lighting. There is sub-standard horizontal alignment. There is a railroad facility within 1000 feet of the project limits.

Proposed Improvement - Nature of work: The proposed project is a reconstruction of the urban cross section. New concrete pavement, sidewalk, and curb and gutter will be constructed. Signals will be installed. Railroad improvements are proposed. Spot lighting will be installed. Permanent and temporary pavement marking and signing will be installed. Lateral and trunk storm sewer lines will be installed.

Describe non-participating work included in the project and other work necessary to completely finish the project that will be undertaken independently by the Municipality. Please note that non-participating components of a project/contract are considered part of the overall project and will be subject to applicable Federal requirements: Concrete base patching, sanitary sewer and watermain construction and excavation, hauling and disposal of petroleum contaminated soil.

The Municipality agrees to the following 2013-2018 / 2015-2020 Urbanized Area STP-Urban project funding conditions:

Project design and construction costs are funded with 74% federal funding up to a maximum of \$3,528,092 for all federally-funded project phases when the municipality agrees to provide the remaining 26% and all funds in excess of the \$3,528,092 federal funding maximum, in accordance with the STP Urban program guidelines for

projects in urbanized areas. Non-participating costs are 100% the responsibility of the municipality. Any work performed by the Municipality prior to federal authorization is not eligible for federal funding. The Municipality will be notified by the State that the project is authorized and available for charging.

This project is currently scheduled in State Fiscal Year 2019. In accordance with the State's sunset policy for Urbanized Area STP Urban projects, the subject 2013-2018 / 2015-2020 Urbanized Area STP-Urban improvement must be constructed and in final acceptance within six years from the start of State Fiscal Year 2015, or by June 30, 2020. Extensions may be available upon approval of a written request by or on behalf of the Municipality to WisDOT. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.

The dollar amounts shown in the Summary Funding Table below are federal maximum amounts unless explicitly identified otherwise. The final Municipal share is dependent on the final Federal participation, and actual costs will be used in the final division of cost for billing and reimbursement.

PHASE	SUMMARY OF COSTS						
	Total Est. Cost	Federal Funds	%	UNION PACIFIC	%	Municipal Funds	%
ID 4996-01-78							
Design	\$356,839	\$267,629	75%*			\$89,210	25% + BAL
State Review	\$89,203	\$66,902	75%*			\$22,301	25% + BAL
<i>4996-01-78 Subtotal</i>	<i>\$446,042</i>	<i>\$334,531</i>				<i>\$111,511</i>	
ID 4996-01-80 Railroad							
Crossing Surface	\$206,280	\$40,000	45%	\$91,728	44%	\$74,552	11%+BAL
ID 4996-01-81 Railroad							
Signals	\$294,284	\$150,000	80%			\$144,284	20%+BAL
ID 4996-01-79							
Participating Construction	\$4,704,477	\$2,735,208	74%			\$1,969,269	26% + BAL
Non-Participating Construction	\$142,335	\$0	0%			\$142,335	100%
State Review	\$461,560	\$268,353	74%			\$193,207	26% + BAL
<i>4996-01-79 Subtotal</i>	<i>\$5,308,372</i>	<i>\$3,003,561</i>				<i>\$2,304,811</i>	
Total Est. Cost Distribution	\$6,254,978	\$3,528,092	N/A	\$91,728	N/A	\$2,635,158	N/A

*The percentage of project costs covered by federal funding at approval, 74%, is based on TIP Committee Action. Due to the federal funding cap, which is \$3,528,092 for all federally-funded

This request is subject to the terms and conditions that follow (pages 3 – 7) and is made by the undersigned under proper authority to make such request for the designated Municipality and upon signature by the State and delivery to the Municipality shall constitute agreement between the Municipality and the State. No term or provision of neither the State/Municipal Agreement nor any of its attachments may be changed, waived or terminated orally but only by an instrument in writing executed by both parties to the State/Municipal Agreement.

Signed for and in behalf of: City of Sheboygan (please sign in blue ink.)		
Title	Date	Name
Signed for and in behalf of the State:		
Name	Title	Date

GENERAL TERMS AND CONDITIONS:

1. All projects must be in an approved Transportation Improvement Program (TIP) or State Transportation Improvement Program (STIP) prior to requesting authorization.
2. Work prior to federal authorization is ineligible for federal funding.
3. The Municipality, throughout the entire project, commits to comply with and promote all applicable federal and state laws and regulations that include, but are not limited to, the following:
 - a. Environmental requirements, including but not limited to those set forth in the 23 U.S.C. 139 and National Environmental Policy Act (42 U.S.C. 4321 et seq.)
 - b. Equal protection guaranteed under the U.S. Constitution, WI Constitution, Title VI of the Civil Rights Act and Wis. Stat. 16.765. The municipality agrees to comply with and promote applicable Federal and State laws, Executive Orders, regulations, and implementing requirements intended to provide for the fair and equitable treatment of individuals and the fair and equitable delivery of services to the public. In addition the Municipality agrees not to engage in any illegal discrimination in violation of applicable Federal or State laws and regulations. This includes but is not limited to Title VI of the Civil Rights Act of 1964 which provides that "no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance." The Municipality agrees that public funds, which are collected in a nondiscriminatory manner, should not be used in ways that subsidize, promote, or perpetuate illegal discrimination based on prohibited factors such as race, color, national origin, sex, age, physical or mental disability, sexual orientation, or retaliation.
 - c. Prevailing wage requirements, including but not limited to 23 U.S.C 113 and Wis. Stat. 103.50.
 - d. Buy America Provision and its equivalent state statutes, set forth in 23 U.S.C. 313 and Wis. Stat. 16.754.
 - e. Competitive bidding requirements set forth in 23 U.S.C 112 and Wis. Stat. 84.06.
 - f. All applicable DBE requirements that the State specifies.
 - g. Federal Statutes that govern the Surface Transportation Program, including but not limited to 23 U.S.C. 133.
 - h. General requirements for administering federal and state aid set forth in Wis. Stat. 84.03.

STATE RESPONSIBILITIES AND REQUIREMENTS:

4. Funding of each project phase is subject to inclusion in Wisconsin's approved 2013-2018 / 2015-2020 Urbanized Area STP-Urban program. Federal funding will be limited to participation in the costs of the following items, as applicable to the project:
 - a. The grading, base, pavement, and curb and gutter, sidewalk, and replacement of disturbed driveways in kind.
 - b. The substructure, superstructure, grading, base, pavement, and other related bridge and approach items.
 - c. Storm sewer mains necessary for the surface water drainage.
 - d. Catch basins and inlets for surface water drainage of the improvement, with connections to the storm sewer main.
 - e. Construction engineering incident to inspection and supervision of actual construction work (except for inspection, staking, and testing of sanitary sewer and water main).

- f. Signing and pavement marking.
 - g. New installations or alteration of street lighting and traffic signals or devices.
 - h. Landscaping.
 - i. Preliminary Engineering and design.
 - j. Management Consultant and State Review Services.
 - k. Other eligible rail items: Crossing surface and signals
5. The work will be administered by the State and may include items not eligible for Federal participation.
6. As the work progresses, the State will bill the Municipality for work completed which is not chargeable to Federal funds. Upon completion of the project, a final audit will be made to determine the final division of costs. If reviews or audits show any of the work to be ineligible for Federal funding, the Municipality will be responsible for any withdrawn costs associated with the ineligible work.

MUNICIPAL RESPONSIBILITIES AND REQUIREMENTS:

7. Work necessary to complete the 2013-2048 / 2015-2020 Urbanized Area STP-Urban improvement project to be financed entirely by the Municipality or other utility or facility owner includes the items listed below.
- a. New installations of or alteration of sanitary sewers and connections, water, gas, electric, telephone, telegraph, fire or police alarm facilities, parking meters, and similar utilities.
 - b. Damages to abutting property after project completion due to change in street or sidewalk widths, grades or drainage.
 - c. Detour routes and haul roads. The municipality is responsible for determining the detour route.
 - d. Conditioning, if required and maintenance of detour routes.
 - e. Repair of damages to roads or streets caused by reason of their use in hauling materials incident to the improvement.
 - f. All work related to underground storage tanks and contaminated soils.
 - g. Street and bridge width in excess of standards, in accordance with the current WisDOT Facilities Development Manual (FDM).
 - h. Real estate for the improvement.
 - i. Other 100% Municipally funded items: concrete base patching
8. The construction of the subject improvement will be in accordance with the appropriate standards unless an exception to standards is granted by WisDOT prior to construction. The entire cost of the construction project, not constructed to standards, will be the responsibility of the Municipality unless such exception is granted.
9. Work to be performed by the Municipality without Federal funding participation necessary to ensure a complete improvement acceptable to the Federal Highway Administration and/or the State may be done in a manner at the election of the Municipality but must be coordinated with all other work undertaken during construction.
10. The Municipality is responsible for financing administrative expenses related to Municipal project responsibilities.

11. The Municipality will include in all contracts executed by them a provision obligating the contractor not to discriminate against any employee or applicant for employment because of age, race, religion, color, handicap, sex, physical condition, developmental disability as defined in s. 51.01 (5), sexual orientation as defined in s. 111.32 (13m), or national origin.
12. The Municipality will pay to the State all costs incurred by the State in connection with the improvement that exceed Federal financing commitments or are ineligible for Federal financing. In order to guarantee the Municipality's foregoing agreements to pay the State, the Municipality, through its above duly authorized officers or officials, agrees and authorizes the State to set off and withhold the required reimbursement amount as determined by the State from any moneys otherwise due and payable by the State to the Municipality.
13. **In accordance with the State's sunset policy for Urbanized Area STP-Urban projects, the subject 2013-2018 / 2015-2020 Urbanized Area STP-Urban improvement must be constructed and in final acceptance within six years from the start of State Fiscal Year 2015, or by June 30, 2020.** Extensions may be available upon approval of a written request by or on behalf of the Municipality to WisDOT. The written request shall explain the reasons for project implementation delay and revised timeline for project completion.
14. If the Municipality should withdraw the project, it will reimburse the State for any costs incurred by the State on behalf of the project.
15. The Municipality will at its own cost and expense:
 - a. Maintain all portions of the project that lie within its jurisdiction (to include, but not limited to, cleaning storm sewers, removing debris from sumps or inlets, and regular maintenance of the catch basins, curb and gutter, sidewalks and parking lanes [including snow and ice removal]) for such maintenance through statutory requirements in a manner satisfactory to the State, and will make ample provision for such maintenance each year.
 - b. Regulate [or prohibit] parking at all times in the vicinity of the proposed improvements during their construction.
 - c. Regulate [or prohibit] all parking at locations where and when the pavement area usually occupied by parked vehicles will be needed to carry active traffic in the street.
 - d. Assume general responsibility for all public information and public relations for the project and to make fitting announcement to the press and such outlets as would generally alert the affected property owners and the community of the nature, extent, and timing of the project and arrangements for handling traffic within and around the project.
 - e. Provide complete plans, specifications, and estimates.
 - f. Provide relocation orders and real estate plats.
 - g. Use the *WisDOT Utility Accommodation Policy* unless it adopts a policy, which has equal or more restrictive controls.
 - h. Provide maintenance and energy for lighting.
 - i. Provide proper care and maintenance of all landscaping elements of the project including replacement of any plant materials damaged by disease, drought, vandalism or other cause.
16. It is further agreed by the Municipality that:
 - a. The Municipality assumes full responsibility for the design, installation, testing and operation of any sanitary sewer and water main infrastructure within the improvement project and relieves the state and all of its employees from liability for all suits, actions, or claims resulting from the sanitary sewer and water main construction under this agreement.

- b. The Municipality assumes full responsibility for the plans and special provisions provided by their designer or anyone hired, contracted or otherwise engaged by the Municipality. The Municipality is responsible for any expense or cost resulting from any error or omission in such plans or special provisions. The Municipality will reimburse WisDOT if WisDOT incurs any cost or expense in order to correct or otherwise remedy such error or omission or consequences of such error or omission.
- c. The Municipality will be 100% responsible for all costs associated with utility issues involving the Contractor, including costs related to utility delays.
- d. All signs and traffic control devices and other protective structures erected on or in connection with the project including such of these as are installed at the sole cost and expense of the Municipality or by others, will be in conformity with such "Manual of Uniform Traffic Control Devices" as may be adopted by the American Association of State Highway and Transportation Officials, approved by the State, and concurred in by the Federal Highway Administration.
- e. The right-of-way available or provided for the project will be held and maintained inviolate for public highway or street purposes. Those signs prohibited under Federal aid highway regulations, posters, billboards, roadside stands, or other private installations prohibited by Federal or State highway regulations will not be permitted within the right-of-way limits of the project. The municipality, within its jurisdictional limits, will remove or cause to be removed from the right-of-way of the project all private installations of whatever nature which may be or cause an obstruction or interfere with the free flow of traffic, or which may be or cause a hazard to traffic, or which impair the usefulness of the project and all other encroachments which may be required to be removed by the State at its own election or at the request of the Federal Highway Administration, and that no such installations will be permitted to be erected or maintained in the future.

LEGAL RELATIONSHIPS:

- 17. The State shall not be liable to the Municipality for damages or delays resulting from work by third parties. The State also shall be exempt from liability to the Municipality for damages or delays resulting from injunctions or other restraining orders obtained by third parties.
- 18. The State will not be liable to any third party for injuries or damages resulting from work under or for the Project. The Municipality and the Municipality's surety shall indemnify and save harmless the State, its officers and employees, from all suits, actions or claims of any character brought because of any injuries or damages received or sustained by any person, persons or property on account of the operations of the Municipality and its sureties; or on account of or in consequence of any neglect in safeguarding the work; or because of any act or omission, neglect or misconduct of the Municipality or its sureties; or because of any claims or amounts recovered for any infringement by the Municipality and its sureties of patent, trademark or copyright; or from any claims or amounts arising or recovered under the Worker's Compensation Act, relating to the employees of the Municipality and its sureties; or any other law, ordinance, order or decree relating to the Municipality's operations.
- 19. Contract Modification: This State/Municipal Agreement can only modified by written instruments duly executed by both parties. No term or provision of neither this State/Municipal Agreement nor any of its attachments may be changed, waived or terminated orally.
- 20. Binding Effects: All terms of this State/Municipal Agreement shall be binding upon and inure to the benefits of the legal representatives, successors and executors. No rights under this State/Municipal Agreement may be transferred to a third party. This State/Municipal Agreement creates no third- party enforcement rights.
- 21. Choice of Law and Forum: This State/Municipal Agreement shall be interpreted and enforced in accordance with the laws of the State of Wisconsin. The Parties hereby expressly agree that the terms contained herein and in any deed executed pursuant to this State/Municipal Agreement are enforceable by an action in the Circuit Court of Dane County, Wisconsin.

PROJECT FUNDING CONDITIONS

- 22. Non-Appropriation of Funds: With respect to any payment required to be made by the Department under this State/Municipal Agreement, the parties acknowledge the Department's authority to make such payment is contingent upon appropriation of funds and required legislative approval sufficient for such purpose by the

Legislature. If such funds are not so appropriated, either the Project Sponsor or the Department may terminate this State/Municipal Agreement after providing written notice not less than thirty (30) days before termination.

23. Maintenance of Records: During the term of performance of this State/Municipal Agreement, and for a period not less than three years from the date of final payment to the Project Sponsor, records and accounts pertaining to the performance of this State/Municipal Agreement are to be kept available for inspection and audit by representatives of the Department. The Department reserves the right to audit and inspect such records and accounts at any time. The Project Sponsor shall provide appropriate accommodations for such audit and inspection.

In the event that any litigation, claim or audit is initiated prior to the expiration of said records maintenance period, the records shall be retained until such litigation, claim or audit involving the records is complete.

24. The Municipality agrees to the following 2013-2018 / 2015-2020 Urbanized Area STP-Urban project funding conditions:

- a. ID 4996-01-78: Design is funded with 75% federal funding, when the municipality agrees to provide the remaining 25%. This portion of the project is subject to the cumulative project federal funding cap (see sub-item e). This phase includes Plan Development, Management Consultant Review, and State Review. The work includes project review, approval of required reports and documents and processing the final PS&E document for award of the contract. Costs for this phase include an estimated amount for state review activities, to be funded 75% with federal funding and 25% by the Municipality.
- b. ID 4996-01-80: Costs for railroad crossing surface are funded with 45% federal funding when the municipality agrees to provide 10% and railroad agrees to provide the remaining 44%. This portion of the project is subject to the cumulative project federal funding cap (see sub-item e).
- c. ID 4996-01-81: Costs for railroad signals are funded with 80% federal funding when the municipality agrees to provide the remaining 20%. This portion of the project is subject to the cumulative project federal funding cap (see sub-item e).
- d. ID 4996-01-79: Construction:
 - i. Costs for roadway reconstruction are funded with 74% federal funding when the municipality agrees to provide the remaining 26%. This portion of the project is subject to the cumulative project federal funding cap (see sub-item e).
 - ii. Non-participating Costs for concrete base patching, sanitary sewer and watermain construction and excavation, hauling and disposal of petroleum contaminated soil are funded 100% by the Municipality. Costs include construction delivery
 - iii. Costs for this phase include an estimated amount for state review activities, to be funded 74% with federal funding and 26% by the Municipality. This portion of the project is subject to the cumulative project federal funding cap (see sub-item e).
- e. Project Cap: In accordance with STP-Urban program guidelines for projects in urbanized areas, State action and TIP Committee action, this project has a federal funding cap of **\$3,528,092**. This federal funding cap applies to all federally funded project phases.

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