



City of
WHITEWATER
COMMON COUNCIL AGENDA
Common Council Meeting

Tuesday, May 3, 2022 - 6:30 p.m.

This will be an IN PERSON and a VIRTUAL MEETING. (not in person).
Citizens are welcome (and encouraged) to join us via computer, smart phone, or telephone.
Citizen participation is welcome during topic discussion periods.

Join from a PC, Mac, iPad, iPhone or Android device:
Please click this URL to join.

<https://us06web.zoom.us/j/88002144924?pwd=RIMzakVSRFZXRHduMTRDUWJ6R2hFdz09>

Passcode: 716452

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 301 715 8592

Webinar ID: 880 0214 4924

Passcode: 716452

International numbers available: <https://us06web.zoom.us/j/88002144924?pwd=RIMzakVSRFZXRHduMTRDUWJ6R2hFdz09>

Please note that although every effort will be made to provide for virtual participation, unforeseen technical difficulties may prevent this, in which case the meeting may still proceed as long as there is a quorum. Should you wish to make a comment in this situation, you are welcome to call this number:

262-473-0108

All agenda items are subject to discussion and/or action.

CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE.

CONSENT AGENDA:

CA-A	Approval of Council Minutes of 4/7/22.	P. 1
CA-B	Approval of payment of invoices processed through 4/27/22.	P. 5
CA-C	Acknowledgment of Receipt and Filing of: None.	n/a

CA-D	Expedited Approval of the Following Items, per City Staff Recommendation: C-11	n/a
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CITY MANAGER UPDATE

STAFF REPORTS: None.

*To make a comment during this period, or during any agenda item: **On a computer or handheld device, locate the controls on your computer to raise your hand. You may need to move your mouse to see these controls. On a traditional telephone, dial *6 to unmute your phone and dial *9 to raise your hand.***

HEARING OF CITIZEN COMMENTS. No formal Common Council Action will be taken during this meeting although issues raised may become a part of a future agenda. Participants are allotted a three minute speaking period. Specific items listed on the agenda may not be discussed at this time; however citizens are invited to speak to those specific issues at the time the Council discusses that particular item.

RESOLUTIONS: None.

ORDINANCES – First Reading - None.

ORDINANCES – Second Reading – None.

CONSIDERATIONS:

C-1	Discussion and possible direction regarding City of Whitewater Procurement policy.	P. 7
C-2	Discussion regarding Whitewater’s Financial Audit and accompanying Management Letter. (Councilmember Allen Request)	P. 25
C-3	Update on Lakes Dredging Project. (Parks and Recreation Director Request).	P. 141
C-4	Update on work being done in Walton Oaks Park and Effigy Mounds. (Councilmember Smith Request).	P. 142
C-5	Request for approval of sanitary sewer and water main improvements between Arch Development and City. (DPW Director Request).	P. 143
C-6	Discussion and possible direction regarding special Council meeting to be held on May 19, 2022.	P. 167
C-7	Discussion regarding City Manager Annual Report and 2022 Goals document.	P. 168
C-8	Discussion and possible direction regarding communications with Spectrum relating to broadcast of city meetings.	P. 195
C-9	Authorizing reimbursement to Town of Cold Spring for improvements to City-owned portion of Cold Spring Road. (DPW Director Request).	P. 200
C-10	Appointment of citizen members to Boards and Commissions. (City Manager Request).	P. 202
*C-11	Request for cancellation of July 5, 2022 council meeting.	n/a
C-12	Discussion and Possible Action Regarding Neighborhood Development Plan Scope of Services proposal provided by Vandewalle & Associates.	P. 216
C-13	Request for approval of agreement with WEDC relating to Bower House Grant. (CDA Director Request).	P. 221
C-14	Councilmember Requests for Future Agenda Items and/or Future POLCO questions.	n/a
C-15	EXECUTIVE SESSION. Adjourn to closed session, TO RECONVENE , pursuant to Wisconsin Statutes 19.85(1)(c) “Considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility” and 19.85(1)(e) “Deliberating or negotiating the purchasing of public properties, the investing of	n/a

	public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session.” Items to be Discussed: 1) Consideration of the terms of a Release and Employment Disposition Agreement between the City of Whitewater and the City of Whitewater Police Chief. [19.85(1)(c) and 19.85(1)(e)] and 2) Discussion regarding purchase of 412 W. Whitewater Street and/or 406 W. Whitewater Street. [19.85(1)(e)]; and 3) Discussion with the Common Council concerning the amount the Council would be willing to authorize to pay for certain properties in the City of Whitewater for a residential development project. [19.85(1)(e)].	
C-16	<u>Reconvene Into Open Session.</u>	n/a
C-17	Possible action on Release and Employment Disposition Agreement between City of Whitewater and City of Whitewater Police Chief.	n/a
C-18	<u>Adjournment.</u>	n/a

Anyone requiring special arrangements is asked to call the Office of the City Manager / City Clerk at least 72 hours prior to the meeting.

***Items denoted with asterisks will be approved on the Consent Agenda unless any council member requests that it be removed for individual discussion.**

**ABSTRACT/SYNOPSIS OF THE ESSENTIAL ELEMENTS OF THE OFFICIAL
ACTIONS OF THE COMMON COUNCIL OF THE CITY OF WHITEWATER,
WALWORTH AND JEFFERSON COUNTIES, WISCONSIN.**

April 7, 2022

The regular meeting of the Common Council was called to order at 6:30 p.m. by Council President Lynn Binnie. COUNCIL MEMBERS PRESENT: McCormick, Schreiber, Brown, Binnie, Allen, Smith, Majkrzak. COUNCIL MEMBERS ABSENT: None. LEGAL COUNSEL PRESENT: Wallace McDonell.

It was moved by Allen and seconded by McCormick to acknowledge receipt and filing of the following: CDA minutes of 1/27/22 and 2/9/22; Community Involvement minutes of 12/9/21; Equal Opportunity Commission Minutes of 2/7/22; Financial Reports for February, 2022; Irvin L. Young Memorial Library Board minutes of 2/21/22; and the Police Department Annual Report for 2021. AYES: Schreiber, McCormick, Brown, Binnie, Smith, Allen, Majkrzak. NOES: None. ABSENT: None.

STAFF REPORTS. Tourism Council Director Kellie Carper provided the Chamber's Annual Report related to tourism matters. Gratitude was expressed for outgoing Councilmember Lynn Binnie. A short recess was taken to express thanks to Lynn and to enjoy refreshments. (Councilmember Schreiber left the meeting at this point). An update on property assessments and process was provided.

CITY MANAGER UPDATE. City Manager Clapper gave an update as to events occurring in the City.

CITIZEN COMMENTS: None.

FIRST READING OF ORDINANCE AMENDING SECTION 5.56 OF MUNICIPAL CODE, ADDING PAVERS AND/OR BRICKS TO DEFINITION OF A HARD SURFACE. Neighborhood Services Director Bennett stated that the brick / paver option is being added to the ordinance to provide a lower cost and temporary option for storing inoperable vehicles at private residences.

**FIRST READING OF AN ORDINANCE AMENDING SUBSECTION 5.56.010(b)(2)
HARD SURFACE REQUIREMENT FOR CERTAIN VEHICLES**

The Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, do ordain as follows:

SECTION 1. Whitewater Municipal Code Chapter 5.56 Subsection 5.56.010(b)(2), is hereby amended to read as follows:

5.56.010(b)(2) - Parked on a hard surface. Asphalt, concrete or patio/landscape pavers shall be considered hard surfaces. The material used must, at a minimum, encompass the length and width of the vehicle;

Ordinance introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Smith. AYES: McCormick, Brown, Binnie, Smith, Majkrzak, Allen. NOES: None. ABSENT: Schreiber. FIRST READING APPROVED: April 7, 2022.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

ARRIVAL OF NEW COMMUNITY MEMBERS. Deputy Police Chief Meyer reported that the City has experienced a marked increase in the number of new community members in the City. The School District has seen an increase of between 110-120 new students since September of 2021, and that number has steadily risen through the school year. The Police Department estimates the total number of new residents in the City to be somewhere between 400-500. Meyer reported that the majority of the individuals recently migrated here by various means from Nicaragua. Meyer continued by stating that the influx of people is positive for the community, but there are a number of short-term challenges. Communication barriers exist due to the fact that most of these individuals speak a dialect of Spanish and generally very little English. There are known cultural differences including educational expectations and living arrangements. The group is facing challenges, including poverty and lack of access to resources. To combat the challenges, Meyer indicated that a group of subject matter experts is working toward the goal of connecting the new community members to resources and helping them assimilate here.

FRATERNITY LANE OVERLAY. Director of Public Works Marquardt stated that research was done as to whether the portion of Fraternity Lane north of Carriage Drive was ever considered a public road. Marquardt located a plat that depicted the area as a public right of way, and found an ordinance calling for a stop sign for traffic on Fraternity Lane at Carriage Drive. Marquardt indicated that this information confirmed that the area was considered a public street. Marquardt recommended that the City accept responsibility for that portion of Fraternity Lane again. It was moved by Majkrzak and seconded by Smith to accept responsibility for the portion of Fraternity Lane north of Carriage Drive. AYES: McCormick, Brown, Binnie, Smith, Majkrzak, Allen. NOES: None. ABSENT: Schreiber.

APPOINTMENT OF CITIZEN MEMBERS TO LIBRARY BOARD. City Manager Clapper and Council President Binnie recommended appointment of Alyssa Orłowski and Sallie Berndt to the Library Board. Allen moved approval of appointment of Alyssa Orłowski and Sallie Berndt to the Library Board. Majkrzak seconded. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

AGREEMENT WITH PUBLIC CONSULTING GROUP LLC TO ASSIST WITH INTEGRATION OF FIRE DEPARTMENT / EMS INTO A CITY DEPARTMENT. City Manager Clapper recommended entering into an agreement with Public Consulting Group LLC, at a cost not to exceed \$26,640, to serve in an advisory capacity during the transition of the Whitewater Fire Department into a City department. Clapper noted that a bid from McMahon Associates came in a little lower, but Clapper feels that the Public Consulting Group is a better fit for the City. Smith asked whether the firm is being asked to provide future insight, as well as immediate needs. Clapper confirmed that they were. Allen inquired whether any cost savings could be experienced from using the firm that was recently used by a neighboring community. Clapper acknowledged that he had not looked into that firm for transition purposes, but he would be looking into using them for assistance with marketing the referendum. Councilmember McCormick noted that Public Consulting LLC is based out of Texas. She asked whether they would be available to come to Whitewater. Clapper stated that the project lead is from the Appleton/Green Bay area, and would be able to come to Whitewater. It was moved by Smith and seconded by Majkrzak to approve an agreement with Public Consulting Group LLC, for a sum not to exceed \$26,640, for assistance with transition of the Fire Department / EMS into a City department. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

MEMORANDUM OF UNDERSTANDING WITH U.S. FORESTRY DEPARTMENT FOR USE OF FORMER LANDFILL SITE AT NORTH END OF JEFFERSON STREET FOR DRONE FLYING TRAINING PURPOSES.

U.S. Forestry Services representative Nick Howell presented details on their request to use the former Landfill site for training purposes. The drone flying training will be used to train pilots to operate drones that will drop chemicals to create controlled burns to prevent wildfires. It was moved by Majkrzak and seconded by Smith to approve the MOU as requested by the U.S. Forestry Department. AYES: McCormick, Brown, Binnie, Smith, Allen, Majkrzak. NOES: None. ABSENT: Schreiber.

EASEMENT TO WE ENERGIES FOR EXTENSION OF UTILITIES ON UNIVERSAL BOULEVARD.

Public Works Director Marquardt stated that WE Energies is requesting a 12 foot wide easement across City property to extend services to other City owned property. It was moved by Allen and seconded by Smith to approve the proposed easement with We-Energies. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

BYPASS SYSTEM FOR INNOVATION CENTER.

Parks and Recreation Director Boettcher informed the Council that the mechanical portion of this project was previously approved by council, and the current request is for the control portion of the project. It was explained that the request is for computer control for the mechanical system at the Innovation Center. Boettcher confirmed that the cost was to be repaid by the Innovation Center. It was moved by Smith and seconded by Allen to authorize the purchase of the bypass system. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

CODE ENFORCEMENT INFORMATION UPDATE.

Neighborhood Services Director Bennett presented an update on code enforcement. He stated that the sign ordinance is being enforced as signs are noted to be out of compliance or has been erected outside of the permitting process. He stated that there have been 129 violations noted so far this year, of which 111 have been closed. Of the violations, 49 were totor violations, nine were junk vehicle violations, eight were junk on property / trailer. Bennett reported that there have been sixty-eight building permits issued in 2022 to date. He also reported that notices were sent to property owners known to have junk vehicles on their property on March 4th. Bennett indicated that all of those notified property owners have contacted the Neighborhood Services Department and have resolved the issue, or are in the process of dealing with the junk vehicle(s). Councilmember Binnie stated that there is a part of the sign ordinance that requires properties with out-of-business locations to remove the signs after a certain period of time. Bennett indicated he has not pursued that type of enforcement, but it can certainly be revisited.

REQUESTS FOR FUTURE AGENDA ITEMS AND/OR POLCO QUESTIONS. None.

EXECUTIVE SESSION.

It was moved by Binnie and seconded by Allen to adjourn to : Closed Session, *To Reconvene*, pursuant to Wisconsin Statutes Ch. 19.85(1) (g) “Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by body with respect to litigation in which it is or is likely to become involved. And 19.85(1)(e) “Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive bargaining reasons require a closed session.” Items to be Discussed: 1) Settlement of the claim field against the City concerning Public Construction bidding requirements for the Cravath and Trippe Lake dredging project [19.85(1)(g)]; and 2) Discussion of Memorandum of Understanding with the Fire Department [19.85(1)(e)]. AYES: Brown, Binnie, Allen, Majkrzak, Smith, McCormick. NOES: None. ABSENT: Schreiber.

RECONVENE INTO OPEN SESSION.

STIPULATION AND ORDER SETTling THE LAWSUIT FILED AGAINST CITY CONCERNING PUBLIC CONSTRUCTION BIDDING REQUIREMENTS FOR CRAVATH AND TRIPPE LAKE DREDGING PROJECT.

City Attorney McDonnell explained that the proposed settlement agreement requires that the City develop a policy stating that the City will go through the public bidding process in the future, for any dredging project with an estimated value of \$25,000 or greater. Attorney McDonnell recommends approval of the agreement. It was moved by Majkrzak and seconded by Brown to enter into the stipulation and order. Motion was seconded by Councilmember Brown. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

MEMORANDUM OF UNDERSTANDING WITH WHITEWATER FIRE DEPARTMENT.

Councilmember Binnie stated that the Memo of Understanding is a non-binding agreement that lays out the intentions of both the City and the Fire Department. Councilmember Smith moved, and Councilmember Allen seconded, approval of the proposed Memorandum of Understanding, contingent upon City-Manager approved revisions. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber.

ADJOURNMENT. It was moved by Smith and seconded by McCormick to adjourn the meeting. AYES: McCormick, Brown, Binnie, Majkrzak, Allen, Smith. NOES: None. ABSENT: Schreiber. The meeting adjourned at 9:00 p.m.

Respectfully submitted,

Michele R. Smith, Clerk

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Only unpaid invoices included.

GL Period	Vendor	Vendor Name	Description	Invoice Date	Net Invoice Amount	GL Account Num
BUCKINGHAM, DAN						
422	9234	BUCKINGHAM, DAN	MAY 2022 INNV CNTR LAWN CARE	04/26/2022	700.00	920-56500-294
Total BUCKINGHAM, DAN:					700.00	
CARRICO AQUATIC RESOURCES INC						
422	7972	CARRICO AQUATIC RESOURCE	ROBOTIC CLEANER MOTOR	04/20/2022	338.69	247-55600-346
422	7972	CARRICO AQUATIC RESOURCE	MAY 2022 CHEM & EQUIP AGREEMENT	04/26/2022	1,500.00	247-55600-350
Total CARRICO AQUATIC RESOURCES INC:					1,838.69	
MENARD INC						
422	494	MENARD INC	SPRAY GUN/AIRLESS HOSE/SAFETY GLASSES	04/21/2022	258.57	610-61935-350
Total MENARD INC:					258.57	
SABEL MECHANICAL LLC						
422	7825	SABEL MECHANICAL LLC	ACTUATOR REPAIR	04/11/2022	2,282.00	610-61620-350
Total SABEL MECHANICAL LLC:					2,282.00	
WALMART						
422	6	WALMART	WIRE/SHOWER ROD	04/19/2022	27.28	610-61935-350
422	6	WALMART	PAPERTOWELS/KLEENEX	04/19/2022	53.87	100-52100-310
422	6	WALMART	DUSTER/CLEANERS	04/19/2022	33.43	610-61935-350
422	6	WALMART	SNACKS	04/19/2022	39.50	220-55110-342
422	6	WALMART	TISSUES/CREAMER/COFFEE/SUGAR	04/19/2022	27.78	220-55110-310
422	6	WALMART	BATTERIES	04/19/2022	3.94	610-61935-350
Total WALMART:					185.80	
WINCHESTER TRUE VALUE HARDWARE INC						
422	24	WINCHESTER TRUE VALUE HA	GE DRYER	04/19/2022	990.00	247-55800-310
422	24	WINCHESTER TRUE VALUE HA	PATCH FILL/PEST CONTROL	04/19/2022	19.48	100-51100-310
422	24	WINCHESTER TRUE VALUE HA	ENAMEL PAINT	04/19/2022	44.99	100-53320-353
422	24	WINCHESTER TRUE VALUE HA	EPOXY, PLAS WELD/EPOXY SYRINGE/KWIK SEAL	04/19/2022	37.98	620-62850-357
422	24	WINCHESTER TRUE VALUE HA	EPOXY, PLAS WELD/EPOXY SYRINGE/KWIK SEAL	04/19/2022	16.98	620-62840-310
422	24	WINCHESTER TRUE VALUE HA	EPOXY, PLAS WELD/EPOXY SYRINGE/KWIK SEAL	04/19/2022	8.49	620-62860-357
422	24	WINCHESTER TRUE VALUE HA	BALL VALVE/HEX BUSHING	04/19/2022	20.77	100-53230-310
422	24	WINCHESTER TRUE VALUE HA	OIL ENAMEL/GALV NIPPLE	04/19/2022	20.78	100-53230-310
422	24	WINCHESTER TRUE VALUE HA	STRAPS/90 DEG ELBOW	04/19/2022	11.95	100-53230-310
422	24	WINCHESTER TRUE VALUE HA	COUPLING	04/19/2022	1.29	610-61935-350
422	24	WINCHESTER TRUE VALUE HA	COUPLING/GALV NIPPLE	04/19/2022	14.48	100-53300-310
422	24	WINCHESTER TRUE VALUE HA	RETURN SHIPPING	04/19/2022	13.25	620-62850-357
422	24	WINCHESTER TRUE VALUE HA	CONDUIT/SCREWS/CLOTH RAGS	04/19/2022	72.44	100-51600-310
422	24	WINCHESTER TRUE VALUE HA	FLIP COVER/OUT BOX/GFCI OUTLETS	04/19/2022	62.44	100-53420-310
422	24	WINCHESTER TRUE VALUE HA	AA BATTERIES	04/19/2022	12.99	100-53230-310
422	24	WINCHESTER TRUE VALUE HA	SILICONE SEALANT	04/19/2022	18.58	100-53300-354
422	24	WINCHESTER TRUE VALUE HA	50FT EXT CORD	04/19/2022	63.99	100-53230-310
422	24	WINCHESTER TRUE VALUE HA	UBOLT/NUTS	04/19/2022	13.16	100-53300-354
422	24	WINCHESTER TRUE VALUE HA	UBOLT/NUTS	04/19/2022	21.98	100-53300-354

GL Period	Vendor	Vendor Name	Description	Invoice Date	Net Invoice Amount	GL Account Num
Total WINCHESTER TRUE VALUE HARDWARE INC:					1,466.02	
ZARNOTH BRUSH WORKS INC						
422	419	ZARNOTH BRUSH WORKS INC	GUTTER BROOM/TUFTED TUBE BROOM	04/13/2022	988.50	630-63440-350
Total ZARNOTH BRUSH WORKS INC:					988.50	
Grand Totals:					7,719.58	

Dated: __04/26/22_____

Finance Director: _Steve Hatton_____

Report Criteria:

- Detail report.
- Invoices with totals above \$0.00 included.
- Only unpaid invoices included.



Council Agenda Item

Meeting Date:	2022.05.03
Agenda Item:	Procurement Policy Discussion
Staff Contact (name, email, phone):	Cameron Clapper, cclapper@whitewater-wi.gov , 262-473-0104

BACKGROUND

(Enter the who, what when, where, why)

The current procurement policy was approved by the common council in 2013.

At the request of Common Council members, the procurement policy is provided for review.

In addition to providing the current policy for review, city staff drafted minor changes for consideration in an effort to clarify expectations regarding certain aspects of the policy and associated procedures. A description of the proposed changes is as follows.

1. Minor Edits. There are a number of small edits within the document. These are not meant to be substantive, but to clarify existing intent.
2. Documenting Solicited Firms & Quotes. Subsection A7 under Guidelines has been added to clarify that documentation of firms solicited and any quotes received is required for any procurement process where soliciting of quotes is required.
3. Information on Public Bidding. Subsection A8 under Guidelines clarifies that any time a project that qualifies for public bidding requirements, whether in the approved budget or not, will be brought to the Common Council.

City staff members would request feedback and approval.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

Staff recommends updates to the policy as proposed and presented.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Current Procurement Policy
 - a. This format is the original or similar to it.
2. Current Policy with Proposed Changes (Redlined)
 - a. The original policy has been reformatted as part of an ongoing project to standardize the formatting on all city policies. The language of the policy remains the same with the exception of edits noted in red or by comments in the margin on each page.
3. Current Policy with Proposed Changes (Clean Version)
 - a. This draft is the same as the redlined version with all changes included.

City of Whitewater Procurement Policy

General

The purpose of this policy is to provide guidance and procedures to be followed for procurement of goods and services for all City departments. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility in department operations.

Procedures

1. Procurements consist of the following major categories:
 - Goods (tangible items); e.g., equipment, supplies, vehicles
 - Utility Inventory Items
 - General Services; e.g., janitorial services, maintenance agreements
 - Professional Services: e.g., legal, engineering, architectural, auditing services
 - Construction of public buildings and improvements
2. Department heads have the responsibility for procurement in their individual departments.
3. The City Manager is responsible for supervising the procurement process.
4. The Finance Department is responsible to monitor compliance with City procurement policies and procedures.
5. When an emergency situation will not permit the use of the competitive processes outlined in this policy, the applicable Department Head and City Manager may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained.
6. By law (WI Stat 62.15 (12)), the City Manager and City Clerk sign contracts on behalf of the City. However, the Council hereby delegates the authority to approve and sign contracts to the applicable Department Head and/or, City Manager in accordance with the thresholds set forth below in the "Purchase of Goods" section. When Council Committee or Council approval is required the City Manager and Clerk shall sign such contracts.
 - The City Attorney's office should be consulted for a legal review of all contracts.
7. Change orders are required for changes in project scope for construction or similar contracts. Quantity changes are defined as increased quantities of bid items in a unit price contract.
 - Change orders can be approved by the Department Head and the City Manager for an amount up to \$10,000. The Department Head shall notify the Council in writing of such change orders.
 - Change orders in excess of the amount defined above require approval by the Common Council.
 - When project scope changes are necessary to prevent project delays the Department Head is delegated the authority to approve such change orders. The Department Head shall notify the City Manager and Council in writing of such change orders.
 - Quantity changes in unit price contracts can be approved for payment by the Department Head.
 - Any change order must be in compliance with the public bidding statutes and the applicable contract.

Purchase of Goods

1. Guidelines for approval authority of purchases when a specific item and dollar amount is not identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.
 - c. \$10,001 - \$25,000 – Department Head, City Manager, and Common Council approval is required. At least two quotes should be solicited. Documentation of quotes must be submitted to City Manager and Common Council for approval.
 - d. Over \$25,000 – Common Council approval is required prior to purchase. At least three quotes should be solicited.
 - e. Any purchase of goods for a public construction project must be reviewed in the context of the entire cost of the project to determine if the size of the contract requires public bidding for the purchase of the goods. The purpose of this provision is to make certain that the cost of the goods does not increase the total estimated cost of the public works project to be above the threshold that would require competitive bidding. For example, under current statutes, if the cost of goods was \$10,000 and it caused the overall estimated cost of the project to be \$27,000, it would cause the project to be subject to competitive bidding because the cost of the project would be greater than the \$25,000 bidding threshold.
2. Guidelines for approval authority of purchases when a specific item and dollar amount (e.g. capital equipment) is identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.
 - c. Over \$10,000 – Department Head and City Manager approval is required. At least three quotes should be solicited.
 - d. If the quote exceeds the dollar amount identified in the adopted budget the thresholds under “Purchase of Goods 1.” apply.

The City Clerk will be given a copy of any signed contract(s).

3. In general, the lowest quote should be considered for procurements. However, price is not the sole consideration. Awards shall be made only to responsible vendors that (a) possess the potential ability to perform successfully under the terms and conditions of the proposed procurement, and (b) sell products that meet the specifications of the City.

It is the desire of the City to purchase from local vendors whenever possible. This can be accomplished by ensuring that local vendors are included in the competitive shopping process. The City has a responsibility to its residents however, to ensure that the maximum value is obtained for each public dollar spent. It is assumed that local vendors who wish to do business with the City will offer the lowest possible quote for the item being purchased.

4. Each Department Head is authorized to delegate authority up to \$5,000 to an employee of that department to make and approve purchases, upon the condition that the Department Head file written notice with the Finance Department of the individual to whom this authority has been delegated.

5. Sole source purchases are allowed in the following circumstances:
 - a. The item or service is only available from a single source;
 - b. After competitive procurement solicitations, competition is determined to be inadequate;
 - c. An alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs;
 - d. Standardization of a specific product or manufacturer will result in more efficient and economical operations;
 - e. The purchase is from another governmental body; or
 - f. The item is being purchased through a cooperative purchasing arrangement such as the V.A.L.U.E. group, State bid list, State of Wisconsin VendorNet or WPPI Joint Purchasing.

Approval of sole source purchases will be made in accordance with the dollar thresholds outlined above in "Purchase of Goods."

In circumstances of sole source purchases when the purchase is not via a cooperative arrangement, the department should use alternate means (such as verifying pricing with other customers) to establish that the price quoted is reasonable.

6. Use of Purchase Orders:
 - a. In general, purchase orders are not required for purchases. If the vendor requests or requires a purchase order one will be issued. Purchase orders are to be issued prior to obtaining the item.
 - b. Standard purchase orders are issued for one time acquisition of specific items. The receipt of these items might be spread out over a period of time but the purchase order is valid only for the items listed on it.
 - c. Blanket purchase orders are issued on an annual or other periodic basis to vendors with whom business is conducted continuously. Examples of these types of purchases include repair parts, library books or other materials/supplies for which exact quantities are not known.

Purchase of Utility Inventory

1. Inventory purchases are made for approved utility capital and maintenance infrastructure projects, developer capital projects and stock items. Special consideration for these types of purchases is warranted for operational efficiency purposes.
2. Each Utility Operations Manager is responsible for the oversight and coordination of utility inventory purchases.
3. Quotes shall be solicited as outlined above in the "Purchase of Goods" section.
4. The City Manager is delegated the authority to approve all utility inventory purchases over \$5,000.

Purchase of General Services

1. General services defined:
 - Standardized services that are differentiated mainly by price. The results of the services are generally the same each time they are provided regardless of the vendor and experiences gained from one project are directly applicable to another project. See definition below of professional services for distinction from general services.
 - Agreements for upkeep and maintenance of goods during ownership. Such agreements bind the manufacturer or service provider to maintain the goods for a certain period of time for a fee. Contracts may include the costs of servicing and/or materials. (e.g. software maintenance contracts, copy machine maintenance contracts, etc).
2. Where applicable, a competitive process for selection of vendors for contracts for general services should be used under the guidance outlined in the "Purchase of Goods" section above.
3. Purchase orders are not required for general services.

Purchase of Professional Services

1. Professional services defined:
 - Professional services are usually highly customized and differentiated on factors other than price, such as knowledge and expertise. The specific form of the services will vary according to the need of the customer. Experiences gained from one project provide insight into other projects, but are not directly applicable. Professional services are often performed by licensed individuals.
2. A qualifications based selection process shall be used in obtaining professional services. Selection for professional services should take into consideration the overall value of such contracts including:
 - Demonstrated competence, knowledge and qualifications in related services
 - Continuity of the various phases of a project
 - Operational efficiencies
 - Scope of services
 - Reasonableness of proposed fee
3. The normal purchasing policy thresholds outlined in the “Purchase of Goods 1.” section above shall be used for retaining consultants for specific projects.
4. Professionals are sometimes retained for their expertise on an as needed basis to serve in an advisory role to the City vs. being retained for a specific project. In the circumstance where the specific scope of service or length of engagement cannot be determined and the purchasing policy thresholds therefore cannot be used to determine level of approval, the approval process is as follows:
 - All legal, planning, and engineering services require Common Council approval prior to retaining the professional.
 - The City Attorney, upon approval of the City Manager, may retain outside legal counsel to serve in an advisory role to the City Attorney in an amount not to exceed \$5,000.
 - For all other services identified in the approved budget, the Department Head and/or City Manager is delegated the authority to retain the professional (e.g. title searches, physicals, water testing...).
5. Some professional service industries do not customarily use contracts to formalize the relationship and scope of work between the consultant and their client. In such circumstances, the City encourages the use of scope of service proposals, memorandum of understandings or engagement letters where applicable.
6. Purchase orders are not required for professional services.

Construction of Public Buildings and Improvements

1. The provisions of Wisconsin Statutes s. 62.15 apply to procurements involving public construction and take precedence over any portion of this policy that may conflict with that statute. Approvals of construction contracts will be made in accordance with the dollar thresholds outlined above in the “Purchase of Goods 1.” section.
2. For all public construction, the estimated cost of which exceeds \$5,000 but is not greater than \$25,000, the Director of Public Works shall give a Class 1 notice, under Chapter 985 Wis. Stats., of the intent to enter into a contract for the proposed construction before the contract is executed.

		Policy 501.04.10 Procurement			
Owner:	Finance Director	Approving Position:	Common Council	Pages:	6
Issue Date:	04/2013	Revision Date:		Review Date:	
Special Instructions:					

I. PURPOSE

The purpose of this policy is to provide guidance and procedures to be followed for procurement of goods and services for all City departments. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility in department operations.

II. GUIDELINES

A. Procurements

1. Procurements consist of the following major categories:
 - a. Goods (tangible items); e.g., equipment, supplies, vehicles
 - b. Utility Inventory Items
 - c. General Services; e.g., janitorial services, maintenance agreements
 - d. Professional Services: e.g., legal, engineering, architectural, auditing services
 - e. Construction of public buildings and improvements
2. Department heads have the responsibility for procurement in their individual departments.
3. The City Manager is responsible for supervising the procurement process.
4. The Finance Department is responsible to monitor compliance with City procurement policies and procedures.
5. When an emergency situation will not permit the use of the competitive processes outlined in this policy, the applicable Department Head and City Manager may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained.
6. By law (WI Stat 62.15 (12)), the City Manager and City Clerk sign contracts on behalf of the City. However, the Common Council hereby delegates the authority to approve and sign contracts to the applicable Department Head and/or, City Manager in accordance with the

Procurement

thresholds set forth below in the "Purchase of Goods" section. When Council Committee or Common Council approval is required the City Manager and Clerk shall sign such contracts.

7. Whenever quotes are solicited as part of this policy, the contact information for those individuals or firms solicited, along with any resulting quotes must be documented. Whether Department Director, City Manager, or Common Council approval is required, the written request for approval must include proof of said documentation. When the desired number of solicitations cannot be obtained due to a limited number of providers, an explanation of circumstances must be included with the approval request.
8. Whenever public bidding requirements exist the solicitation and all bids will be provided to the City Manager and Common Council for review regardless of whether or not or not Common Council approval is required.
9. The City Attorney's office should be consulted for a legal review of all contracts.

B. Change Orders

1. Change orders are required for changes in project scope for construction or similar contracts.
2. Quantity changes are defined as increased quantities of bid items in a unit price contract.
3. Change orders can be approved by the Department Head and the City Manager for an amount up to \$10,000. The Department Head shall notify the Common Council in writing of such change orders.
4. Change orders in excess of the amount defined above require approval by the Common Council.
5. When project scope changes are necessary to prevent project delays the Department Head is delegated the authority to approve such change orders. The Department Head shall notify the City Manager and Common Council in writing of such change orders.
6. Quantity changes in unit price contracts can be approved for payment by the Department Head.
7. Any change order must comply with public bidding statutes and the applicable contract.

Deleted: be in compliance

Deleted: the

III. PROCEDURE

A. Purchase of Goods

1. Guidelines for approval authority of purchases when a specific item and dollar amount is not identified in the adopted budget:
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 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.

Procurement

- c. It is assumed that local vendors who wish to do business with the City will offer the lowest possible quote for the item being purchased.
 6. Each Department Head is authorized to delegate authority up to \$5,000 to an employee of that department to make and approve purchases, upon the condition that the Department Head file written notice with the Finance Department of the individual to whom this authority has been delegated.
 7. Sole source purchases are allowed in the following circumstances:
 - a. The item or service is only available from a single source;
 - b. After competitive procurement solicitations, competition is determined to be inadequate;
 - c. An alternate product or manufacturer would not be compatible with current products resulting in additional operating or maintenance costs;
 - d. Standardization of a specific product or manufacturer will result in more efficient and economical operations;
 - e. The purchase is from another governmental body; or
 - f. The item is being purchased through a cooperative purchasing arrangement such as the V.A.L.U.E. group, State bid list, State of Wisconsin VendorNet or WPPI Joint Purchasing.
 - g. Approval of sole source purchases will be made in accordance with the dollar thresholds outlined above in "Purchase of Goods."
 8. In circumstances of sole source purchases when the purchase is not via a cooperative arrangement, the department should use alternate means (such as verifying pricing with other customers) to establish that the price quoted is reasonable.
- B. Use of Purchase Orders:
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 - b. A qualifications-based selection process shall be used in obtaining professional services. Selection for professional services should take into consideration the overall value of such contracts including:
 - 1) Demonstrated competence, knowledge and qualifications in related services
 - 2) Continuity of the various phases of a project
 - 3) Operational efficiencies
 - 4) Scope of services

Procurement

5) Reasonableness of proposed fee

- c. The normal purchasing policy thresholds outlined in the “Purchase of Goods” section above shall be used for retaining consultants for specific projects.
- d. Professionals are sometimes retained for their expertise on an as needed basis to serve in an advisory role to the City vs. being retained for a specific project. In the circumstance where the specific scope of service or length of engagement cannot be determined and the purchasing policy thresholds therefore cannot be used to determine level of approval, the approval process is as follows:
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- e. Some professional service industries do not customarily use contracts to formalize the relationship and scope of work between the consultant and their client. In such circumstances, the City encourages the use of scope of service proposals, memorandum of understandings or engagement letters where applicable.
- f. Purchase orders are not required for professional services.

F. Construction of Public Buildings and Improvements

1. The provisions of Wisconsin Statutes s. 62.15 apply to procurements involving public construction and take precedence over any portion of this policy that may conflict with that statute. Approvals of construction contracts will be made in accordance with the dollar thresholds outlined above in the “Purchase of Goods” section.
2. For all public construction, the estimated cost of which exceeds \$5,000 but is not greater than \$25,000, the Director of Public Works shall give a Class 1 notice, under Chapter 985 Wis. Stats., of the intent to enter into a contract for the proposed construction before the contract is executed.

IV. REPORTING

V. JOB AIDS

		Policy 501.04.10 Procurement			
Owner:	Finance Director	Approving Position:	Common Council	Pages:	6
Issue Date:	04/2013	Revision Date:		Review Date:	
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I. PURPOSE

The purpose of this policy is to provide guidance and procedures to be followed for procurement of goods and services for all City departments. The controls and procedures set forth are intended to provide reasonable assurance that the lowest cost, highest quality good or service is obtained, while balancing the need for flexibility in department operations.

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A. Procurements

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 - a. Goods (tangible items); e.g., equipment, supplies, vehicles
 - b. Utility Inventory Items
 - c. General Services; e.g., janitorial services, maintenance agreements
 - d. Professional Services: e.g., legal, engineering, architectural, auditing services
 - e. Construction of public buildings and improvements
2. Department heads have the responsibility for procurement in their individual departments.
3. The City Manager is responsible for supervising the procurement process.
4. The Finance Department is responsible to monitor compliance with City procurement policies and procedures.
5. When an emergency situation will not permit the use of the competitive processes outlined in this policy, the applicable Department Head and City Manager may determine the procurement methodology most appropriate to the situation. Appropriate documentation of the basis for the emergency should be maintained.
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Procurement

thresholds set forth below in the “Purchase of Goods” section. When Council Committee or Common Council approval is required the City Manager and Clerk shall sign such contracts.

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8. Whenever public bidding requirements exist the solicitation and all bids will be provided to the City Manager and Common Council for review regardless of whether or not or not Common Council approval is required.
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III. PROCEDURE

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1. Guidelines for approval authority of purchases when a specific item and dollar amount is not identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.

Procurement

- c. \$10,001 - \$25,000 – Department Head, City Manager, and Common Council approval is required. At least two quotes should be solicited.
 - d. Over \$25,000 – Common Council approval is required prior to purchase. At least three quotes should be solicited.
 - e. Any purchase of goods for a public construction project must be reviewed in the context of the entire cost of the project to determine if the size of the contract requires public bidding for the purchase of the goods. The purpose of this provision is to make certain that the cost of the goods does not increase the total estimated cost of the public works project to be above the threshold that would require competitive bidding. For example, under current statutes, if the cost of goods was \$10,000 and it caused the overall estimated cost of the project to be \$27,000, it would cause the project to be subject to competitive bidding because the cost of the project would be greater than the \$25,000 bidding threshold.
2. Guidelines for approval authority of purchases when a specific item and dollar amount (e.g. capital equipment) is identified in the adopted budget:
 - a. Under \$5,000 – Department Head or Designee must approve prior to purchase. At least two quotes should be solicited for purchases over \$1,000.
 - b. \$5,000 to \$10,000 – Department Head and City Manager approval is required. At least two quotes should be solicited.
 - c. Over \$10,000 – Department Head and City Manager approval is required. At least three quotes should be solicited.
 - d. Over \$50,000 – City Manager and Common Council Approval is required. At least three quotes should be solicited.
 - e. If the quote exceeds the dollar amount identified in the adopted budget the thresholds under “C. Purchase of Goods 1.” shall apply.
 - f. *The City Clerk will be given a copy of any signed contract(s).*
 3. In general, the lowest quote should be considered for procurements. However, price is not the sole consideration.
 4. Awards shall be made only to responsible vendors that (a) possess the potential ability to perform successfully under the terms and conditions of the proposed procurement, and (b) sell products that meet the specifications of the City.
 5. It is the desire of the City to purchase from local vendors whenever possible.
 - a. This can be accomplished by ensuring that local vendors are included in the competitive shopping process.
 - b. The City has a responsibility to its residents however, to ensure that the maximum value is obtained for each public dollar spent.

Procurement

- c. It is assumed that local vendors who wish to do business with the City will offer the lowest possible quote for the item being purchased.
 6. Each Department Head is authorized to delegate authority up to \$5,000 to an employee of that department to make and approve purchases, upon the condition that the Department Head file written notice with the Finance Department of the individual to whom this authority has been delegated.
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Procurement

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IV. REPORTING

V. JOB AIDS



Common Council Agenda Item

Meeting Date:	May 3, 2022
Agenda Item:	2021 Financial Audit Report and Auditor Communications
Staff Contact (name, email, phone):	Steve Hatton, shatton@whitewater-wi.gov , 262-473-1380

BACKGROUND

(Enter the who, what when, where, why)

The City of Whitewater undergoes a financial audit each year by a Certified Public Accounting firm. The City has used Johnson Block and Company as our audit firm since 2006. Kevin Krynski, CPA has been assigned to our account since its inception. Kevin presented the draft results of the 2021 Financial Audit to the Finance Committee on April 12th. The audit report was finalized and delivered to the Common Council on Monday April 18th as well as published to the City’s website. Two letters from the Auditor were also received and forwarded to the Common Council on April 18th.

At the April 19th Common Council meeting, Finance Director Hatton presented an overview of the audit results and an overview of the financial condition of the City. At the meeting the following concerns were voiced:

1. Questions about the nature of the audit scope
2. Timing of the audit report delivery to the Common Council with two associated concerns
 - a. Public access to the audit report for review
 - b. Public access to audit communications including the Management Letter

Council member Allen requested the topic to be brought back to the May 3rd Council meeting.

Questions and feedback on the report from elected officials and community members are welcome at this meeting.

City Manager’s Note: It is important to note the efforts of the Finance Department in successfully completing the audit more than 60 days ahead of schedule. The drive to do so was not only to get the report to the Common Council sooner than in prior years, but to ensure the report in its entirety was completed prior to presenting the City’s financials to the market for a revenue bond financing. Sadly, the good work of our Finance Department may have been eclipsed by the concerns of a small group. I would encourage elected officials and others to take the opportunity to provide positive feedback to Finance Department staff who may be in attendance on Tuesday, May 3, 2022.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

N/A

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

N/A

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. 2021 Audited Financial Statements
2. Required Audit Communications to the City Council (page 1-5) and Management Letter (page 6-9)



JOHNSON BLOCK
CPAs



City of
WHITEWATER

AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2021

City of Whitewater

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Whitewater
Whitewater, Wisconsin

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Whitewater, Wisconsin, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Whitewater, Wisconsin's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City of Whitewater, Wisconsin's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City of Whitewater, Wisconsin's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the Wisconsin Retirement System schedules, and the Local Retiree Life Insurance Fund schedules as identified in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, 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.



Supplemental Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Whitewater, Wisconsin's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the schedules of long-term debt payments but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
April 15, 2022

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2021**



CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended December 31, 2021

The management of the City of Whitewater ("City") offers all persons interested in the financial condition of the City to review this narrative overview and analysis of the City's financial performance during the fiscal year ending December 31, 2021. This section should be read in conjunction with the financial statements and the accompanying notes that follow. It should also be noted that the information contained here will focus primarily on the governmental operations of the city.

FINANCIAL HIGHLIGHTS

The City's total net position increased \$3,006,080, or 4.5% from the prior year. The net position for governmental activities increased \$1,783,905, while net position of the business-type activities increased by \$1,222,175. The Community Development Authority ("CDA") a component unit of the city, net position decreased by \$1,008,532.

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2021, by \$69,479,362 (net position). Of this amount, \$3,631,915 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. The breakout of the unrestricted net position is \$1,900,725 and \$1,731,190 for governmental and business-type activities, respectively.

As of December 31, 2021, the City's governmental funds reported combined ending fund balances of \$5,448,939, a decrease of \$1,056,627 in comparison with the prior year. Approximately 34% of this total, or \$1,827,054 (unassigned fund balance), is available for spending at the government's discretion.

The City's Water Utility had an operating income in 2021 of \$535,673. Unrestricted net position was \$732,038. The Water Utility's total net position increased by \$271,719 to \$11,438,047. The approved Rate of Return is 4.9%. For 2021, the Rate of Return equaled 4.69%. The Utility filed a Simplified Rate Case application with the Wisconsin PSC in April, 2014. The 2014 approved rate factor is 3.0%. The increase was approved and was effective with water usage after June 26, 2014. The Utility did not file a Simplified Rate Case for 2015, 2016, or 2017. A Simplified Rate Case was filed for 2018 and the new rates became effective on June 28, 2018. The City filed an application with the PSC on May 22, 2019 for a Full Rate Case, in which the regulator reviews rates in depth. New rates went into effect August 27, 2020.

The Wastewater Utility had an operating income of \$1,188,194 in 2021. The Utility's total net position increased by \$889,728. A major upgrade to the wastewater treatment plant was completed in early 2019 representing \$24.358 million in plant improvements. In anticipation of this project, Wastewater rates were adjusted in 2015 that increased the average residential user by 31%. No rate adjustments were made in 2017 or 2018. As a result of a Utility Rate Study, Wastewater rates were increased effective June 27, 2019 that increased the average residential user by 18%.

This annual report consists of two parts: Management's Discussion and Analysis (this section) and the basic financial statements. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements. The governmental fund statements tell how general government services like public safety and public works were financed in the short-term as well as what remains for future spending.

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended December 31, 2021

OVERVIEW OF THE FINANCIAL STATEMENTS

These financial statements also include notes that explain some of the information in the financial statements and provide more detail data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. The remainder of this overview section (Management's Discussion and Analysis) explains the structure and contents of each of the statements.

Government-Wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets and deferred outflows and liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how they have changed. Net Position, the difference between the City's assets and deferred outflows and liabilities and deferred inflows of resources, is one way to measure the City's financial health, or position. Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating. To assess the overall health of the City you need to consider additional non-financial factors such as changes in the City's property tax base and the condition of the City's infrastructure.

The government-wide financial statements include not only the City of Whitewater itself (known as the primary government), but also the City of Whitewater Community Development Authority (component unit). The CDA does not issue separate financial statements.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenue and expenses reported in this statement for some items will only result in cash flows in future fiscal periods.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

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 governmental activities.

The City maintains 27 individual governmental funds. Several of the funds are included with the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Debt Service Fund, and the TIF District #4 Fund and the Affordable Housing TIF, all of which are considered to be major funds. Data from the other governmental funds are split between the non-major special revenue funds and the non-major capital project funds. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

Proprietary Funds – The City maintains 3 different types of proprietary funds. Proprietary funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Proprietary Funds are the Water, Wastewater, and Stormwater Utilities. The Stormwater Utility was established in the 4th quarter of 2007.

Fiduciary Funds – Used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The City is a trustee, or fiduciary, for the collection of all property taxes within the City for all taxing jurisdictions including the Whitewater Unified School District, Walworth and Jefferson counties, Gateway and Madison Area Technical College, and the State of Wisconsin. The accounting used for fiduciary funds is much like that used for proprietary funds.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

An analysis of the City's financial position begins with a review of the Statement of Net Position and the Statement Activities. These two statements report the City's net position and changes therein. It should be noted that the financial position can also be affected by non-financial factors, including economic conditions, population growth and new regulations.

The largest portion of the City's (governmental and business-type activities) net position (approximately 85%) represents its investments in capital assets, less any debt used to acquire those assets that are still outstanding. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

CITY OF WHITEWATER'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 14,832,135	\$ 14,962,108	\$ 8,490,392	\$ 8,779,350	\$ 23,322,527	\$ 23,741,458
Capital Assets	<u>38,568,016</u>	<u>39,146,208</u>	<u>57,864,236</u>	<u>57,251,358</u>	<u>96,432,252</u>	<u>96,397,566</u>
Total Assets	\$ 53,400,151	\$ 54,108,316	\$ 66,354,628	\$ 66,030,708	\$ 119,754,779	\$ 120,139,024
Deferred Outflows of Resources	<u>\$ 3,702,170</u>	<u>\$ 2,692,710</u>	<u>\$ 727,586</u>	<u>\$ 553,663</u>	<u>\$ 4,429,756</u>	<u>\$ 3,246,373</u>
Non-Current Liabilities	\$ 9,633,509	\$ 12,506,890	\$ 27,954,146	\$ 30,023,495	\$ 37,587,655	\$ 42,530,385
Other Liabilities	<u>1,856,947</u>	<u>1,869,485</u>	<u>3,387,492</u>	<u>2,293,754</u>	<u>5,244,439</u>	<u>4,163,239</u>
Total Liabilities	\$ 11,490,456	\$ 14,376,375	\$ 31,341,638	\$ 32,317,249	\$ 42,832,094	\$ 46,693,624
Deferred Inflows of Resources	<u>\$ 10,985,894</u>	<u>\$ 9,582,585</u>	<u>\$ 963,514</u>	<u>\$ 712,235</u>	<u>\$ 11,949,408</u>	<u>\$ 10,294,820</u>
Net Position:						
Net Investment in Capital Assets	\$ 29,463,819	\$ 27,106,377	\$ 29,890,539	\$ 26,730,420	\$ 59,354,358	\$ 53,836,797
Restricted	3,344,920	2,451,059	3,155,333	3,777,978	6,500,253	6,229,037
Unrestricted	<u>1,817,232</u>	<u>3,284,630</u>	<u>1,731,190</u>	<u>3,046,489</u>	<u>3,548,422</u>	<u>6,331,119</u>
TOTAL NET POSITION	\$ 34,625,971	\$ 32,842,066	\$ 34,777,062	\$ 33,554,887	\$ 69,403,033	\$ 66,396,953
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION	\$ 57,102,321	\$ 56,801,026	\$ 67,082,214	\$ 66,584,371	\$ 124,184,535	\$ 123,385,397

NET POSITION: The City's combined net position increased 4.5% between fiscal years 2020 and 2021 to \$69,403,033. 50.1% of the 2021 net position are business-type activities of the City's Water, Wastewater, and Stormwater Utilities. The governmental activities had an increase in net position of \$1,783,905 for the year, while the business-type activities experienced an increase of \$1,222,175.

ASSETS: Governmental Activities: Taxes Receivable increased by \$385,232. Accounts Receivables, and Other Receivables decreased by \$31,181. Due from Other Governmental Units increased by \$69,358. Net Capital Assets decreased by \$578,192 to a total of \$38,568,016. Deferred outflows of resources increased by \$1,009,460 between years due to the reporting for employee pensions and other postemployment benefits.

LIABILITIES: Governmental Activities: Non-Current Liabilities decreased by \$2,873,381 with the pay-off of debt. Deferred inflows of resources increased by \$1,403,309. Due to Component Unit of \$250,000 was paid off in 2021.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

CITY OF WHITEWATER
CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-type Activities		Combined-Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,205,603	\$ 920,239	\$ 6,780,184	\$ 6,324,923	\$ 7,985,787	\$ 7,245,162
Operating grants and contributions	1,571,142	1,789,770	-	-	1,571,142	1,789,770
Capital grants and contributions	75,221	51,962	210,100	50,529	285,321	102,491
General Revenues:						
Property Taxes	6,197,837	6,100,555	-	-	6,197,837	6,100,555
Other Taxes	260,730	106,845	-	-	260,730	106,845
Intergovernmental	3,733,039	3,942,964	-	-	3,733,039	3,942,964
Investment Income	9,287	98,969	3,346	18,694	12,633	117,663
Miscellaneous	176,781	130,867	329,212	81,213	505,993	212,080
Total Revenues	\$ 13,229,640	\$ 13,142,171	\$ 7,322,842	\$ 6,475,359	\$ 20,552,482	\$ 19,617,530
Expenses:						
General government	\$ 1,613,973	\$ 1,745,433	\$ -	\$ -	\$ 1,613,973	\$ 1,745,433
Public Safety	3,743,250	4,119,426	-	-	3,743,250	4,119,426
Public Works	2,710,809	2,759,700	-	-	2,710,809	2,759,700
Leisure activities	2,435,172	2,259,573	-	-	2,435,172	2,259,573
Conservation and Development	72,871	45,816	-	-	72,871	45,816
Interest and fiscal charges	424,827	459,309	750,651	724,123	1,175,478	1,183,432
Water Utility	-	-	1,797,462	1,715,104	1,797,462	1,715,104
Sewer Utility	-	-	2,716,312	2,867,930	2,716,312	2,867,930
Stormwater Utility	-	-	453,711	444,524	453,711	444,524
Total Expenses	\$ 11,000,902	\$ 11,389,257	\$ 5,718,136	\$ 5,751,681	\$ 16,719,038	\$ 17,140,938
Increases in net position before transfers	\$ 2,228,738	\$ 1,752,914	\$ 1,604,706	\$ 723,678	\$ 3,833,444	\$ 2,476,592
Special items	(730,231)	-	-	-	(730,231)	-
Transfers	285,398	294,294	(382,531)	(371,294)	(97,133)	(77,000)
Increase in net position	<u>\$ 1,783,905</u>	<u>\$ 2,047,208</u>	<u>\$ 1,222,175</u>	<u>\$ 352,384</u>	<u>\$ 3,006,080</u>	<u>\$ 2,399,592</u>
NET Position-January 1	\$ 32,842,066	\$ 30,794,858	\$ 33,554,887	\$ 33,202,503	\$ 66,396,953	\$ 63,997,361
Net Position-December 31	\$ 34,625,971	\$ 32,842,066	\$ 34,777,062	\$ 33,554,887	\$ 69,403,033	\$ 66,396,953

CITY OF WHITEWATER

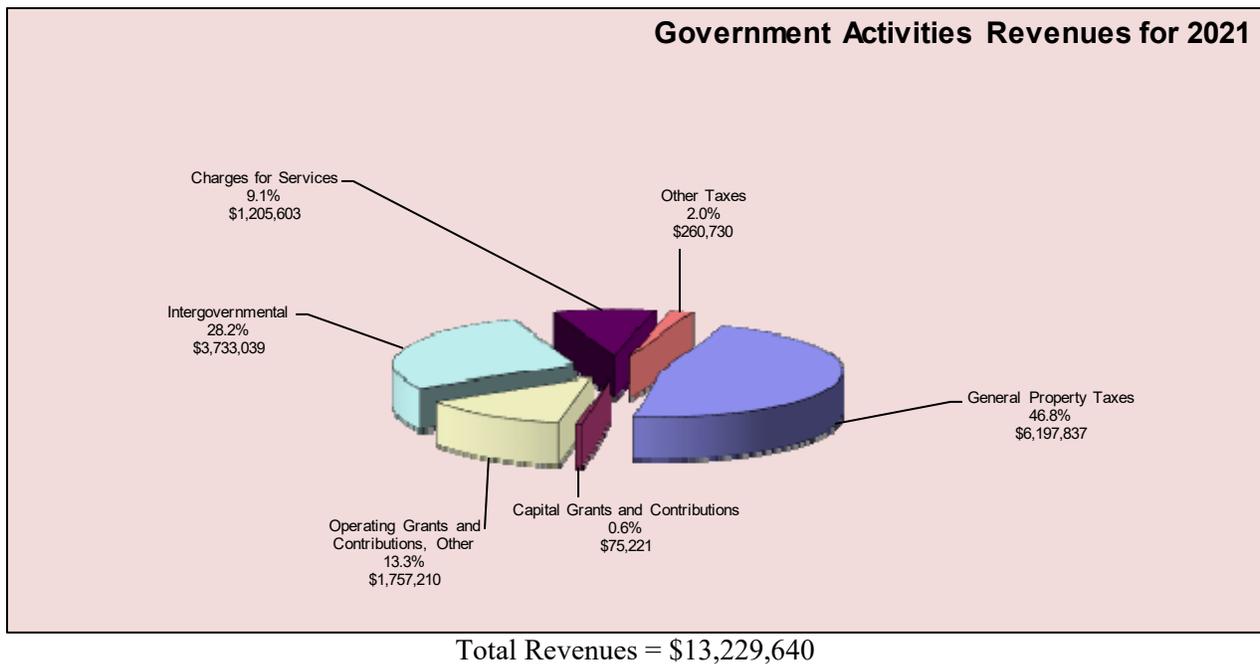
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities

Change in Net Position: The City's 2021 revenues for both governmental and business-type activities total \$20,552,482 and expenses total \$16,719,038. These totals plus transfers and special items resulted in an increase in net position of \$3,006,080. Net position increased by \$1,783,905 for governmental activities. This growth in net position is driven by several factors. First, each year, funds are budgeted to be set aside in special revenue or sinking funds for large or infrequent needs. Secondly, revenues were favorable compared to budget and 164,000 higher than 2020 due, in part, to increased room tax, state intergovernmental funding, and ARPA funding. Expenditures were also below budget and \$388,000 below 2020 levels due primarily to vacancies during the year.

Revenues for the City's governmental activities total \$13,229,640 with intergovernmental revenues (largely state shared-revenues) accounting for 28% (\$3,733,039) of total revenues. Taxes have been broken out into two categories, debt service property taxes and general property taxes. The tax collected for debt service property taxes, which is 7.1% (\$942,883) of total revenues, were collected to pay for the principal and interest due in 2021. General property taxes accounted for 39.4% (\$5,251,485) of governmental revenues in 2021. Charges for services contributed 9% (\$1,205,603) and increased by \$285,364 mainly due to COVID -19 decreasing amounts in 2020; operating grants, other taxes, interest income, contributed 13.9% (\$1,841,159) of the total revenues. Capital grants were \$75,221 of revenues.



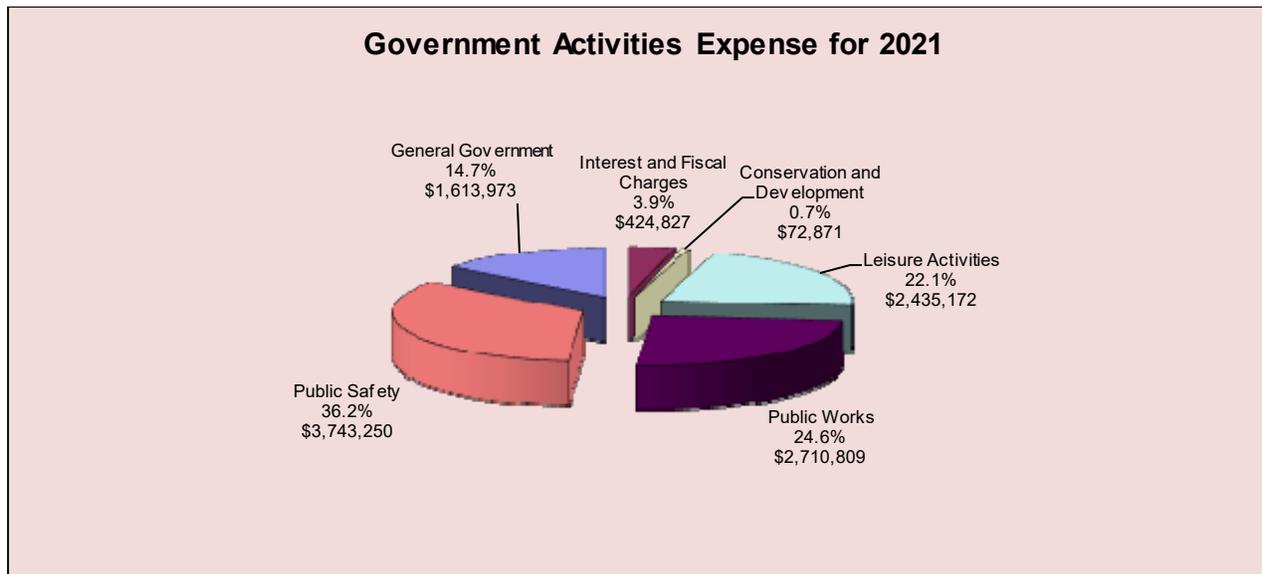
CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

Governmental activities expenditures total \$11,000,902. Public Safety activities amount for 34% (\$3,743,250), or the largest single portion of expenditures. Public Safety includes Police, Fire, Rescue, Crash and Building Inspections. Public Works, General Government and Leisure activities account for 24.6% (\$2,710,809), 14.7% (\$1,613,973), and 22.1% (\$2,435,172), respectively, of total expenditures for 2021. Conservation/Development—0.7% (\$72,871); Interest/Fiscal Charges—3.9% (\$424,827).



Total Expenses = \$11,900,902

CITY OF WHITEWATER

**MANAGEMENT’S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

The following table presents the total cost of each of the City's activities as well as their net cost. The net costs are the total costs less fees generated by the activities plus operating and capital grants and contributions. The net cost shows the financial burden placed on City taxpayers or indirect revenue sources by each of these activities. The cost of all governmental activities during 2021 was \$11,000,902. However, the amount paid through the City's property tax was only \$6,197,837. The breakout of property taxes is \$3,136,501 (General Properties); \$942,883 (Debt Service); \$2,118,453 (TIF Districts).

	<u>Cost of Services</u>	<u>Charges for Services, Operating & Capital Grants, Contributions</u>	<u>Net Cost of Services</u>
General Government	\$ 1,613,973	\$ 251,464	\$ 1,362,509
Public Safety	3,743,250	708,901	3,034,349
Public Works	2,710,809	890,999	1,819,810
Culture and Recreation	2,435,172	891,015	1,544,157
Conservation and Development	72,871	185,916	(113,045)
Interest and Fiscal Charges	424,827	-	424,827
Total	<u>\$ 11,000,902</u>	<u>\$ 2,928,295</u>	<u>\$ 8,072,607</u>

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Fund – Is the primary operating fund of the City. The General Fund’s fund balance increased \$456,167 to \$4,529,026. Of that amount, \$2,304,358, is unassigned, which represents 25.5% of the expenditures and transfers out for calendar/budget year 2021.

Debt Service Fund – Accounts for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

TIF District #4 – Affordable housing – This fund's purpose is to generate a tax increment to be used to cover the project plan expenditures. TID 4 closed in 2021 with an extension into 2022 for low-income housing.

Other Capital Projects Fund – Accounts for the acquisition and construction of major capital facilities and projects.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

WATER, WASTEWATER, AND STORMWATER UTILITY

The **Water Utility** earned a 4.69% return on its rate base in 2021 compared to 2.69% in 2020. The Water Utility's (GAAP Basis) operating revenues increased by \$309,979 to \$2,333,135 and the operating expenses increased by \$82,358 to \$1,797,462. The City had a full year of rate increases in 2021.

The **Wastewater Utility** operating revenue increased by \$141,167 in 2021 to \$3,904,506. Operating expenses decreased by \$151,618 to \$2,716,312. Depreciation of the new plant accounted for the majority of the increase. Wastewater rates were adjusted by 17.6% (average residential user) on June 27, 2019. The increase provided funding for the debt service costs of the wastewater treatment plant project.

The **Stormwater Utility** operating revenues increased by \$4,115 to \$542,543. The operating income was \$88,832 in 2021. The monthly charge is \$6.17 per ERU (Equivalent Runoff Unit), which was increased as of December 29, 2015, to provide funding for the debt service costs of George Street and Center Street reconstruction projects. Most residential properties equal 1.0 ERU.

	Operating Revenues		Operating Expenses		Operating Income (Loss)	
	2021	2020	2021	2020	2021	2020
Water Utility	\$ 2,333,135	2,023,156	\$ 1,797,462	\$ 1,715,104	\$ 535,673	\$ 308,052
Wastewater Utility	3,904,506	3,763,339	2,716,312	2,867,930	1,188,194	895,409
Stormwater Utility	542,543	538,428	453,711	444,524	88,832	93,904

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental Activities			
	2021	2020	Total Change
Land/Right of Way/Improvements	\$ 9,775,494	\$ 9,775,494	\$ -
Construction in Progress	70,684	-	70,684
Traffic and street lights	1,180,624	1,180,624	-
Buildings and Improvements	14,168,410	13,931,173	237,237
Machinery & Equipment	8,822,892	9,926,891	(1,103,999)
Streets/Sidewalks/Curb & Gutter	30,367,685	30,097,831	269,854
Accumulated depreciation	(25,817,773)	(25,765,805)	(51,968)
Capital Assets, Net of Depreciation	\$ 38,568,016	\$ 39,146,208	\$ (578,192)

In the governmental-wide financial statement, fixed assets are accounted for as capital assets. Capital assets are defined as assets with an initial cost of more than \$5,000 for general assets and infrastructure assets. Prior to January 2003, infrastructure assets of the City's governmental activities were not capitalized. The City has retroactively reported significant infrastructure networks acquired by its governmental activities for streets (including curb and gutter) and sidewalks, lighting and easements. The dams were considered to be immaterial to the government-wide financial statements. Storm sewers have been retroactively reported in 2007.

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

The City (Primary Government) had capital assets of 38,568,016 in the governmental activities and \$57,864,236 in the business-like activities for a total of \$96,432,252 at the end of 2021. The largest investment in capital assets was infrastructure, including streets, curb & gutter, sidewalks, storm sewers, sewer mains, sewer laterals, water mains and hydrants. Of the total City of Whitewater capital assets, the governmental activities account for 40.0% and the business-type activities total 60.0%. The business-type activities represent the Water Utility with 25.9%, the Wastewater Utility having 63.2%, and the Stormwater Utility 10.9% of the capital assets.

<u>BUSINESS-TYPE ACTIVITIES</u>			
	<u>2021</u>	<u>2020</u>	<u>Change</u>
Water			
Land and Land Rights	\$ 224,506	6,727	\$ 217,779.00
Source of Supply	705,364	705,364	-
Pumping	939,089	939,089	-
Water Treatment	1,458,742	1,458,742	-
Transmission and Distribution	18,021,260	17,934,789	86,471
General	940,813	845,101	95,712
Construction in Progress	914,894	-	914,894
Less: Accumulated Depreciation	<u>(8,206,072)</u>	<u>(7,830,952)</u>	<u>(375,120)</u>
Net Assets-Water Utility Plant	<u>14,998,596</u>	<u>14,058,860</u>	<u>939,736</u>
Wastewater			
Land and Land Rights	4,498,925	4,498,925	-
Collection System	16,677,554	16,523,966	153,588
Treatment and Disposal	37,645,226	37,820,626	(175,400)
General	1,453,215	1,062,751	390,464
Construction in Progress	99,651	-	99,651
Less: Accumulated Depreciation	<u>(23,838,267)</u>	<u>(22,818,199)</u>	<u>(1,020,068)</u>
Net Assets-Wastewater Utility Plant	<u>36,536,304</u>	<u>37,088,069</u>	<u>(551,765)</u>
Stormwater			
Capital Assets	7,109,740	6,814,742	294,998
Construction in Progress	30,593	-	30,593
Less: Accumulated Depreciation	<u>(810,997)</u>	<u>(710,313)</u>	<u>(100,684)</u>
Net Assets-Stormwater Utility Plant	<u>6,329,336</u>	<u>6,104,429</u>	<u>224,907</u>
Total Utility's Capital Assets	<u>\$ 57,864,236</u>	<u>\$ 57,251,358</u>	<u>\$ 612,878</u>

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Long-term Debt

All general obligation notes and bonds payable are backed by full faith and credit of the City. Notes and bonds payable by the governmental funds will be retired by future property tax levies or TID tax increments accumulated by the Debt Service Fund or from the utility portion of the State Shared Revenues. Business-type activities debt is payable by revenues from user fees of those funds. In accordance with Wisconsin Statutes, total general obligation indebtedness of the City may not exceed five percent of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2021, was \$40,115,125. Total general obligation debt outstanding at year end was \$18,098,875, which represents 45.1% of the allowable debt limit.

	Comparison of Outstanding Debt by Activity					
	Governmental Activities		Business-type Activities		TOTAL	
	2021	2020	2021	2020	2021	2020
General Obligation						
Bonds and Notes	\$ 9,273,375	\$ 12,039,831	\$ 8,825,500	\$ 9,311,000	\$ 18,098,875	\$ 21,350,831
Revenue Bond/Notes	-	-	20,785,983	22,268,708	20,785,983	22,268,708
Total Outstanding	\$ 9,273,375	\$ 12,039,831	\$ 29,611,483	\$ 31,579,708	\$ 38,884,858	\$ 43,619,539

The total outstanding **general obligation debt** of \$18,098,875 is distributed:

City-CIP	\$9,273,375
Utility (Water/Sewer/Storm)	\$8,825,000

	AMOUNTS DUE WITHIN ONE YEAR		
	Governmental Activities	Business-type Activities	Amounts Due Within One Year
General Obligation			
Bonds and Notes	\$ 792,900	\$ 525,500	\$ 1,318,400
Revenue Bonds	-	1,515,456	1,515,456
Totals	\$ 792,900	\$ 2,040,956	\$ 2,833,856

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

Budgets are adopted at the function level of expenditures. General Fund revenues and transfers were greater than the final budget by \$346,871. Expenditures, were \$175,961 lower than the final budget of \$7,397,032. General Government was over by \$138,767; Public Safety was under by \$280,099; Culture, Recreation and Education was under by \$65,857. Public Works was over by \$31,228. The actual change in Fund Balance was an increase of \$200,906 to a balance of \$2,688,071. This includes only fund 100 and none of the other assigned general fund balances.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's strategic location between Milwaukee and Madison and the success of the business park, developed by the City of Whitewater under the direction of the Community Development Authority, has contributed to both growth in tax base and population. The City's tax base, currently \$802 million, has shown steady growth over the past two decades. For 2021, the equalized value increased by \$61,580,100.

All recreational fees, fines, licenses, and permits are reviewed on a yearly basis. Solid Waste/Recycling costs are paid by the General Fund and State of Wisconsin grants. For 2021, the monthly cost for one household is \$13.79. The distribution of this cost is \$9.95 for Solid Waste and \$3.84 for Recycling. Solid Waste monthly household fee increased \$0.22 per month and recycling increased \$0.31 per month in 2021.

On April 29, 2020, Moody's updated their credit ratings as follows:

- downgraded the City's General Obligation bonds from AA3 to A1
- upgraded the Sewer Utility's credit rating on outstanding Revenue Debt from A2 to A1
- held unchanged the Water Utility's credit rating on outstanding Revenue Debt at A1.

Moody's rating actions were taken before the City's 2019 Audit was published.

On July 8, 2020, the City issued \$5.195MM in GO Debt. S&P Global rated the issue at A+ Stable.

On March 30, 2022, the City issued \$5.130MM in GO Debt. S&P Global rated the issue at A+ Stable

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money and resources it receives. If you have questions about this report or need additional information, please contact the City of Whitewater, Finance Director, P.O. Box 690, Whitewater, WI 53190.

BASIC FINANCIAL STATEMENTS

Statement of Net Position
December 31, 2021

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Primary Government</u>	<u>Component Unit</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 8,026,592	\$ 3,148,146	\$ 11,174,738	\$ 821,310
Receivables				
Taxes and special assessments	4,225,519	-	4,225,519	-
Accounts	2,208	674,856	677,064	-
Other	97,545	70,680	168,225	-
Due from Other Governments	172,880	-	172,880	-
Loans				
Internal Balances	32,531	(32,531)	-	-
Due From Agency Fund	133	-	133	-
Due From Component Unit/City	71,866	-	71,866	50,000
Inventories	-	22,500	22,500	-
Prepaid Expenses	39,352	-	39,352	-
Total Current Assets	<u>12,668,626</u>	<u>3,883,651</u>	<u>16,552,277</u>	<u>871,310</u>
Noncurrent Assets:				
Restricted Assets				
Cash and Cash Equivalents	-	4,167,195	4,167,195	-
Net Pension Asset	2,116,881	439,546	2,556,427	27,755
Other Assets				
Special Assessment Receivable	46,628	-	46,628	-
Loans Receivable	-	-	-	1,248,760
Capital Assets				
Land, Improvements, and Construction in Progress	9,846,178	5,768,569	15,614,747	481,816
Other Capital Assets, net of depreciation	28,721,838	52,095,667	80,817,505	4,881,562
Net Capital Assets	<u>38,568,016</u>	<u>57,864,236</u>	<u>96,432,252</u>	<u>5,363,378</u>
Total Noncurrent Assets	<u>40,731,525</u>	<u>62,470,977</u>	<u>103,202,502</u>	<u>6,639,893</u>
Total Assets	<u>53,400,151</u>	<u>66,354,628</u>	<u>119,754,779</u>	<u>7,511,203</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	3,504,090	727,586	4,231,676	45,944
Deferred OPEB Outflows	198,080	-	198,080	-
Total Deferred Outflows of Resources	<u>3,702,170</u>	<u>727,586</u>	<u>4,429,756</u>	<u>45,944</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 57,102,321</u>	<u>\$ 67,082,214</u>	<u>\$ 124,184,535</u>	<u>\$ 7,557,147</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 739,317	\$ 750,099	\$ 1,489,416	\$ 14,347
Due to Component Unit/City	50,000	-	50,000	71,866
Payable to Other Governments	43,571	-	43,571	-
Accrued Interest	79,109	144,579	223,688	-
Unearned Grant Advance	76,329	437,034	513,363	-
Current Portion of Long-Term Liabilities	868,621	2,055,780	2,924,401	-
Total Current Liabilities	<u>1,856,947</u>	<u>3,387,492</u>	<u>5,244,439</u>	<u>86,213</u>
Noncurrent Liabilities:				
Unamortized Debt Premium	174,309	269,071	443,380	-
Net OPEB Liability	481,528	-	481,528	-
Bonds and Direct Borrowings	8,480,475	27,570,527	36,051,002	-
Compensated Absences	497,197	114,548	611,745	-
Total Noncurrent Liabilities	<u>9,633,509</u>	<u>27,954,146</u>	<u>37,587,655</u>	<u>-</u>
Total Liabilities	<u>11,490,456</u>	<u>31,341,638</u>	<u>42,832,094</u>	<u>86,213</u>
DEFERRED INFLOWS OF RESOURCES				
Tax Apportionment	6,265,433	-	6,265,433	-
Deferred Pension Inflows	4,640,337	963,514	5,603,851	60,842
Deferred OPEB Inflows	80,124	-	80,124	-
Total Deferred Inflows of Resources	<u>10,985,894</u>	<u>963,514</u>	<u>11,949,408</u>	<u>60,842</u>
NET POSITION				
Net Investment in Capital Assets	29,463,819	29,890,539	59,354,358	5,363,378
Restricted				
CDA Programs	-	-	-	2,106,954
Debt Service	-	127,037	127,037	-
Capital	-	2,588,750	2,588,750	-
Pension asset	2,116,881	439,546	2,556,427	-
Special Revenue Activity	1,228,039	-	1,228,039	-
Unrestricted	1,817,232	1,731,190	3,548,422	(60,240)
Total Net Position	<u>34,625,971</u>	<u>34,777,062</u>	<u>69,403,033</u>	<u>7,410,092</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 57,102,321</u>	<u>\$ 67,082,214</u>	<u>\$ 124,184,535</u>	<u>\$ 7,557,147</u>

See accompanying notes to the basic financial statements

**Statement of Activities
For the Year Ended December 31, 2021**

Functions/Programs	Program Revenue				Net (Expense) Revenue and Changes in Net Position			Component Unit
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Primary Government	
Primary Government								
Governmental Activities								
General Government	\$ 1,613,973	\$ 206,464	\$ 45,000	\$ -	\$ (1,362,509)		\$ (1,362,509)	
Public Safety	3,743,250	491,275	118,926	22,371	(3,110,678)		(3,110,678)	
Public Works	2,710,809	60	888,089	2,850	(1,819,810)		(1,819,810)	
Culture and Recreation	2,435,172	507,804	333,211	50,000	(1,544,157)		(1,544,157)	
Conservation and Development	72,871	-	185,916	-	113,045		113,045	
Interest on Long-Term Debt	424,827	-	-	-	(424,827)		(424,827)	
Total Governmental Activities	<u>11,000,902</u>	<u>1,205,603</u>	<u>1,571,142</u>	<u>75,221</u>	<u>(8,148,936)</u>		<u>(8,148,936)</u>	
Business-Type Activities								
Water	1,946,407	2,333,135	-	27,068	-	\$ 413,796	413,796	
Wastewater	3,263,354	3,904,506	-	133,232	-	774,384	774,384	
Storm Sewer	508,375	542,543	-	49,800	-	83,968	83,968	
Total Business-Type Activities	<u>5,718,136</u>	<u>6,780,184</u>	<u>-</u>	<u>210,100</u>	<u>-</u>	<u>1,272,148</u>	<u>1,272,148</u>	
Total Primary Government	<u>16,719,038</u>	<u>7,985,787</u>	<u>1,571,142</u>	<u>285,321</u>	<u>(8,148,936)</u>	<u>1,272,148</u>	<u>(6,876,788)</u>	
Component Unit								
Community Development Authority	1,522,455	156,516	3,500	-				\$ (1,362,439)
Total Component Units	<u>\$ 1,522,455</u>	<u>\$ 156,516</u>	<u>\$ 3,500</u>	<u>\$ -</u>				<u>(1,362,439)</u>
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					5,251,485	-	5,251,485	-
Property Taxes, Levied for Debt Service					946,352	-	946,352	-
Other Taxes					260,730	-	260,730	-
Grants and Contributions Not Restricted to Specific Programs					3,733,039	-	3,733,039	-
Unrestricted Investment Earnings					9,287	3,346	12,633	156,661
Public Gifts and Grants					76,733	-	76,733	-
Miscellaneous					100,048	329,212	429,260	100,113
Special Item - Gain (Loss) on Retirement of Asset(s)					49,366	-	49,366	-
Special Item - Payments to Other Taxing Units					(779,597)	-	(779,597)	-
Transfers to/from CDA					(97,133)	-	(97,133)	97,133
Transfers					382,531	(382,531)	-	-
Total General Revenues, Transfers, and Special Items					<u>9,932,841</u>	<u>(49,973)</u>	<u>9,882,868</u>	<u>353,907</u>
Change in Net Position					1,783,905	1,222,175	3,006,080	(1,008,532)
Net Position - Beginning					32,842,066	33,554,887	66,396,953	8,418,624
Net Position - Ending					<u>\$ 34,625,971</u>	<u>\$ 34,777,062</u>	<u>\$ 69,403,033</u>	<u>\$ 7,410,092</u>

See accompanying notes to the basic financial statements

**Balance Sheet
Governmental Funds
December 31, 2021**

	<u>General Fund</u>	<u>Debt Service</u>	<u>TIF 4</u>	<u>Affordable Housing TIF</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and Cash Equivalents	\$ 5,874,634	\$ -	\$ 3,000	\$ 610,927	\$ 1,538,031	\$ 8,026,592
Receivables:						
Taxes	2,771,089	-	-	1,447,713	-	4,218,802
Delinquent Personal Property Taxes	6,717	-	-	-	-	6,717
Special Assessments	46,628	-	-	-	-	46,628
Accounts	-	-	-	-	2,208	2,208
Other	97,545	-	-	-	-	97,545
Due from Other Governments	-	-	-	-	172,880	172,880
Due from Other Funds	96,756	-	-	-	-	96,756
Due from CDA	71,866	-	-	-	-	71,866
Prepaid Expenses	39,352	-	-	-	-	39,352
Advances Receivable	413,429	-	-	-	-	413,429
Total Assets	<u>\$ 9,418,016</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 2,058,640</u>	<u>\$ 1,713,119</u>	<u>\$ 13,192,775</u>
LIABILITIES						
Accounts Payable	\$ 237,105	\$ -	\$ 3,000	\$ -	\$ 111,022	\$ 351,127
Accrued Liabilities	354,876	-	-	-	33,312	388,188
Due to Other Funds	-	2,376	-	-	61,718	64,094
Due to Other Governments	43,571	-	-	-	-	43,571
Advance Payable to CDA	50,000	-	-	-	-	50,000
Advances Payable	-	-	-	-	413,429	413,429
Total Liabilities	<u>685,552</u>	<u>2,376</u>	<u>3,000</u>	<u>-</u>	<u>619,481</u>	<u>1,310,409</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,203,438</u>	<u>-</u>	<u>-</u>	<u>2,058,640</u>	<u>171,349</u>	<u>6,433,427</u>
FUND BALANCE						
Nonspendable	459,498	-	-	-	-	459,498
Restricted	-	-	-	-	1,397,217	1,397,217
Assigned	1,765,170	-	-	-	-	1,765,170
Unassigned (Deficit)	2,304,358	(2,376)	-	-	(474,928)	1,827,054
Total Fund Balance	<u>4,529,026</u>	<u>(2,376)</u>	<u>-</u>	<u>-</u>	<u>922,289</u>	<u>5,448,939</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 9,418,016</u>	<u>\$ -</u>	<u>\$ 3,000</u>	<u>\$ 2,058,640</u>	<u>\$ 1,713,119</u>	<u>\$ 13,192,775</u>

See accompanying notes to the basic financial statements

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2021**

Total fund balance, governmental funds	\$	5,448,939
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.</p>		38,568,016
<p>The net pension asset (liability) is not a current financial resource and is, therefore, not reported in the fund statements.</p>		2,116,881
<p>The net OPEB asset (liability) is not a current financial obligation and is, therefore, not reported in the fund statements.</p>		(481,528)
<p>Pension and OPEB deferred outflows of resources and deferred inflows of resources are actuarially determined by the defined benefit pension and OPEB plans. These items are reflected in the Statement of Net Position and are being amortized with pension and OPEB expense in the Statement of Activities. The deferred outflows of resources and deferred inflows of resources are not financial resources or uses and therefore are not reported in the fund financial statements.</p>		(1,018,291)
<p>Deferred inflows of resources are reported in the fund financial statement, but are already recognized as earned in the Statement of Position.</p>		91,665
<p>Some liabilities, (such as General Obligation Debt, Long-Term Compensated Absences, and Leases Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.</p>		
<p>Long-term debt current portion</p>	\$	868,621
<p>Long-term debt non-current portion</p>		8,480,475
<p>Unamortized premium on debt</p>		174,309
<p>Compensated absences long-term portion</p>		497,197
<p>Accrued interest</p>		79,109
<p>Net Position of Governmental Activities in the Statement of Net Position</p>		(10,099,711)
	\$	34,625,971

See accompanying notes to the basic financial statements

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General Fund	Debt Service	TIF 4	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
Property Taxes	\$ 3,136,502	\$ 942,883	\$ 2,028,288	\$ 90,165	\$ 6,197,838
Other Taxes	259,944	-	92,500	-	352,444
Special Assessment Revenue	3,308	-	-	-	3,308
Intergovernmental	4,698,015	-	93,278	621,412	5,412,705
License and Permits	148,817	-	-	-	148,817
Fines, Forfeits and Penalties	295,900	-	-	-	295,900
Public Charges for Services	68,799	-	-	420,850	489,649
Intergovernmental Charges for Services	-	-	-	268	268
Interest Income	6,756	-	-	1,806	8,562
Miscellaneous Income	146,029	(121)	-	215,243	361,151
Total Revenues	<u>8,764,070</u>	<u>942,762</u>	<u>2,214,066</u>	<u>1,349,744</u>	<u>13,270,642</u>
EXPENDITURES					
Current:					
General Government	1,635,537	-	-	-	1,635,537
Public Safety	4,108,309	-	-	24,772	4,133,081
Public Works	1,860,778	-	-	139,031	1,999,809
Culture, Recreation and Education	598,205	-	-	1,676,878	2,275,083
Conservation and Development	-	-	3,975	68,140	72,115
Capital Outlay	211,688	-	475	283,052	495,215
Debt Service:					
Principal Repayment	-	2,766,456	-	-	2,766,456
Interest Expense	-	312,916	142,859	-	455,775
Total Expenditures	<u>8,414,517</u>	<u>3,079,372</u>	<u>147,309</u>	<u>2,191,873</u>	<u>13,833,071</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>349,553</u>	<u>(2,136,610)</u>	<u>2,066,757</u>	<u>(842,129)</u>	<u>(562,429)</u>
OTHER FINANCING SOURCES (USES)					
Payments to overlying taxing jurisdictions	-	-	(708,262)	(71,335)	(779,597)
Transfers In	737,531	2,090,936	-	630,917	3,459,384
Transfers Out	(630,917)	-	(2,378,326)	(67,609)	(3,076,852)
Transfers Out to CDA	-	-	(75,000)	(22,133)	(97,133)
Total Other Financing Sources and Uses	<u>106,614</u>	<u>2,090,936</u>	<u>(3,161,588)</u>	<u>469,840</u>	<u>(494,198)</u>
Net Change in Fund Balances	456,167	(45,674)	(1,094,831)	(372,289)	(1,056,627)
Fund Balances (Deficits) - Beginning	4,072,859	43,298	1,094,831	1,294,578	6,505,566
Fund Balances - Ending	<u>\$ 4,529,026</u>	<u>\$ (2,376)</u>	<u>\$ -</u>	<u>\$ 922,289</u>	<u>\$ 5,448,939</u>

See accompanying notes to the basic financial statements

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2021**

Net change in fund balances - total governmental funds: \$ (1,056,627)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital additions \$1,068,836 were less than depreciation of \$1,655,800 in the current period. (586,964)

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports the gain or (loss) on the sale of the assets. Thus, the change in net position differs from the change in fund balance by the cost of the asset sold. 8,772

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. This represents revenues which were recorded on the government-wide financial statements in the current year but not yet recognized in the fund financial statements. (407)

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. The following is a summary of the debt activity for the year.

Debt repayment - general obligation 2,766,456

Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds:

Adjustment for accrued interest not reflected on Governmental Funds	17,502
Adjustment for decrease in compensated absences	56,649
Adjustment for amortization expense not reflected on Governmental Funds	13,447

Pension and OPEB expense reported in the governmental funds represents current year required contributions into the defined benefit pension and OPEB plans. Pension and OPEB expense in the Statement of Activities are actuarially determined by the defined benefit pension and OPEB plans as differences between net pension asset/net OPEB liability from the prior year to the current year, with some adjustments. 565,077

Change in net position of governmental activities \$ 1,783,905

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
Proprietary Funds
December 31, 2021**

Enterprise Funds

	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Total</u>
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,510,676	\$ 1,691,343	\$ (53,873)	\$ 3,148,146
Receivables				
Accounts	203,695	371,370	99,791	674,856
Other	-	70,680	-	70,680
Inventories	22,500	-	-	22,500
Total Current Assets	<u>1,736,871</u>	<u>2,133,393</u>	<u>45,918</u>	<u>3,916,182</u>
Restricted Assets:				
Restricted Cash	286,805	3,880,390	-	4,167,195
Net Pension Asset	156,855	217,840	64,851	439,546
Total Restricted Assets	<u>443,660</u>	<u>4,098,230</u>	<u>64,851</u>	<u>4,606,741</u>
Capital Assets:				
Construction Work-In-Progress	914,894	99,651	30,593	1,045,138
Land	224,506	4,498,925	-	4,723,431
Utility Plant	22,065,268	55,775,995	7,109,740	84,951,003
Less Accumulated Depreciation	(8,206,072)	(23,838,267)	(810,997)	(32,855,336)
Net Capital Assets	<u>14,998,596</u>	<u>36,536,304</u>	<u>6,329,336</u>	<u>57,864,236</u>
Total Assets	<u>17,179,127</u>	<u>42,767,927</u>	<u>6,440,105</u>	<u>66,387,159</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	259,644	360,592	107,350	727,586
Total Deferred Outflows of Resources	<u>259,644</u>	<u>360,592</u>	<u>107,350</u>	<u>727,586</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 17,438,771</u>	<u>\$ 43,128,519</u>	<u>\$ 6,547,455</u>	<u>\$ 67,114,745</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
Proprietary Funds
December 31, 2021**

Enterprise Funds

	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Total</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 587,914	\$ 114,991	\$ 6,728	\$ 709,633
Accrued Liabilities	13,625	23,550	3,291	40,466
Accrued Interest Payable	33,861	92,134	18,584	144,579
Due to Other Funds	32,531	-	-	32,531
Unearned Grant Advance	232,866	204,168	-	437,034
Compensated Absences	3,523	7,766	3,535	14,824
Current Portion of Long-Term Debt	351,300	1,554,656	135,000	2,040,956
Total Current Liabilities	<u>1,255,620</u>	<u>1,997,265</u>	<u>167,138</u>	<u>3,420,023</u>
Non-Current Liabilities:				
Long-Term Debt				
Notes Payable	219,100	90,900	270,000	580,000
Bonds and Loans Payable	4,025,000	21,630,527	1,335,000	26,990,527
Unamortized Debt Premium	131,666	109,634	27,771	269,071
Total Long-Term Debt	<u>4,375,766</u>	<u>21,831,061</u>	<u>1,632,771</u>	<u>27,839,598</u>
Other Liabilities:				
Compensated Absences	25,501	59,095	29,952	114,548
Total Other Liabilities	<u>25,501</u>	<u>59,095</u>	<u>29,952</u>	<u>114,548</u>
Total Non-Current Liabilities	<u>4,401,267</u>	<u>21,890,156</u>	<u>1,662,723</u>	<u>27,954,146</u>
Total Liabilities	<u>5,656,887</u>	<u>23,887,421</u>	<u>1,829,861</u>	<u>31,374,169</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	343,837	477,518	142,159	963,514
Total Deferred Inflows of Resources	<u>343,837</u>	<u>477,518</u>	<u>142,159</u>	<u>963,514</u>
NET POSITION				
Net Investment in Capital Assets	10,549,154	14,779,820	4,561,565	29,890,539
Restricted				
Debt	-	127,037	-	127,037
Capital	-	2,588,750	-	2,588,750
Pension asset	156,855	217,840	64,851	439,546
Unrestricted	732,038	1,050,133	(50,981)	1,731,190
Total Net Position	<u>11,438,047</u>	<u>18,763,580</u>	<u>4,575,435</u>	<u>34,777,062</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 17,438,771</u>	<u>\$ 43,128,519</u>	<u>\$ 6,547,455</u>	<u>\$ 67,114,745</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2021**

	Enterprise Funds			
	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Total</u>
OPERATING REVENUES				
Charges for Services	\$ 2,333,135	\$ 3,904,506	\$ 527,543	\$ 6,765,184
Other Operating Revenues	-	-	15,000	15,000
Total Operating Revenues	<u>2,333,135</u>	<u>3,904,506</u>	<u>542,543</u>	<u>6,780,184</u>
OPERATING EXPENSES				
Operation and Maintenance	1,384,340	1,407,640	353,026	3,145,006
Depreciation	413,122	1,308,672	100,685	1,822,479
Total Operating Expenses	<u>1,797,462</u>	<u>2,716,312</u>	<u>453,711</u>	<u>4,967,485</u>
Operating Income (Loss)	<u>535,673</u>	<u>1,188,194</u>	<u>88,832</u>	<u>1,812,699</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest and Investment Revenue	618	2,698	30	3,346
Miscellaneous Non-Operating Revenues	207,785	119,697	1,730	329,212
Interest Expense	(148,945)	(547,042)	(54,664)	(750,651)
Total Non-Operating Revenue (Expenses)	<u>59,458</u>	<u>(424,647)</u>	<u>(52,904)</u>	<u>(418,093)</u>
Income (Loss) Before Contributions and Transfers	<u>595,131</u>	<u>763,547</u>	<u>35,928</u>	<u>1,394,606</u>
Capital Contributions	27,068	133,232	49,800	210,100
Transfers Out	(350,480)	(7,051)	(25,000)	(382,531)
Change in Net Position	271,719	889,728	60,728	1,222,175
Total Net Position - Beginning	11,166,328	17,873,852	4,514,707	33,554,887
Total Net Position - Ending	<u>\$ 11,438,047</u>	<u>\$ 18,763,580</u>	<u>\$ 4,575,435</u>	<u>\$ 34,777,062</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021**

	Water	Wastewater	Stormwater	Totals 2021
<u>Cash Flows From Operating Activities:</u>				
Receipts from customers	\$ 2,331,093	\$ 3,893,189	\$ 492,656	\$ 6,716,938
Payments to suppliers	(765,755)	(588,034)	(136,309)	(1,490,098)
Payments to employees	(529,689)	(827,138)	(253,084)	(1,609,911)
Taxes paid	(350,480)	(7,051)	-	(357,531)
Net cash provided (used) by operating activities	<u>685,169</u>	<u>2,470,966</u>	<u>103,263</u>	<u>3,259,398</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>				
Acquisition and construction of plant assets	(899,159)	(598,845)	(275,792)	(1,773,796)
Principal payments on long-term debt	(331,300)	(1,501,925)	(135,000)	(1,968,225)
Interest paid	(161,753)	(561,845)	(55,024)	(778,622)
Capital grants	427,653	253,185	-	680,838
Net cash provided (used) by capital and related financing activities	<u>(964,559)</u>	<u>(2,409,430)</u>	<u>(465,816)</u>	<u>(3,839,805)</u>
<u>Cash Flows From Investing Activities:</u>				
Interest on investments	618	2,698	30	3,346
Net cash provided (used) by investing activities	<u>618</u>	<u>2,698</u>	<u>30</u>	<u>3,346</u>
Net increase (decrease) in cash and equivalents	(278,772)	64,234	(362,523)	(577,061)
Cash and equivalents - beginning of year	<u>2,076,253</u>	<u>5,507,499</u>	<u>308,650</u>	<u>7,892,402</u>
Cash and equivalents - end of year	<u>\$ 1,797,481</u>	<u>\$ 5,571,733</u>	<u>\$ (53,873)</u>	<u>\$ 7,315,341</u>

See accompanying notes to basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021**

	Water	Wastewater	Stormwater	Totals 2021
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 535,673	\$ 1,188,194	\$ 88,832	\$ 1,812,699
Adjustments to Reconcile Operating Income (Loss):				
Other	-	-	1,730	1,730
Joint meter	24,830	(24,830)	-	-
Cash Provided (Used) by Operating Activities:				
Tax equivalent	(350,480)	(7,051)	-	(357,531)
Amortization	12,998	-	-	12,998
Depreciation	413,122	1,308,672	100,685	1,822,479
Transfer out	-	-	(25,000)	(25,000)
Pension expense	(44,190)	(61,371)	(18,936)	(124,497)
Changes in Assets and Liabilities:				
Customer accounts receivable	(2,042)	(11,317)	(49,887)	(63,246)
Due from/to other funds	7,737	-	-	7,737
Prepayments	10,945	28,994	-	39,939
Accounts payable	103,531	46,062	2,068	151,661
Accrued liabilities	(26,955)	3,613	3,771	(19,571)
Net cash provided (used) by operating activities	\$ 685,169	\$ 2,470,966	\$ 103,263	\$ 3,259,398
Reconciliation of cash and cash equivalents to statement of net position accounts				
Cash and cash equivalents	\$ 1,510,676	\$ 1,691,343	\$ (53,873)	\$ 3,148,146
Restricted Cash	286,805	3,880,390	-	4,167,195
Total cash and investments	\$ 1,797,481	\$ 5,571,733	\$ (53,873)	\$ 7,315,341

See accompanying notes to basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2021**

	Tax Custodial Fund
ASSETS	
Cash and Cash Equivalents	\$ 3,622,682
Receivables:	
Taxes Receivable	7,041,780
Total Assets	<u>\$ 10,664,462</u>
LIABILITIES	
Due to Other Funds	\$ 133
Due to Other Governments	10,664,329
Total Liabilities	<u>\$ 10,664,462</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2021**

	Tax Custodial Fund
ADDITIONS	
Property tax collections for other governments	\$ 6,710,800
Total additions	6,710,800
 DEDUCTIONS	
Payments of taxes to other governments	6,710,800
Total deductions	6,710,800
Net increase (decrease) in fiduciary net position	-
Net position - Beginning	-
Net position - Ending	\$ -

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies

The accounting policies of the City of Whitewater, Wisconsin, conform to generally accepted accounting principles as applicable to governmental units.

A. Reporting Entity

This report includes all of the funds of the City of Whitewater (the “City”). The reporting entity for the City consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity’s financial statements to be misleading or incomplete. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. The primary government is financially accountable if it appoints a voting majority of the organization’s governing body and it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. Blended component units, although legally separate entities, are, in substance, part of the government’s operations and are reported with similar funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the primary government.

Discretely Presented Component Unit

The government-wide financial statements include the City of Whitewater Community Development Authority (“CDA”) as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the city council. Wisconsin Statutes provide for circumstances whereby the City can impose their will on the CDA, and also create a potential financial benefit to or burden on the City. See Note 15. As a component unit, the CDA’s financial statements have been presented as a discrete column in the financial statements. The information presented is for the fiscal year ended 2021. The CDA does not issue separate financial statements.

Excluded Component Unit

The City considered the potential of the Whitewater Volunteer Fire Department (the “Department”) as a component unit, but excluded it since the City does not control the Department nor can it access its financial resources. See Note 13.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

“Government-wide” financial statements are basic financial statements required for all governmental units. The statement of net position and the statement of activities are the two required statements. Both statements are prepared on the full accrual basis. The modified accrual basis of accounting continues to be the appropriate basis of accounting for governmental activity fund financial statements.

In addition, all funds in the government-wide financial statements are reported as business-type activities, governmental activities or fiduciary funds. The definitions for these types of activities are discussed in other portions of Note 1.

Finally, all non-fiduciary funds are further classified as major or non-major funds. In reporting financial condition and results of operations for governmental units, the new standard concentrates on major funds versus non-major funds.

The statement of net position and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues. Business-type activities are financed in whole or in part by fees charged to external parties for goods or services.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The City does not allocate indirect expenses to functions in the statement of activities. 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 or segment. Taxes and other items not included among program revenues are reported instead as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

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

Separate financial statements are provided for governmental, proprietary, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

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

1. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type.
2. Total assets and deferred outflows of resources, liabilities and deferred inflows of resources, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.
3. In addition, any other governmental or proprietary fund that the City believes is particularly important to financial statement users may be reported as a major fund.

Major Governmental Funds

The City reports the following major governmental funds:

General Fund – Accounts for the City’s primary operating activities. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – Accounts for resources accumulated and payments made for principal and interest on long-term debt other than TID or enterprise debt.

Tax Incremental Financing District No. 4 (TIF No. 4) – Transactions of the City’s tax incremental districts are accounted for as a capital projects fund. This District was terminated in 2021 and a new Fund was created for affordable housing.

Affordable Housing TIF – Accounts for expenditures related to affordable housing. This District will be funded by the remaining TIF 4 property increment to be collected in 2022.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Major and Non-Major Enterprise Funds

The City reports the following major and non-major enterprise funds:

Enterprise Funds – Used to account for operations (1) that are financed and operated in a manner similar to private business enterprise – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. The following enterprise funds are included in these statements:

Water Utility – Accounts for the operations of the water system. (Major Fund)

Wastewater Utility – Accounts for the operations of the sewer system. (Major Fund)

Stormwater Utility – Accounts for the operations of the stormwater system (Non-Major Fund)

Non-Major Governmental Funds

The City reports the following non-major governmental funds:

Special Revenue Funds – Used to account for the proceeds of specific revenue sources (other than major capital projects) that is legally restricted to expenditures for specific purposes. Non-major special revenue funds included in these statements are the following:

Cable TV Fund

Library Special Revenue Fund

Taxicab Grant Program Fund

Parkland Acquisition Fund

Parkland Development Fund

Forestry Fund

Rescue Squad Equipment/Education Fund

Parking Permit Fund

Police Department Trust Fund

Parks and Recreation Fund

Field of Dreams Fund

Aquatic Center Fund

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

B. Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Capital Projects Funds – Used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). Non-major capital projects funds included in these statements are the following:

Tax Incremental Districts No. 5-14. TIF 5- 9 were terminated in 2021. TIF 10-14 were created in 2021. In addition the Other Capital Projects Fund is a non-major fund.

Fiduciary funds consist of pension (and other employee benefit) trust funds, private-purpose trust funds, investment trust funds, and custodial funds. Fiduciary funds should be used only to report resources held for individuals, private organizations, or other governments. A fund is presented as a fiduciary fund when all of the following criteria are met: a) The government *controls* the assets that finance the activity, b) Assets are *not* generated from the *government's own-source revenues* or from government-mandated or voluntary nonexchange transactions, c) Assets are administered through a *qualifying trust* or the government does *not* have *administrative involvement* and the assets are *not* generated from the *government's delivery of goods or services* to the beneficiaries, or the assets are for the benefit of *entities that are not part of the government's reporting entity*.

The City reports the following fiduciary funds:

Custodial Funds – Used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units. The City accounts for tax collections payable to overlying taxing jurisdictions in a custodial fund.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to what is being measured, basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-Wide Financial Statements

The government-wide statement of net position and statement of activities are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Deferred outflows of resources represent a consumption of resources that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflows of resources represent an acquisition of resources that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. Property taxes are recognized as revenues in the year for which they are levied. Taxes receivable for the following year are recorded as receivables and deferred inflows of resources. Grants and similar items are recognized as revenue when earned.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Government-Wide Financial Statements (Continued)

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

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt, claims, judgments, compensated absences, and pension expenditures, which are recorded as a fund liability when expected to be paid with expendable available financial resources.

Property taxes are recorded in the year levied as receivables and deferred inflows of resources. They are recognized as revenues in the succeeding year when services financed by the levy are being provided.

Intergovernmental aids and grants are recognized as revenues in the period the City is entitled to the resources and the amounts are available. Amounts owed to the City, which are not available, are recorded as receivables and deferred inflows of resources. Amounts received prior to the entitlement period are also recorded as deferred inflows of resources.

Special assessments are recognized as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and deferred inflows of resources.

Delinquent special assessments being held for collection by the county are reported as receivables and nonspendable fund balance in the General Fund.

Revenues susceptible to accrual include property taxes, miscellaneous taxes, and public charges for services, special assessments, and interest. Other general revenues such as fines and forfeitures, inspection fees, recreation fees, and miscellaneous revenues are recognized when received in cash or when measurable and available under the criteria described above.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Fund Financial Statements (Continued)

The City reports deferred inflows of resources on its governmental funds balance sheet. Deferred inflows of resources arise from taxes levied in the current year, which are for subsequent year's operations. For governmental fund financial statements, deferred inflows of resources arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred inflows of resources also arise when resources are received before the City has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred inflows of resources is removed from the balance sheet and revenue is recognized.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and accrual basis of accounting, as described previously in this note. Agency funds follow the accrual basis of accounting and do not have a measurement focus.

The proprietary funds follow all pronouncements of the Governmental Accounting Standards Board ("GASB"). The 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 Water and Sewer Utilities are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

D. Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents/Investments

Investment of City funds is restricted by State statutes. Available investments are limited to:

- (1) Deposits in any credit union, bank, savings bank, trust company or savings and loan association which is authorized to transact business in this State if the time deposits mature in not more than three years.
- (2) Bonds or securities issued or guaranteed as to principal and interest by the federal government, or by a commission, board or other instrumentality of the federal government.
- (3) Bonds or securities of any county, drainage district, VTAE district, village, city, town, district or school district of this State.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Cash and Cash Equivalents/Investments (Continued)

Investment of City funds is restricted by State statutes. Available investments are limited to:

- (4) Any security which matures or which may be tendered for purchase at the option of the holder within not more than seven years of the date on which it is acquired, if that security has a rating which is the highest or second highest rating category assigned by Standard & Poor's Corporation, Moody's Investor Service or other similar nationally recognized rating agency or if that security is senior to, or on a parity with, a security of the same issuer which has such a rating.
- (5) Bonds or securities issued under the authority of the municipality.
- (6) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes.
- (7) Agreements in which a public depository agrees to repay funds advanced to it by the City plus interest, if the agreement is secured by bonds or securities issued or guaranteed as to principal and interest by the federal government.
- (8) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (9) Repurchase agreements with public depositories, with certain conditions.
- (10) Bonds issued by the University of Wisconsin Hospital and Clinics Authority and the Wisconsin Aerospace Authority.

The City has adopted an investment policy. That policy follows the State statute for allowable investments, but does not specifically address the risk described in Note 2.

Investments are stated at fair value, which is the amount at which an investment could be exchanged in a current transaction between willing parties. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income. Investment income on commingled investments of municipal accounting funds is allocated based on average balances. The difference between the bank balance and carrying value is due to outstanding checks and/or deposits in-transit. See Note 2 for additional information.

Proprietary Cash and Equivalents

For purposes of the proprietary fund statement of cash flows, the City considers all highly liquid investments, with a maturity of less than three months, when purchased, to be cash equivalents. This consists of current cash and investments.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Taxes Receivable

Property taxes are levied prior to the end of the calendar year and are due and collectible in the following year. Property taxes attach as an enforceable lien as of January 1. The City's portion of taxes is recorded as a receivable in the General Fund. The County acts as the collecting agency for all City taxes. Since City property taxes are not considered available until January 1 of the year following the levy, they are recorded as deferred inflows of resources in the funds budgeted therefore. Taxes are levied in December on the assessed value as of the prior January 1.

Property tax calendar – 2021 tax roll

Lien date and levy date	December, 2021
Tax Bills mailed	December, 2021
Payment in full, or	January 31, 2022
First installment due	January 31, 2022
Second installment due	July 31, 2022
Personal property taxes in full	January 31, 2022
Tax sale – 2021 delinquent real estate taxes	October, 2024

Allowance for Uncollectible Accounts

General Fund accounts receivable have been adjusted for all known uncollectible accounts. No allowance is necessary at year-end. Delinquent real estate taxes as of July 31 are paid in full by the county, which assumes the collection thereof. No provision for uncollectible accounts receivable has been made for delinquent Water and Sewer billings because the utilities have the right by law to place delinquent bills on tax roll and other delinquent bills are not significant.

Interfund Transactions

During the course of operations, transactions occur between individual funds that may result in amounts owed between funds. Short-term interfund loans are reported as “due to and from other funds”. Long-term interfund loans (noncurrent portion) are reported as “advances from and to other funds”. Interfund receivables and payables between funds within governmental activities are eliminated in the statement of net position. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

In the governmental fund financial statements, advances to other funds are offset equally by a fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Special Assessments

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Deferred inflows of resources for 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. Special assessments of enterprise funds are recorded as non-operating revenue at the time of assessment, if subject to collection. Deferred inflows of resources for special assessments, those not subject to collection, are recorded as other liability until such time they are subject to collection.

Uncollected installments placed on prior year tax rolls are held for collection by the County and are remitted to the City upon collection by the County. These delinquent installments are financed by the General Fund.

Inventories and Prepaid Items

Governmental fund inventory items are charged to expenditure accounts when purchased. Year-end inventory was not significant. Proprietary fund inventories are generally used for construction, operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction or operation and maintenance expense when used.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Restricted Assets

Mandatory segregations of assets are presented as restricted assets. Such segregations are required by bond agreements and other external parties. Current liabilities payable from these restricted assets are also classified. The excess of restricted assets over current liabilities payable from restricted assets will be used first for retirement of related long-term debt. The remainder, if generated from earnings, is shown as restricted net position.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Capital Assets

Government-Wide Statements

In the government-wide financial statements, fixed assets are accounted for as capital assets. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general capital assets including infrastructure assets, and an estimated useful life in excess of 1 year. All capital assets are valued at historical cost or estimated historical cost if actual amounts are unavailable. Donated fixed assets are recorded at their estimated fair value at the date of donation.

Prior to January 2003, infrastructure assets of governmental funds were not capitalized. The City has retroactively reported all infrastructure acquired by its governmental fund types.

General Fixed Assets – Fixed assets acquired or constructed for general governmental services are recorded as expenditures in the fund from which the disbursements are made. Generally accepted accounting principles require that these fixed assets be capitalized at cost in the government-wide financial statements. Contributed fixed assets are to be recorded in the government-wide financial statements at fair market value at the time received. Interest incurred during construction is not capitalized.

Depreciation on governmental fixed assets is calculated straight-line based on the estimated useful life of assets. The estimated useful life of assets is determined by industry standards as recommended by GASB.

Proprietary Fund Fixed Assets - Assets in the enterprise fund are capitalized at cost or fair value at date of contribution or acquisition. Normal repairs and maintenance that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining lives of the related assets. Net interest costs incurred for long-term debt issued for construction purposes is capitalized during the period of construction. Net interest cost consists of interest expense on long-term debt proceeds. No interest was capitalized in 2021.

Depreciation is charged over the estimated service life of the assets using the straight-line method. Annual depreciation charges are determined using the average utility plant in service and rates ranging from 1.0% to 6.0% for the Water Utility and 1.32% for the Wastewater Utility, depending on the various classes of property, in the respective utilities. The Stormwater Utility assets are depreciated straight-line over useful lives ranging from 40-85 years.

Fund Financial Statements

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Debt Issuance Costs

Debt issuance costs are recognized in the current period for the government-wide, proprietary, and governmental fund statements.

Deferred charges are recorded in the enterprise fund for extraordinary repairs. Costs are amortized over the estimated life of repair.

Compensated Absences

Governmental Funds

Under terms of employment, employees are granted sick leave and vacations in varying amounts. The entire accumulation is recorded in the statement of net position. See Note 7.

All Funds

Payments for vacation and sick leave will be made at rates in effect when the benefits are used. Accumulated vacation and sick leave liabilities at December 31, 2021 are determined on the basis of current salary rates and include salary related payments.

Long-Term Obligations/Conduit Debt

All long-term obligations to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term obligations consist primarily of notes and bond payable, and accrued compensated absences.

All short term and long-term obligations expected to be financed from proprietary fund type operations are accounted for as those fund liabilities.

Proceeds of long-term debt issues not recorded as fund liabilities are reflected as “Other Financing Sources” in the operating statement of the recipient fund. Retirement of these issues is reported as an expenditure of the debt service fund in the year in which the debt matures or is repaid, whichever is earlier.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Long-Term Obligations/Conduit Debt (Continued)

For the government-wide statements and the proprietary fund statements, bond premiums and discounts amortized over the life of the issue using the straight-line method. Gains or losses on prior refunding are amortized over the remaining life of the old debt, or the life of the new debt, whichever is shorter. The balance at year-end for both premiums/discounts and gains/losses, as applicable, is shown in the deferred outflows of resources or inflows of resources sections of the balance sheet.

The City had approved the issuance of industrial revenue bonds (IRB) for the benefit of private business enterprises. IRB's are secured by mortgages or revenue agreements on the associated projects, and do not constitute indebtedness of the City. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The total amount of IRB's outstanding at the end of the year is zero.

Claims and Judgments

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

Equity Classifications

Government-Wide Statements

Equity is classified as net position and displayed in three components:

1. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
2. Restricted – Consists of net assets with constraints placed on their use either 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.
3. Unrestricted – All other net position that does not meet the definition of “restricted” or “net investment in capital assets”.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

D. Assets, Liabilities, and Net Position or Equity (Continued)

Equity Classifications (Continued)

Fund Financial Statements

Government fund equity is classified as fund balance.

In the fund financial statements, governmental fund balance is presented in five possible categories:

1. Nonspendable – Resources which cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.
2. Restricted – Resources with constraints placed on the use of resources are either (1) externally imposed by the creditors (such as through debt covenants), grantors, contributors, or law and regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.
3. Committed – Resources which are subject to limitations the government imposes upon itself through formal action of the City Council, and that remain binding unless removed in the same manner.
4. Assigned – Resources neither restricted nor committed for which a government has stated intended use for a specific purpose. This intent can be expressed through the City Council or through the City Council delegating this responsibility to the City Finance Director through the budgetary process.
5. Unassigned – Resources which cannot be properly classified in one of the other four categories. Unassigned balances also include negative balances in the governmental funds reporting resources restricted for specific programs.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

E. Utility Rates

Current water rates were approved by the City effective August 27, 2021. Current wastewater rates were approved by the City Council on June 27, 2019 and stormwater rates were approved by the City Council on December 29, 2015.

F. Income Taxes

The City of Whitewater Water, Wastewater, and Stormwater Utilities are municipal utilities. Municipal utilities are exempt from income taxes and therefore no income tax liability is recorded.

G. Deficit Balances

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year-end. As of December 31, 2021, the following individual funds held a deficit balance:

Debt Service (deficit)	\$ (2,376)
Aquatic Center (deficit)	(413,428)
TID 10 (deficit)	(18,660)
TID 11 (deficit)	(10,710)
TID 12 (deficit)	(10,710)
TID 13 (deficit)	(10,710)
TID 14 (deficit)	(10,710)

The TIF deficits are anticipated to be replenished with future increments. The Debt Service Fund will be replenished with future tax revenues. The Aquatic Center Fund deficit is financed internally and will be monitored over the next few years.

H. Tax Incremental Financing District

The City has 5 active Tax Incremental Districts (TIF's). TIFs 4-9 were terminated. TIFs 10-14 were created. TIF's are authorized by Section 66.1105 of the Wisconsin Statutes. It is a method by which the City can recover its project costs in the designated district of the City. Those costs are recovered through tax increments, which are placed on the tax rolls. TIF 4 will receive increment into 2022 with the increment ear-marked for affordable housing.

I. Capital Contributions

Capital contributions represent the value of infrastructure contributed or paid by developers for plant. They are recorded as additions to net position in the government-wide statements and proprietary fund statements. These amounts are not subject to repayment.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies (Continued)

J. Advances to Other Funds

Non-current portions of long-term interfund loan receivables are reported as advances and are offset equally by a fund balance reserve account which indicates that they do not constitute expendable available financial resources and therefore are not available for appropriation.

K. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources, and deferred inflows of resources related to pensions, pension expense (revenue), information about the fiduciary net position of the Wisconsin Retirement System (“WRS”), and additions to/deductions from WRS’ fiduciary net position have been determined on the same basis as they are reported by the WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefits terms. Investments are reported at fair value.

L. Other Post-Employment Benefits

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 other postemployment benefits (“OPEB”) liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense (revenue), and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF’s fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

M. Deferred Outflows of Resources and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expenditure) until then. The City has two items that qualify for reporting in this category. The deferred outflows of resources are for the WRS pension system and the LRLIF.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position which applies to a future period and will not be recognized as an inflow of resources (revenue) until then. The City has three items that qualify for reporting in the category. The deferred inflows of resources are related to the deferred property tax revenue to be received in 2022, along with the WRS pension system and the LRLIF.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

2. Cash and Investments

As previously discussed, cash for all City funds is pooled for investment purposes. At December 31, 2021, the cash and investments consist of the following:

	Carrying Value	Bank Balance	Associated Risk
Deposits in financial institutions - City	\$ 14,657,162	\$ 14,826,013	Custodial credit risk, interest rate risk
Deposits in financial institutions - CDA	817,674	817,674	Custodial credit risk, interest rate risk
LGIP	4,311,088	4,311,088	Credit risk, interest rate risk
Total Cash and Investments	\$ 19,785,924	\$ 19,954,775	

Reconciliation to financial statements

Per statement of net position

Primary government

Cash and Cash Equivalents \$ 11,174,737

Restricted Cash and Cash Equivalents 4,167,195

Component unit 821,310

Fiduciary Funds

Tax Custodial Fund 3,622,682

Total Cash and Investments \$ 19,785,924

A. 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. As of December 31, 2021, the Local Government Investment Pool (“LGIP”) investments have an average maturity of 61 days and a fair value of \$4,311,088.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

2. Cash and Investments (Continued)

B. 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. The City has no investment policy that would further limit its investments choices.

The LGIP is part of the State Investment Fund (“SIF”), and is managed by the State of Wisconsin Investment Board (SWIB). 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. All investments are valued at amortized cost by the SIF for purposes of calculating earnings to each participant. Specifically, the SIF distributes income to pool participants monthly, based on their average daily share balance. Distributions include interest income based on stated rates (both paid and accrued), amortization of discounts and premiums on a straight-line basis, realized investment gains and losses calculated on an amortized cost basis, and investment expenses. This method does not distribute to participants any unrealized gains or losses generated by the pool’s investments. Detailed information about the SIF is available in separately issued financial statements available at <https://doa.wi.gov/Pages/StateFinances/LGIP.aspx>.

Participants in the LGIP have the right to withdraw their funds in total on one day’s notice. At December 31, 2021, the fair value of the City’s share of the LGIP’s assets was substantially equal to the amount reported above. Information on derivatives was not available to the City.

Investment allocation in the LGIP as of December 31, 2021 was: 81% in U.S. Government Securities, 3% in Certificates of Deposit and Bankers’ Acceptances and 16% in Commercial Paper and Corporate Notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

C. Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City would 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 risk for investments is the risk that, in the event of failure of the counterparty (e.g. broker-dealer) to a transaction, the City would not be able to recover the value of its investment of collateral securities that are in the possession of another party.

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings deposit accounts and \$250,000 for demand deposit accounts. Deposits in credit unions are insured by the National Credit Union Administration in the amount of \$250,000 for all share draft accounts, and \$250,000 for all share certificate and regular share accounts.

Bank accounts, credit union accounts, and the local government investment pool are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may be significant to individual municipalities. This has been considered when determining custodial credit risk.

The City’s uninsured deposits in financial institutions are collateralized by various instruments. These include depository bonds and collateralized investments.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

2. Cash and Investments (Continued)

As of December 31, 2021, the City's deposits with financial institutions in excess of federal depository insurance limits that were exposed to custodial credit risk are listed below:

Uninsured and collateralized by depository bond	\$ 5,176,248
Uninsured and collateral held by the pledging financial institution's trust department or agent not in the City's name	\$ 8,841,366
Uninsured and uncollateralized	\$ -

D. Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer.

3. Receivables

The following accounts receivable amounts are not expected to be collected within one year:

	General
Delinquent personal property taxes	\$ 6,717
Special assessments	12,237
Total	\$ 18,954

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Property taxes levied for the subsequent year are not earned and cannot be used to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of deferred inflows of resources and unearned revenue reported in the governmental funds were as follows:

	Unearned	Total
Property taxes receivable for subsequent year	\$6,259,575	\$6,259,575
Other items	2,504	2,504
University receivable	91,667	91,667
Tournament fees	3,354	3,354
Total Deferred Inflows of Resources For Governmental Funds	\$6,357,100	\$6,357,100

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

4. Restricted Assets

The following represent the balances of the restricted cash and cash equivalents:

Long-Term Debt Accounts

Redemption – Used to segregate resources accumulated for debt service payments over the next twelve months.

Reserve – Used to report resources set aside to make up potential future deficiencies in the redemption account.

Equipment Replacement Account

The Wastewater Utility established an equipment replacement account to be used for significant mechanical equipment replacement as required by the Wisconsin Department of Natural Resources.

Clean Water Fund Loan Account

The Wastewater Utility established this account in order to track clean water fund loan proceeds and reimbursements.

Following is a list of the restricted cash and cash equivalents at December 31, 2021:

	<u>Water Utility</u>	<u>Wastewater Utility</u>	<u>Totals</u>
Restricted Assets			
Redemption account	\$ 9,182	\$ 219,171	\$ 228,353
Reserve account	277,623	1,077,469	1,355,092
Connection account	-	362,708	362,708
DNR Replacement account	-	2,221,042	2,221,042
	<u> </u>	<u> </u>	<u> </u>
Total Restricted Assets	<u>\$ 286,805</u>	<u>\$ 3,880,390</u>	<u>\$ 4,167,195</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

5. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2021, was as follows:

	1/1/2021 Beginning Balance	Additions	Deletions	12/31/2021 Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated				
Construction in Progress	\$ -	\$ 70,684	\$ -	\$ 70,684
Land	3,054,920	-	-	3,054,920
Right of way	1,879,406	-	-	1,879,406
Land improvements	4,841,168	-	-	4,841,168
Total Capital Assets Not Being Depreciated	<u>9,775,494</u>	<u>70,684</u>	<u>-</u>	<u>9,846,178</u>
Capital Assets Being Depreciated				
Land Improvements	990,052	97,237	-	1,087,289
Buildings	12,941,121	140,000	-	13,081,121
Traffic and Street Lights	1,180,624	-	-	1,180,624
Machinery and Equipment	9,926,891	491,061	1,595,060	8,822,892
Streets	28,161,558	269,854	-	28,431,412
Sidewalks	1,110,054	-	-	1,110,054
Curb and Gutter	826,219	-	-	826,219
Total Capital Assets Being Depreciated	<u>55,136,519</u>	<u>998,152</u>	<u>1,595,060</u>	<u>54,539,611</u>
Total Accumulated Depreciation	<u>25,765,805</u>	<u>1,655,800</u>	<u>1,603,832</u>	<u>25,817,773</u>
Capital Assets, Net of Depreciation	<u>\$ 39,146,208</u>	<u>\$ (586,964)</u>	<u>\$ (8,772)</u>	<u>\$ 38,568,016</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

5. Capital Assets (Continued)

Depreciation expense for the governmental activities is as follows:

Government Activities		
General Government	\$	167,304
Public Safety		214,097
Public Works, which includes the depreciation of streets (including curb and gutter) and sidewalks		1,034,915
Culture, Recreation and Education		<u>239,484</u>
Total Governmental Activities Depreciation Expense	\$	<u><u>1,655,800</u></u>

Capital asset activity in the business-type activities for the year ended December 31, 2021, was as follows:

<u>Water</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital Assets Not Being Depreciated				
Construction in progress	\$ -	\$ 914,894	\$ -	\$ 914,894
Land and land rights	6,727	217,779	-	224,506
Total Capital Assets Not Being Depreciated	<u>6,727</u>	<u>1,132,673</u>	<u>-</u>	<u>1,139,400</u>
Capital Assets Being Depreciated				
Source of supply	705,364	-	-	705,364
Pumping	939,089	-	-	939,089
Water treatment	1,458,742	-	-	1,458,742
Transmission and distribution	17,934,788	150,306	63,834	18,021,260
Administrative and general assets	845,101	102,353	6,641	940,813
Total Capital Assets Being Depreciated	<u>21,883,084</u>	<u>252,659</u>	<u>70,475</u>	<u>22,065,268</u>
Total Capital Assets	<u>21,889,811</u>	<u>1,385,332</u>	<u>70,475</u>	<u>23,204,668</u>
Less: Accumulated depreciation	<u>(7,830,951)</u>	<u>(437,952)</u>	<u>(62,831)</u>	<u>(8,206,072)</u>
Net Capital Assets	<u>\$ 14,058,860</u>	<u>\$ 947,380</u>	<u>\$ 7,644</u>	<u>\$ 14,998,596</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

5. Capital Assets (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Wastewater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ -	\$ 99,651	\$ -	\$ 99,651
Land and land rights	4,498,925	-	-	4,498,925
Total Capital Assets Not Being Depreciated	4,498,925	99,651	-	4,598,576
Capital Assets Being Depreciated				
Collection system	16,523,965	153,589	-	16,677,554
Treatment and disposal	37,820,626	-	175,400	37,645,226
General	1,062,752	478,837	88,374	1,453,215
Total Capital Assets Being Depreciated	55,407,343	632,426	263,774	55,775,995
Total Capital Assets	59,906,268	732,077	263,774	60,374,571
Less: Accumulated depreciation	(22,818,199)	(1,283,842)	(263,774)	(23,838,267)
Net Capital Assets	\$ 37,088,069	\$ (551,765)	\$ -	\$ 36,536,304
	Beginning Balance	Additions	Deletions	Ending Balance
<u>Stormwater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ -	\$ 30,593	\$ -	\$ 30,593
Total Capital Assets Not Being Depreciated	-	30,593	-	30,593
Capital Assets Being Depreciated				
Infrastructure	6,814,742	294,998	-	7,109,740
Less: Accumulated depreciation	(710,312)	(100,685)	-	(810,997)
Net Capital Assets	\$ 6,104,430	\$ 224,906	\$ -	\$ 6,329,336

Listed below is the depreciation expense for the utilities.

Business Type Activities	
Water Utility	\$ 437,952
Wastewater Utility	1,283,842
Stormwater Utility	100,685
Total Business-Type Activities Depreciation Expense	<u>\$ 1,822,479</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

6. Interfund Receivables/Payables, Advances and Transfers

Interfund Receivables/Payables

The following is a schedule of interfund receivables and payables including any overdrafts on pooled cash and investment accounts in the governmental funds:

Receivable Fund	Payable Fund	Amount
General Fund	Police Department Trust Fund	\$ 218
General Fund	Water Utility	32,531
General Fund	TIFs 10-14	61,498
General Fund	Debt Service	2,376
General Fund	Tax Collection Fund	133
Subtotal - General Fund		96,756
Subtotal - Fund Financial Statements		96,756
Less: Fund Eliminations		(64,225)
Total - Government-Wide Statements		\$ 32,531

Receivable Fund	Payable Fund	Amount
Governmental Activity	Business-type Activity	\$ (32,531)
Business-type Activity	Governmental Activity	32,531
	Total	\$ -

The principal purpose of these interfunds is due to commingled cash. All remaining balances resulted from the time 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. All amounts are due within one year.

For the statement of net position, interfund balances which are owed within the governmental activities, and business-type activities are netted and eliminated.

Advances

The following is a schedule of interfund advances:

Receivable Fund	Payable Fund	Amount	Amount Due Within One Year
General Fund	Aquatic Center	413,429	-
Advances Receivable	Governmental Funds	\$ 413,429	\$ -

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

6. Interfund Receivables/Payables, Advances and Transfers (Continued)

Transfers

The following is a schedule of interfund transfers:

Fund Transferred To	Fund Transferred From	Amount	Principal Purpose
General Fund	Parking Permit Fund	\$ 35,927	Administrative
General Fund	Field of Dreams	5,000	Administrative
General Fund	TIF 4-9	314,073	Close-out
General Fund	Water and Sewer Utility	357,531	Tax equivalent
DPW Equipment	Stormwater Utility	25,000	Capital equipment
Subtotal - General Fund		<u>737,531</u>	
Debt Service Fund	TID 4	2,090,936	Debt service payment
Subtotal - Debt Service Fund		<u>2,090,936</u>	
Aquatic Center Fund	General Fund	50,000	Capital improvements
Aquatic Center Fund	General Fund	103,000	Appropriation
Library Special Revenue Fund	General Fund	470,000	Appropriation
Forestry Fund	General Fund	7,917	Appropriation
Subtotal - Non-Major Funds		<u>630,917</u>	
Sub-Total – Fund Financial Statements		3,459,384	
Less: Fund Eliminations		<u>(3,076,853)</u>	
Total – Government-Wide Statement of Activities - Primary Government		<u>\$ 382,531</u>	
CDA	TIF 4	\$ 75,000	Economic development
CDA	TIF 6	25,000	Economic development
Parkland Development	CDA	<u>(2,867)</u>	
Total – Government-Wide Statement of Activities - Component Unit		<u>\$ 97,133</u>	

Generally, transfers are used to (1) move revenues from the fund that collects them to the fund that the budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund, and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

7. Long-Term Obligations

The following is a summary of long-term debt transactions of the City for the year ended December 31, 2021.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General Obligation Bonds	\$ 11,305,000	\$ -	\$ 2,620,000	\$ 8,685,000	\$ 645,000
Notes from Direct Borrowings	734,831	-	146,456	588,375	147,900
Sub-Total	<u>12,039,831</u>	<u>-</u>	<u>2,766,456</u>	<u>9,273,375</u>	<u>792,900</u>
Other Liabilities					
Vested Compensated Absences	629,567	-	56,649	572,918	75,721
Total Other Liabilities	<u>629,567</u>	<u>-</u>	<u>56,649</u>	<u>572,918</u>	<u>75,721</u>
Total Governmental Activities Long-Term Liabilities					
	<u>\$ 12,669,398</u>	<u>\$ -</u>	<u>\$ 2,823,105</u>	<u>\$ 9,846,293</u>	<u>\$ 868,621</u>
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General Obligation Notes and Bonds	\$ 8,910,000	\$ -	\$ 440,000	\$ 8,470,000	\$ 525,500
Bonds from Direct Borrowings	21,049,708	-	1,303,225	19,746,483	1,285,456
Revenue Bonds	1,620,000	-	225,000	1,395,000	230,000
Total Long-Term Debt	<u>31,579,708</u>	<u>-</u>	<u>1,968,225</u>	<u>29,611,483</u>	<u>2,040,956</u>
Other Liabilities					
Vested Compensated Absences	144,306	-	14,934	129,372	14,824
Total Other Liabilities	<u>144,306</u>	<u>-</u>	<u>14,934</u>	<u>129,372</u>	<u>14,824</u>
Total Business-type Activities Long-Term Liabilities					
	<u>\$ 31,724,014</u>	<u>\$ -</u>	<u>\$ 1,983,159</u>	<u>\$ 29,740,855</u>	<u>\$ 2,055,780</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes and bonds will be retired by future property tax levies. Proprietary fund debt is payable by revenues from user fees of those funds, or if the revenues are not sufficient, by future tax levies.

The City's general obligation debt limit is equal to 5% of the City's total equalized value. The City's debt limit as of December 31, 2021, is \$40,115,125. Debt subject to the limit is \$18,098,875.

The following table outlines the governmental debt:

	<u>Date Of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>	<u>Current Portion</u>
Governmental Activities						
2012 GO Refunding Bonds	5/17/2012	9/1/2031	.85-3.25%	\$ 5,020,000	\$ 3,065,000	\$ 275,000
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 2,645,000	1,845,000	150,000
2017 Taxable GO Notes	2/15/2017	2/15/2022	2.45-2.46%	\$ 287,000	60,225	60,225
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 2,535,000	2,405,000	60,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 703,500	528,150	87,675
2020 Taxable GO Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,450,000	<u>1,370,000</u>	<u>160,000</u>
Total Governmental Activities -- General Obligation Debt					<u>\$ 9,273,375</u>	<u>\$ 792,900</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

7. Long-Term Obligations (Continued)

A. Governmental Activities – General Obligation Debt (Continued)

Debt service requirements to maturity are as follows:

<u>Years</u>	<u>Governmental Activities</u>			
	<u>General Obligation Bonds</u>		<u>Notes from Direct Borrowings</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 645,000	\$ 236,088	\$ 147,900	\$ 14,641
2023	720,000	220,601	87,675	10,968
2024	725,000	201,601	64,050	8,809
2025	755,000	182,639	57,750	7,190
2026	725,000	166,864	57,750	5,752
2027-2031	3,400,000	544,730	173,250	8,636
2032-2036	1,320,000	170,075	-	-
2037-2040	395,000	13,245	-	-
Totals	<u>\$ 8,685,000</u>	<u>\$ 1,735,840</u>	<u>\$ 588,375</u>	<u>\$ 55,995</u>

B. Business-Type Debt

The following is business-type debt outstanding:

	<u>Date of Issuance</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/21</u>	<u>Current Portion</u>
<u>Water Utility</u>						
2011 Mortgage Revenue Bonds	6/7/2011	10/1/2026	1.6-4.0%	\$ 940,000	\$ 375,000	\$ 70,000
2012 Mortgage Revenue Bonds	5/17/2012	10/1/2027	.85-2.85%	\$ 855,000	375,000	60,000
					<u>750,000</u>	<u>130,000</u>
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 510,000	300,000	35,000
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,850,000	1,625,000	80,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 313,000	250,400	31,300
2020 GO Taxable Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,730,000	1,670,000	75,000
				Total Water Utility G.O. Debt	<u>3,845,400</u>	<u>221,300</u>
				Total Water Utility Long-Term Debt	<u>4,595,400</u>	<u>351,300</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

	Date of Issuance	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/21	Current Portion
<u>Wastewater Utility</u>						
2009 Clean Water Fund Loan	12/9/2009	5/1/2029	2.91%	\$ 50,000	1,379,643	155,646
2011 Clean Water Fund Loan	7/27/2011	5/1/2031	2.40%	\$ 115,954	356,029	31,925
2012 Mortgage Revenue Bonds	5/17/2012	11/1/2027	.85-2.85%	\$ 1,485,000	645,000	100,000
2016 Clean Water Fund Loan	4/13/2016	5/1/2035	2.10%	\$ 8,829,926	17,655,310	1,097,885
				Total Wastewater Utility Revenue Bonds	20,035,983	1,385,456
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 220,000	125,000	15,000
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,355,000	1,275,000	60,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 133,500	105,100	14,200
2020 GO Taxable Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 1,795,000	1,735,000	80,000
				Total Wastewater Utility G.O. Debt	3,240,100	169,200
				Total Wastewater Utility Long-Term Debt	23,276,083	1,554,656
<u>Stormwater Utility</u>						
2012 GO Refunding Bonds	5/17/2012	9/1/2031	.85-3.25%	\$ 455,000	300,000	30,000
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 905,000	530,000	60,000
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 800,000	700,000	35,000
2020 GO Taxable Bonds	7/8/2020	6/1/2040	2.0-2.1%	\$ 220,000	210,000	10,000
				Total Stormwater Utility G.O. Debt	1,740,000	135,000
				Total Business-type Activities Long-Term Debt	\$ 29,611,483	\$ 2,040,956

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

Debt service requirements on business-type debt to maturity are as follows:

<u>Years</u>	<u>General Obligation Bonds and</u>		<u>Business-Type Activities</u>		<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Bonds from Direct</u>	<u>Borrowings</u>	<u>Principal</u>	<u>Interest</u>
2022	\$ 480,000	\$ 175,618	\$ 1,330,956	\$ 422,982	\$ 230,000	\$ 39,123
2023	485,000	160,277	1,359,307	392,048	240,000	32,941
2024	510,000	144,034	1,388,293	360,509	240,000	26,285
2025	515,000	127,064	1,416,227	328,240	250,000	19,408
2026	530,000	1,292,002	1,446,525	295,422	255,000	11,668
2027-2031	3,963,218	741,534	5,863,292	842,399	180,000	15,159
2032-2036	921,782	128,441	6,941,883	407,919	-	-
2037-2040	1,065,000	38,673	-	-	-	-
Totals	<u>\$ 8,470,000</u>	<u>\$ 2,807,645</u>	<u>\$ 19,746,483</u>	<u>\$ 3,049,520</u>	<u>\$ 1,395,000</u>	<u>\$ 144,583</u>

C. Other Debt

Estimated payments of compensated absences are not included in the debt service requirement schedules. The compensated absences liability attributed to governmental activities will be liquidated primarily by the sick leave payout fund.

A statutory mortgage lien upon the utility's system and any additions, improvements and extensions thereto is created by Section 66.066 of the Wisconsin Statutes as provided for in the ordinances creating the revenue bond issue. The City's system and the earnings of the system remain subject to the lien until payment in full of the principal and interest on the bonds.

There are a number of limitations and restrictions contained in the various bond indentures and loan agreements. The City believes it is in compliance with all significant limitations and restrictions, including federal arbitrage regulations.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

8. Commitments

Construction

The City has committed to an elevated storage tank construction in the water utility for approximately \$2.8 million. Through December 31, 2021, the costs incurred were \$758,210.

The City has committed up to \$3 million for a library expansion. The total costs anticipated are \$5.057 million. The project is in the design phase.

9. Net Position/Fund Balances

Governmental Activities

Net position reported on the government-wide statement of net position at December 31, 2021, includes the following:

Capital Assets net of depreciation	\$ 38,568,016
Less: long-term debt outstanding	(9,273,375)
Plus: unspent bond proceeds	169,178
Total Net Investment in Capital Assets	\$ 29,463,819
 Restricted	
Pension asset	2,116,881
Cable TV Fund	56,892
Library Special Revenue Fund	609,145
Taxicab Grant Program Fund	76,095
Parkland Acquisition Fund	53,169
Parkland Development Fund	32,802
Forestry Fund	18,895
Rescue Squad Equipment/Education Fund	146,184
Parking Permit Fund	78,953
Police Dept. Trust Fund	88,357
Parks and Recreation Fund	7,164
Field of Dreams Fund	60,383
Special revenue Funds	1,228,039
Total Restricted	3,344,920
 Unrestricted	
Total Governmental Activities Net Position	\$ 1,900,725
	\$ 34,709,464

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

9. Net Position/Fund Balances (Continued)

Governmental Activities (Continued)

Fund balances as of December 31, 2021, include the items in the following tables:

Major Funds

General Fund

	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Delinquent personal property tax	\$ 6,717	\$ -	\$ -	\$ -
Prepaid expenses	39,352	-	-	-
Advances	413,429	-	-	-
27th Payroll	-	-	-	75,484
Fire Department Equipment	-	-	541,012	-
DPW Equipment Revolving Fund	-	-	122,241	-
Police Vehicle Revolving Fund (deficit)	-	-	30,218	-
Building Repair Fund	-	-	19,719	-
Skate Park Fund	-	-	5,433	-
Solid Waste/Recycling Fund	-	-	58,984	-
Sick Leave Severance Fund (deficit)	-	-	106,705	-
Lakes Improvements Fund	-	-	475	-
Street Repair Revolving Fund	-	-	721,784	-
Insurance Fund	-	-	144,627	-
Elections Fund	-	-	13,972	-
Unassigned	-	-	-	2,228,574
Total General Fund	<u>\$ 459,498</u>	<u>\$ -</u>	<u>\$ 1,765,170</u>	<u>\$ 2,304,058</u>

Debt Service Fund

Fund deficit	<u>\$ (2,376)</u>
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CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

9. Net Position/Fund Balances (Continued)

Governmental Activities (Continued)

<u>Non-Major Funds</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Special Revenue Funds				
Cable TV Fund	\$ -	\$ 56,892	\$ -	\$ -
Library Special Revenue Fund	-	609,145	-	-
Taxicab Grant Program Fund	-	76,095	-	-
Parkland Acquisition Fund	-	53,169	-	-
Parkland Development Fund	-	32,802	-	-
Forestry Fund	-	18,895	-	-
Rescue Squad Equipment/Education Fund	-	146,184	-	-
Parking Permit Fund	-	78,953	-	-
Police Dept. Trust Fund	-	88,357	-	-
Parks and Recreation Fund	-	7,164	-	-
Field of Dreams Fund	-	60,383	-	-
Aquatic Center (deficit)	-	-	-	(413,428)
Capital Projects Funds				
TID 10 (deficit)	-	-	-	(18,660)
TID 11 (deficit)	-	-	-	(10,710)
TID 12 (deficit)	-	-	-	(10,710)
TID 13 (deficit)	-	-	-	(10,710)
TID 14 (deficit)	-	-	-	(10,710)
Other capital projects	-	169,178	-	-
Total Non-Major Funds	<u>\$ -</u>	<u>\$ 1,397,217</u>	<u>\$ -</u>	<u>\$ (474,928)</u>

See Note 1. G. for an explanation of fund deficits.

Business-Type Activities

The following calculation supports the Water, Wastewater, and Stormwater Utilities' balance of net investment in capital assets:

Business type	<u>2021</u>
Water Utility	
Capital Assets net of depreciation	\$ 14,998,596
Less: related long-term debt outstanding	<u>(4,727,066)</u>
Total Invested in Capital Assets	<u>10,271,530</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

9. Net Position/Fund Balances (Continued)

Business-Type Activities (Continued)

Total Net Position - Net Investment in Capital Assets \$ 10,549,154

2021

Wastewater Utility

Capital Assets net of depreciation \$ 37,088,069

Less: related long-term debt outstanding (23,385,717)

Total Invested in Capital Assets 13,702,352

Reserve from borrowing 1,077,468

Total Net Position - Net Investment in Capital Assets \$ 14,779,820

2021

Stormwater Utility

Capital Assets net of depreciation \$ 6,329,336

Less: related long-term debt outstanding (1,767,771)

The following calculation supports the Water, Wastewater, and Stormwater Utilities' balance of restricted net position as of December 31, 2021:

	Water	Wastewater	Stormwater
Restricted Assets			
Redemption account	\$ 9,182	\$ 219,171	\$ -
Reserve account	277,624	1,077,468	-
Connection account	-	367,708	-
Replacement account	-	2,221,042	-
Net Pension Asset	156,855	217,840	64,851
Total Restricted Assets	<u>443,661</u>	<u>4,103,229</u>	<u>64,851</u>
Less: Restricted Assets Not Funded by Revenues			
Reserve from borrowing	(277,624)	(1,077,468)	-
Less: Current Liabilities Payable From Restricted Assets	(9,182)	(92,134)	-
Total Restricted Net Position as Calculated	<u>\$ 156,855</u>	<u>\$ 2,933,627</u>	<u>\$ 64,851</u>
Restricted for Debt	\$ -	\$ 127,037	\$ -
Restricted for Capital	-	2,588,750	-
Restricted for Pension Asset	156,855	217,840	64,851
	<u>156,855</u>	<u>2,933,627</u>	<u>64,851</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan

A. 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 Annual Comprehensive Financial Report (“ACFR”), which can be found at <http://etf.wi.gov/publications/cafr.htm>.

B. Vesting

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

C. Benefits Provided

Employees who retire at or after age 65 (54 for protective occupations and 62 for elected officials and executive service retirement plan participants, if hired on or before 12/31/2016) are entitled to a retirement benefit based on a formula factor, their final average earnings, and creditable service.

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

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

The WRS also provides death and disability benefits for employees.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan (Continued)

D. Post-Retirement Adjustments

The ETF Board may periodically adjust annuity payments from the retirement system based on annual investment performance in accordance with s. 40.27, Wis. Stat. An increase (or decrease) in annuity payments may result when investment gains (losses), together with other actuarial experience factors, create a surplus (shortfall) in the reserves, as determined by the system’s consulting actuary. Annuity increases are not based on cost of living or other similar factors. For Core annuities, decreases may be applied only to previously granted increases. By law, Core annuities cannot be reduced to an amount below the original, guaranteed amount (the “floor”) set at retirement. The Core and Variable annuity adjustments granted during recent years are as follows:

Year	Core Fund Adjustment (%)	Variable Fund Adjustment (%)
2011	(1.2)	11.0
2012	(7.0)	(7.0)
2013	(9.6)	9.0
2014	4.7	25.0
2015	2.9	2.0
2016	0.5	(5.0)
2017	2.0	4.0
2018	2.4	17.0
2019	0.0	(10.0)
2020	1.7	21.0

E. Contributions

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, executives and elected officials. Starting on January 1, 2016, the executives and elected officials’ category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement. During the reporting period, the WRS recognized \$460,645 in contributions from the municipality.

Contribution rates as of December 31, 2021, are:

Employee Category	Employee	Employer
General (including teachers, executives and elected officials)	6.75%	6.75%
Protective with Social Security	6.75%	11.75%
Protective without Social Security	6.75%	16.35%

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan (Continued)

F. Pension Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the City reported a liability (asset) of (\$2,584,182) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019, rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (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, 2020, the City's proportion was 0.04139238%, which was an increase of 0.00002443% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense (income) of \$(280,616).

Pension amounts have been allocated to the proprietary and CDA funds. Allocations were based on the proportionate share of current year contributions to the pension plan made by the proprietary and CDA funds relative to the total contributions made by the City.

At December 31, 2021, 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	\$ 3,740,107	\$ (805,612)
Net differences between projected and actual earnings on pension plan investments	-	(4,851,595)
Changes in assumptions	58,614	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	4,057	(7,486)
Employer contributions subsequent to the measurement date	474,842	-
Total	\$ 4,277,620	\$ (5,664,693)

\$474,842 reported as deferred outflows of resources related to pension resulting from the WRS Member's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan (Continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2022	\$ (478,943)
2023	(129,590)
2024	(880,234)
2025	(373,148)
2026	-
Total	\$ (1,861,915)

G. Actuarial Assumptions

The total pension liability in the December 31, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2019
Measurement Date of Net Pension Liability (Asset):	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	7.0%
Discount Rate:	7.0%
Salary Increases:	
Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table
Post-Retirement Adjustments	1.9%*

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

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total Pension Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the December 31, 2019 actuarial valuation.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan (Continued)

H. Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Allocation Targets and Expected Returns
As of December 31, 2020

<u>Core Fund Asset Class</u>	<u>Asset Allocation %</u>	<u>Long-Term Expected Nominal Rate of Return %</u>	<u>Long-Term Expected Real Rate of Return %</u>
Global Equities	51	7.2	4.7
Fixed Income	25	3.2	0.8
Inflation Sensitive Assets	16	2.0	(0.4)
Real Estate	8	5.6	3.1
Private Equity/Debt	11	10.2	7.6
Multi-Asset	4	5.8	3.3
Total Core Fund	115	6.6	4.1
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	6.6	4.1
International Equities	30	7.4	4.9
Total Variable Fund	100	7.1	4.6

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.4%

Asset Allocations are managed within established ranges; target percentages may differ from actual monthly allocations

I. Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability (asset) for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 2.00% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-year Municipal GO AA Index” as of December 31, 2020. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

10. Defined Benefit Pension Plan (Continued)

I. Single Discount Rate (Continued)

The projection of cash flows used to determine this single discount rate assumed that plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members. Therefore, the municipal bond rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability (asset).

J. Sensitivity of the City of Whitewater’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease to Discount Rate (6.00%)	Current Discount Rate (7.00%)	1% Increase to Discount Rate (8.00%)
City's proportionate share of the net pension liability (asset)	\$ 2,459,784	\$ (2,584,183)	\$ (6,288,940)

K. Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan

A. OPEB Plan Fiduciary Net Position

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 LRLIFs 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 benefits terms. Investments are reported at fair value.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

B. General Information about the Postemployment Benefits

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

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

C. 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.

D. Contributions

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

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

Contribution rates as of December 31, 2021, are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
25% Post Retirement Coverage	20% of Member Contribution

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2020 are as listed below:

Life Insurance Member Contribution Rates*		
For the year ended December 31, 2020		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the reporting period, the LRLIF recognized \$1,745 in contributions from the employer.

E. OPEB Liabilities, OPEB Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEBs

At December 31, 2021, the City reported a liability (asset) of \$481,528 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2020 and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of January 1, 2020, rolled forward to December 31, 2020. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2020, the City's proportion was 0.087539%, which was a decrease of 0.00477% from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the City recognized OPEB expense of \$54,846.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

At December 31, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to OPEBs from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ (22,977)
Net differences between projected and actual earnings on plan investments	7,010	-
Changes in actuarial assumptions	187,321	(33,039)
Changes in proportion and differences between employer contributions and proportionate share of contributions	2,086	(24,108)
Employer contributions subsequent to the measurement date	1,663	-
Totals	\$ 198,080	\$ (80,124)

\$1,633 reported as deferred outflows related to OPEB resulting from the City 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, 2022. 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:	Net Deferred Outflows (Inflows) of Resources
2022	\$ 21,813
2023	21,055
2024	20,274
2025	17,643
2026	25,058
Thereafter	10,450
Total	\$ 116,293

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

**11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan
(Continued)**

F. Actuarial Assumptions

The total OPEB liability in the January 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2020
Measurement Date of Net OPEB Liability (Asset)	December 31, 2020
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	2.12%
Long-Term Expected Rated of Return:	4.25%
Discount Rate:	2.25%
Salary Increases	
Inflation:	3.00%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. The Total OPEB Liability for December 31, 2020 is based upon a roll-forward of the liability calculated from the January 1, 2020 actuarial valuation.

G. Long-Term Expected Return on Plan Assets

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

11. Other Post-Employment Benefits Plan – Multiple Employer Life Insurance Plan (Continued)

G. Long-Term Expected Return on Plan Assets (Continued)

Asset Allocation Targets and Expected Returns
As of December 31, 2020

Asset Class	Index	Target Allocation	Long-Term Expected Geometric Real Rate of Return
US Credit Bonds	Barclays Credit	50%	1.47%
US Mortgages	Barclays MBS	50%	0.82%
Inflation			2.20%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return and expected inflation rate remained unchanged from the prior year at 4.25% and 2.20% respectively. 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.

H. Single Discount Rate

A single discount rate of 2.25% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 2.87% for the prior year. The significant change in the discount rate was primarily caused by the decrease in the municipal bond rate from 2.74% as of December 31, 2019 to 2.12% as of December 31, 2020. The Plan’s fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan’s fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan’s fiduciary net position is projected to be insufficient. The plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

The projection of cash flows used to determine the single discount rate assumed that employer contributions will be made according to the current employer contribution schedule and that contributions are made by plan members retiring prior to age 65.

I. Sensitivity of the City’s Proportionate Share of the 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 2.25 percent, 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 (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

11. Other Post-Employment Benefits Plan– Multiple Employer Life Insurance Plan (Continued)

I. Sensitivity of the City’s Proportionate Share of the Net OPEB Liability (Asset) to Changes in the Discount Rate (Continued)

	1% Decrease to Discount Rate (1.25%)	Current Discount Rate (2.25%)	1% Increase to Discount Rate (3.25%)
City's proportionate share of the net OPEB liability (asset)	\$ 655,015	\$ 481,528	\$ 350,324

12. 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. All risks are covered through the purchase of commercial insurance, with minimal deductibles. Settled claims have not exceeded the commercial coverage in any of the past three years.

13. Joint Venture – Whitewater Fire Department

The City and the Whitewater Volunteer Fire Department (the “Department”) have a mutual understanding regarding the providing of fire and emergency medical services. The Department currently provides fire and emergency medical services to the City as well as some rural townships.

The Department has been operating as a separate organization. The Department Chief and assistant chiefs are elected by the Fire Department membership. Even though the Department has operated as a separate entity, the City may be liable for actions undertaken by the Department.

The City has provided payroll billing and accounting services for the Department. The City’s financial statements do not include financial transactions related to the Department other than the City’s portion of fire costs.

The City reviews and the City provides funding as set forth in the budget. The determination of the amount of the City’s contribution to the Fire Department is vested with the City council.

14. Aquatic Center Lease and Operating Agreement

The City and the Whitewater Unified School District (the “District”) have a lease and operating agreement for the Aquatic Center (the “Center”). The Center is owned by the District and leased by the City for \$1 annually. The agreement provides for the City of Whitewater Park Board to assume responsibility for the operation and management of the Center. The effective date is July 1, 2016 for an initial five-year term expiring June 30, 2021. The renewal of this agreement remains under negotiation.

The City budgets and accounts for this activity separately in the Aquatic Center Fund (Fund 247) and is included as a Non-Major Special Revenue Fund within this document.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

14. Aquatic Center Lease and Operating Agreement (Continued)

Under the agreement, the parties will split all Center expenses equally to the extent they are not covered by revenues generated by the Park Board. The City contributed \$153,000 toward the Center costs in 2021 and the District contributed \$140,500 in 2021 for Center costs. As of December 31, 2021, the aquatic center fund had a deficit of \$413,428.

15. Component Unit

This report contains the City of Whitewater Community Development Authority (“CDA”), which is included as a component unit. Financial information is presented as a discrete column in the statement of net position and the 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.

A. Basis of Accounting/Measurement Focus

The CDA follows the full accrual basis of accounting and the flow of economic resources measurement focus.

B. Deposits and Investments

The CDA’s cash and investments at year end were comprised of the following:

	Carrying Value	Bank Balance	Associated Risk
Demand deposits	\$ 817,672	\$ 817,672	Custodial Credit Risk, Interest Rate risk

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for demand deposit accounts and \$250,000 for time and savings deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the relatively small size of the Guarantee Fund in relationship to the total deposits covered and other legal implications, recovery of material principal losses may not be significant to individual municipalities.

Custodial Credit Risk

Deposits – Custodial credit risk is the risk that in the event of a financial institution failure, the CDA’s deposits may not be returned to the CDA. As of December 31, 2021, the total bank balance of \$817,672 was exposed to custodial credit as outlined in Note 2. The City’s and the CDA deposits had FDIC and State Deposit Guarantee Fund insurance as well as collateralized investments held in the bank’s name. None of the City and CDA investments were uninsured and uncollateralized. No breakdown was given between the City and the CDA.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

15. Component Unit (Continued)

C. Economic Development and Housing Rehabilitation Loans Receivable

The CDA has received federal and state grant funds for economic development and housing rehabilitation loan programs to various businesses and individuals. The CDA records a loan receivable when the loan has been made and funds have been disbursed. It is the CDA's policy to record revenue when the initial loan is made from the federal and state grant funds. Interest received from loan repayments is recognized as revenue when received in cash. The following receivable amounts are not expected to be collected within one year:

Loan receivable, net \$1,248,760

D. Capital Assets

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Useful Lives (Years)</u>
Land	\$ 481,816	\$ -	\$ -	\$ 481,816	N/A
Equipment	6,990	-	(6,990)	-	5-10
Buildings	6,225,556	-	-	6,225,556	35-40
Accumulated Depreciation					
Equipment	(6,990)	-	6,990	-	
Buildings	(1,217,649)	(126,345)	-	(1,343,994)	
Totals	<u>\$5,489,723</u>	<u>\$ (126,345)</u>	<u>\$ -</u>	<u>\$5,363,378</u>	

E. Employee Retirement System

All eligible authority employees participate in the WRS, a cost-sharing defined benefit multiple-employer public employee retirement system (PERS). Activity related to the CDA's involvement in the system is included with the City in Note 10. No allocation was made to the CDA of any pension related activity since it is not material.

F. Transfers In

The CDA recorded net transfers recorded from the City of \$100,000.

G. Due to and from City

The CDA program fund has a \$50,000 receivable from the City. The CDA operating fund owes the City \$1,496. The CDA Program fund owes the City \$1,247 and the Innovation center fund owes the City \$69,123.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2021

16. Economic Dependency

One of the City's Water Utility customers provides approximately 24.6% of the water revenue.

17. Contingencies

From time to time, the City is party to other various pending claims and legal proceedings. Although the outcome of such matters cannot be forecast with certainty, it is the opinion of management 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.

18. Subsequent Events

The City, in 2022, approved borrowing \$5,195,000 in general obligation notes for various projects.

19. Effect of New Accounting Standards on Current Period Financial Statements

Governmental Accounting Standards Board (GASB) has adopted GASB Statement No. 87, *Leases*. When this becomes effective, application of this standard may restate portions of these financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

City of Whitewater
Whitewater, WI
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual (with Budget to GAAP Differences)
General Fund
For the year ended December 31, 2021

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Budget to</u>	<u>Actual</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts,</u> <u>Budgetary</u> <u>Basis</u>	<u>GAAP</u> <u>Differences</u>	<u>Amounts,</u> <u>GAAP Basis</u>
REVENUES					
Taxes	\$ 3,136,502	\$ 3,136,502	\$ 3,136,502	\$ -	\$ 3,136,502
Other Taxes	88,896	88,896	259,944	-	259,944
Special Assessment Revenue	1,452	1,452	3,308	-	3,308
Intergovernmental	4,470,390	4,470,390	4,589,357	108,658	4,698,015
License and Permits	130,500	130,500	148,817	-	148,817
Fines, Forfeits and Penalties	288,595	288,595	295,900	-	295,900
Public Charges for Services	83,650	82,850	68,739	60	68,799
Interest Income	20,000	20,000	6,396	360	6,756
Miscellaneous Income	44,500	44,500	98,925	47,104	146,029
Total Revenues	<u>8,264,485</u>	<u>8,263,685</u>	<u>8,607,888</u>	<u>156,182</u>	<u>8,764,070</u>
EXPENDITURES					
Current:					
General Government	1,449,231	1,449,231	1,587,999	47,538	1,635,537
Public Safety	4,227,913	4,227,913	3,947,814	160,495	4,108,309
Public Works	1,075,725	1,075,725	1,106,953	753,825	1,860,778
Culture, Recreation and Education	644,162	644,162	578,305	19,900	598,205
Capital Outlay	-	-	-	211,688	211,688
Total Expenditures	<u>7,397,031</u>	<u>7,397,031</u>	<u>7,221,071</u>	<u>1,193,446</u>	<u>8,414,517</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>867,454</u>	<u>866,654</u>	<u>1,386,817</u>	<u>(1,037,264)</u>	<u>349,553</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	413,841	696,590	712,531	25,000	737,531
Transfers Out	(1,281,295)	(1,898,442)	(1,898,442)	1,267,525	(630,917)
Fund Balance Increase		335,198	-	-	-
Total Other Financing Sources and Uses	<u>(867,454)</u>	<u>(866,654)</u>	<u>(1,185,911)</u>	<u>1,292,525</u>	<u>106,614</u>
Net Change in Fund Balances	-	-	200,906	255,261	456,167
Fund Balances - Beginning	<u>2,487,165</u>	<u>2,487,165</u>	<u>2,487,166</u>	<u>1,585,693</u>	<u>4,072,859</u>
Fund Balances - Ending	<u>\$ 2,487,165</u>	<u>\$ 2,487,165</u>	<u>\$ 2,688,072</u>	<u>\$ 1,840,954</u>	<u>\$ 4,529,026</u>

See accompanying notes to the required supplementary information

**CITY OF WHITEWATER
WISCONSIN RETIREMENT SYSTEM SCHEDULES
December 31, 2021**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE**

Year ended December 31,	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered- employee payroll	Collective net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)
2020	0.04139238%	\$ (2,584,182)	\$ 5,494,004	(47.04%)	105.26%
2019	0.04136795%	\$ (1,333,891)	\$ 5,512,700	(24.20%)	102.96%
2018	0.04079730%	\$ 1,451,440	\$ 5,370,806	27.02%	96.45%
2017	-0.04050154%	\$ (1,202,538)	\$ 5,085,067	(23.65%)	102.93%
2016	0.04009691%	\$ 330,494	\$ 5,007,766	6.60%	99.12%
2015	0.04036951%	\$ 655,997	\$ 5,156,137	12.72%	98.20%
2014	-0.04072418%	\$ (1,000,022)	\$ 4,826,161	(20.72%)	102.74%

**SCHEDULE OF CITY'S CONTRIBUTIONS
FOR THE YEAR ENDED**

Year ended December 31,	Contractually required contributions	Contributions in relation to the contractually required contributions	Contribution deficiency (excess)	Covered-employee payroll	Contributions as a percentage of covered- employee payroll
2021	\$ 474,842	\$ (474,842)	\$ -	\$ 5,614,968	8.46%
2020	\$ 460,645	\$ (460,645)	\$ -	\$ 5,494,004	8.38%
2019	\$ 434,659	\$ (434,659)	\$ -	\$ 5,512,701	7.88%
2018	\$ 431,432	\$ (431,432)	\$ -	\$ 5,370,806	8.03%
2017	\$ 421,690	\$ (421,690)	\$ -	\$ 5,085,068	8.29%
2016	\$ 385,047	\$ (385,047)	\$ -	\$ 5,008,036	7.69%
2015	\$ 435,190	\$ (435,190)	\$ -	\$ 5,156,137	8.44%

See accompanying notes to the required supplementary information

**CITY OF WHITEWATER
LOCAL RETIREE LIFE INSURANCE SCHEDULES
December 31, 2021**

**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET)
AS OF THE MEASUREMENT DATE**

Year ended December 31,	Proportion of the net OPEB liability (asset)	Proportionate share of the net OPEB liability (asset)	Covered- employee payroll	Collective net OPEB liability (asset) as a percentage of its covered- employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability (asset)
2020	0.08753900%	\$ 481,528	\$ 4,394,000	10.96%	31.36%
2019	0.09230900%	\$ 393,070	\$ 4,303,000	9.13%	37.58%
2018	0.09298000%	\$ 238,418	\$ 4,172,000	5.71%	48.69%
2017	0.09906500%	\$ 298,045	\$ 4,165,967	7.15%	44.81%

See accompanying notes to the required supplementary information

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2021

1. Budgetary Information

Budgets

A budget has been adopted for all funds of the City. The City's budget is adopted in accordance with Chapter 65 of the Wisconsin Statutes. Changes to appropriations authorized in the adopted budget generally require a vote of two-thirds of the entire membership of the governing body. Budgetary expenditure control is exercised at the department level. The budgetary comparison schedule is presented for the general fund only. The debt service levy and transfer out to debt service of \$942,883 were eliminated on the fund statements.

Budget amounts include appropriations authorized in the original budget, any council approved amendments, appropriations of restricted resources received for funding specific expenditures and designated portions of the beginning balance of the General Fund's equity expected to finance expenditures of the current fiscal year. Unused appropriations lapse at year-end unless specifically carried over for financing subsequent year expenditures. The final budget includes an other financing source for anticipated fund balance increase which is not a revenue source under modified accrual accounting. Accordingly there is no actual revenue.

Excess Expenditures over Appropriations

Budgetary expenditure control is exercised at the department level. Some individual departments experienced expenditures which exceeded appropriations. The detail of those items can be found in the City's year-end budget to actual report.

The City's General Fund had expenditures in excess of budget as follows:

	Budgeted Amounts		Actual	Variance
	Original	Final	Budgetary	with Final
			Basis	budget
General Government	1,449,231	1,449,231	1,587,999	(138,768)
Public Works	1,075,725	1,075,725	1,106,953	(31,228)

Revenues were sufficient to cover the expenditures.

2. Wisconsin Retirement System Schedules

Governmental Accounting Standards Board Statement No. 68 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 3 preceding years.

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

Changes of assumptions: No significant change in assumptions were noted from the prior year.

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2021

3. Local Retiree Life Insurance Fund Schedules

Governmental Accounting Standards Board Statement No. 75 requirements have been implemented prospectively, therefore, the illustrations do not present similar information for the 6 preceding years.

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

Changes of assumptions: The single discount rate assumption used to develop the total OPEB liability changed from the prior year. Please refer to the actuarial assumptions section H of Note 11.

OTHER SUPPLEMENTAL INFORMATION

Balance Sheet
Combining General Fund
December 31, 2021

	<u>General Fund</u>	<u>27th Payroll</u>	<u>Fire Dept. Equipment Fund</u>	<u>DPW Equipment Revolving Fund</u>	<u>Police Vehicle Revolving Fund</u>	<u>Building Repair Fund</u>	<u>Skate Park Fund</u>	<u>Solid Waste Recycling Fund</u>	<u>Sick Leave Severance Fund</u>	<u>Lakes Improvement Fund</u>	<u>Street Repair Rev. Fund</u>	<u>Insurance Reserve</u>	<u>Elections Fund</u>	<u>Total General Fund</u>
ASSETS														
Cash and Cash Equivalents	\$ 4,016,010	\$ 75,784	\$ 541,012	\$ 150,685	\$ 30,218	\$ 7,052	\$ 5,433	\$ 60,404	\$ 106,705	\$ 475	\$ 722,217	\$ 144,627	\$ 14,012	\$ 5,874,634
Receivables:														
Taxes	2,771,089	-	-	-	-	-	-	-	-	-	-	-	-	2,771,089
Delinquent Personal Property Taxes	6,717	-	-	-	-	-	-	-	-	-	-	-	-	6,717
Special Assessments	46,628	-	-	-	-	-	-	-	-	-	-	-	-	46,628
Other	84,878	-	-	-	-	12,667	-	-	-	-	-	-	-	97,545
Due from CDA	71,866	-	-	-	-	-	-	-	-	-	-	-	-	71,866
Due from Other Funds	96,756	-	-	-	-	-	-	-	-	-	-	-	-	96,756
Prepaid Expenses	39,352	-	-	-	-	-	-	-	-	-	-	-	-	39,352
Advances receivable	413,429	-	-	-	-	-	-	-	-	-	-	-	-	413,429
Total Assets	<u>\$ 7,546,725</u>	<u>\$ 75,784</u>	<u>\$ 541,012</u>	<u>\$ 150,685</u>	<u>\$ 30,218</u>	<u>\$ 19,719</u>	<u>\$ 5,433</u>	<u>\$ 60,404</u>	<u>\$ 106,705</u>	<u>\$ 475</u>	<u>\$ 722,217</u>	<u>\$ 144,627</u>	<u>\$ 14,012</u>	<u>\$ 9,418,016</u>
LIABILITIES														
Liabilities:														
Accounts Payable	\$ 206,768	\$ -	\$ -	\$ 28,444	\$ -	\$ -	\$ -	\$ 1,420	\$ -	\$ -	\$ 433	\$ -	\$ 40	\$ 237,105
Accrued Liabilities	354,876	-	-	-	-	-	-	-	-	-	-	-	-	354,876
Payable to Other Governments	43,571	-	-	-	-	-	-	-	-	-	-	-	-	43,571
Due to CDA	50,000	-	-	-	-	-	-	-	-	-	-	-	-	50,000
Total Liabilities	<u>655,215</u>	<u>-</u>	<u>-</u>	<u>28,444</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,420</u>	<u>-</u>	<u>-</u>	<u>433</u>	<u>-</u>	<u>40</u>	<u>685,552</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,203,438</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,203,438</u>
FUND BALANCE														
Nonspendable	459,498	-	-	-	-	-	-	-	-	-	-	-	-	459,498
Assigned	-	-	541,012	122,241	30,218	19,719	5,433	58,984	106,705	475	721,784	144,627	13,972	1,765,170
Unassigned	2,228,574	75,784	-	-	-	-	-	-	-	-	-	-	-	2,304,358
Total Fund Balance	<u>2,688,072</u>	<u>75,784</u>	<u>541,012</u>	<u>122,241</u>	<u>30,218</u>	<u>19,719</u>	<u>5,433</u>	<u>58,984</u>	<u>106,705</u>	<u>475</u>	<u>721,784</u>	<u>144,627</u>	<u>13,972</u>	<u>4,529,026</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 7,546,725</u>	<u>\$ 75,784</u>	<u>\$ 541,012</u>	<u>\$ 150,685</u>	<u>\$ 30,218</u>	<u>\$ 19,719</u>	<u>\$ 5,433</u>	<u>\$ 60,404</u>	<u>\$ 106,705</u>	<u>\$ 475</u>	<u>\$ 722,217</u>	<u>\$ 144,627</u>	<u>\$ 14,012</u>	<u>\$ 9,418,016</u>

**Statement of Revenues, Expenditures and Changes in Fund Balances
Combining General Fund
For the Year Ended December 31, 2021**

	General Fund	27th Payroll	Fire Dept. Equipment Fund	DPW Equipment Revolving Fund	Police Vehicle Revolving Fund	Building Repair Fund	Skate Park Fund	Solid Waste Recycling Fund	Sick Leave Severance Fund	Lakes Improvement Fund	Street Repair Rev. Fund	Insurance Reserve	Elections Fund	Total General Fund
REVENUES														
Property Taxes	\$ 3,136,502	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,136,502
Other Taxes	259,944	-	-	-	-	-	-	-	-	-	-	-	-	259,944
Special Assessment Revenue	3,308	-	-	-	-	-	-	-	-	-	-	-	-	3,308
Intergovernmental	4,589,357	-	-	-	-	-	-	31,846	-	-	76,812	-	-	4,698,015
License and Permits	148,817	-	-	-	-	-	-	-	-	-	-	-	-	148,817
Fines, Forfeits and Penalties	295,900	-	-	-	-	-	-	-	-	-	-	-	-	295,900
Public Charges for Services	68,739	-	-	-	-	-	-	60	-	-	-	-	-	68,799
Interest Income	6,396	8	46	45	-	-	-	-	-	-	261	-	-	6,756
Miscellaneous Income	98,925	-	3,509	31,965	8,630	-	3,000	-	-	-	-	-	-	146,029
Total Revenues	<u>8,607,888</u>	<u>8</u>	<u>3,555</u>	<u>32,010</u>	<u>8,630</u>	<u>-</u>	<u>3,000</u>	<u>31,906</u>	<u>-</u>	<u>-</u>	<u>77,073</u>	<u>-</u>	<u>-</u>	<u>8,764,070</u>
EXPENDITURES														
Current:														
General Government	1,587,999	-	-	-	-	-	-	-	33,414	-	-	-	14,124	1,635,537
Public Safety	3,947,814	-	105,933	-	54,562	-	-	-	-	-	-	-	-	4,108,309
Public Works	1,106,953	-	-	70,912	-	-	-	456,991	-	-	225,922	-	-	1,860,778
Culture, Recreation and Education	578,305	-	-	-	-	-	-	-	-	-	-	19,900	-	598,205
Capital Outlay	-	-	-	163,715	-	47,973	-	-	-	-	-	-	-	211,688
Total Expenditures	<u>7,221,071</u>	<u>-</u>	<u>105,933</u>	<u>234,627</u>	<u>54,562</u>	<u>47,973</u>	<u>-</u>	<u>456,991</u>	<u>33,414</u>	<u>-</u>	<u>225,922</u>	<u>19,900</u>	<u>14,124</u>	<u>8,414,517</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>1,386,817</u>	<u>8</u>	<u>(102,378)</u>	<u>(202,617)</u>	<u>(45,932)</u>	<u>(47,973)</u>	<u>3,000</u>	<u>(425,085)</u>	<u>(33,414)</u>	<u>-</u>	<u>(148,849)</u>	<u>(19,900)</u>	<u>(14,124)</u>	<u>349,553</u>
OTHER FINANCING SOURCES (USES)														
Transfers In	712,531	-	-	25,000	-	-	-	-	-	-	-	-	-	737,531
Transfers Out	(1,898,442)	30,000	260,000	170,000	-	15,000	-	450,307	75,000	-	192,218	50,000	25,000	(630,917)
Total Other Financing Sources and Uses	<u>(1,185,911)</u>	<u>30,000</u>	<u>260,000</u>	<u>195,000</u>	<u>-</u>	<u>15,000</u>	<u>-</u>	<u>450,307</u>	<u>75,000</u>	<u>-</u>	<u>192,218</u>	<u>50,000</u>	<u>25,000</u>	<u>106,614</u>
Net Change in Fund Balances	200,906	30,008	157,622	(7,617)	(45,932)	(32,973)	3,000	25,222	41,586	-	43,369	30,100	10,876	456,167
Fund Balances (Deficit) - Beginning	2,487,166	45,776	383,390	129,858	76,150	52,692	2,433	33,762	65,119	475	678,415	114,527	3,096	4,072,859
Fund Balances - Ending	<u>\$ 2,688,072</u>	<u>75,784</u>	<u>\$ 541,012</u>	<u>\$ 122,241</u>	<u>\$ 30,218</u>	<u>\$ 19,719</u>	<u>\$ 5,433</u>	<u>\$ 58,984</u>	<u>\$ 106,705</u>	<u>\$ 475</u>	<u>\$ 721,784</u>	<u>\$ 144,627</u>	<u>\$ 13,972</u>	<u>\$ 4,529,026</u>

Balance Sheet
Non-Major Governmental Funds
December 31, 2021

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,298,707	\$ 239,324	\$ 1,538,031
Receivables:			
Accounts	2,208	-	2,208
Due from Other Governments	11,855	161,025	172,880
Total Assets	<u>\$ 1,312,770</u>	<u>\$ 400,349</u>	<u>\$ 1,713,119</u>
LIABILITIES			
Accounts Payable	\$ 47,846	\$ 63,176	\$ 111,022
Accrued Liabilities	33,312	-	33,312
Due to Other Funds	218	61,500	61,718
Advances Payable	413,429	-	413,429
Total Liabilities	<u>494,805</u>	<u>124,676</u>	<u>619,481</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	<u>3,354</u>	<u>167,995</u>	<u>171,349</u>
FUND BALANCE			
Restricted	1,228,039	169,178	1,397,217
Unassigned (Deficit)	(413,428)	(61,500)	(474,928)
Total Fund Balance	<u>814,611</u>	<u>107,678</u>	<u>922,289</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 1,312,770</u>	<u>\$ 400,349</u>	<u>\$ 1,713,119</u>

Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2021

	Non-Major Special Revenue Funds	Non-Major Capital Project Funds	Non-Major Governmental Funds
REVENUES			
Property Taxes	\$ -	\$ 90,165	\$ 90,165
Intergovernmental	526,104	95,308	621,412
Public Charges for Services	420,850	-	420,850
Intergovernmental Charges for Services	268	-	268
Interest Income	1,419	387	1,806
Miscellaneous Income	180,278	34,965	215,243
Total Revenues	<u>1,128,919</u>	<u>220,825</u>	<u>1,349,744</u>
EXPENDITURES			
Current:			
Public Safety	24,772	-	24,772
Public Works	139,031	-	139,031
Culture, Recreation and Education	1,676,878	-	1,676,878
Conservation and Development	2,890	65,250	68,140
Capital Outlay	4,721	278,331	283,052
Total Expenditures	<u>1,848,292</u>	<u>343,581</u>	<u>2,191,873</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(719,373)</u>	<u>(122,756)</u>	<u>(842,129)</u>
OTHER FINANCING SOURCES (USES)			
Payments to overlying taxing jurisdictions	-	(71,335)	(71,335)
Transfers In	630,917	-	630,917
Transfers Out	(40,927)	(26,682)	(67,609)
Transfers Out to CDA	2,867	(25,000)	(22,133)
Total Other Financing Sources and Uses	<u>589,990</u>	<u>(123,017)</u>	<u>469,840</u>
Net Change in Fund Balances	(129,383)	(245,773)	(372,289)
Fund Balances - Beginning	941,127	353,451	1,294,578
Fund Balances - Ending	<u>\$ 811,744</u>	<u>\$ 107,678</u>	<u>\$ 922,289</u>

**Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2021**

	Cable TV Fund	Library Special Revenue Fund	Taxicab Grant Program Fund	Parkland Acquisition Fund	Parkland Development Fund	Forestry Fund	Rescue Squad Equipment/ Educ. Fund
ASSETS							
Cash and Cash Equivalents	\$ 60,803	\$ 634,064	\$ 78,711	\$ 53,169	\$ 32,802	\$ 18,895	\$ 146,184
Receivables:							
Accounts	-	-	-	-	-	-	-
Due from Other Governments	-	-	11,855	-	-	-	-
Total Assets	<u>\$ 60,803</u>	<u>\$ 634,064</u>	<u>\$ 90,566</u>	<u>\$ 53,169</u>	<u>\$ 32,802</u>	<u>\$ 18,895</u>	<u>\$ 146,184</u>
LIABILITIES							
Liabilities:							
Accounts Payable	\$ 365	\$ 5,766	\$ 14,471	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	3,546	19,153	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-
Advances Payable	-	-	-	-	-	-	-
Total Liabilities	<u>3,911</u>	<u>24,919</u>	<u>14,471</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE							
Restricted	56,892	609,145	76,095	53,169	32,802	18,895	146,184
Unassigned (Deficit)	-	-	-	-	-	-	-
Total Fund Balance	<u>56,892</u>	<u>609,145</u>	<u>76,095</u>	<u>53,169</u>	<u>32,802</u>	<u>18,895</u>	<u>146,184</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 60,803</u>	<u>\$ 634,064</u>	<u>\$ 90,566</u>	<u>\$ 53,169</u>	<u>\$ 32,802</u>	<u>\$ 18,895</u>	<u>\$ 146,184</u>

**Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2021**

	Parking Permit Fund	Police Dept. Trust Fund	Parks and Recreation Fund	Field of Dreams Fund	Aquatic Center Fund	Non-Major Special Revenue Funds
ASSETS						
Cash and Cash Equivalents	\$ 79,203	\$ 88,575	\$ 6,598	\$ 63,737	\$ 35,966	\$ 1,298,707
Receivables:						
Accounts	-	-	2,208	-	-	2,208
Due from Other Governments	-	-	-	-	-	11,855
Total Assets	<u>\$ 79,203</u>	<u>\$ 88,575</u>	<u>\$ 8,806</u>	<u>\$ 63,737</u>	<u>\$ 35,966</u>	<u>\$ 1,312,770</u>
LIABILITIES						
Liabilities:						
Accounts Payable	\$ 250	\$ -	\$ 856	\$ -	\$ 26,138	\$ 47,846
Accrued Liabilities	-	-	786	-	9,827	33,312
Due to Other Funds	-	218	-	-	-	218
Advances Payable	-	-	-	-	413,429	413,429
Total Liabilities	<u>250</u>	<u>218</u>	<u>1,642</u>	<u>-</u>	<u>449,394</u>	<u>494,805</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,354</u>	<u>-</u>	<u>3,354</u>
FUND BALANCE (DEFICIT)						
Restricted	78,953	88,357	7,164	60,383	-	1,228,039
Unassigned (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(413,428)</u>	<u>(413,428)</u>
Total Fund Balance (Deficit)	<u>78,953</u>	<u>88,357</u>	<u>7,164</u>	<u>60,383</u>	<u>(413,428)</u>	<u>814,611</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 79,203</u>	<u>\$ 88,575</u>	<u>\$ 8,806</u>	<u>\$ 63,737</u>	<u>\$ 35,966</u>	<u>\$ 1,312,770</u>

City of Whitewater
Whitewater, WI

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2021**

	<u>Cable TV Fund</u>	<u>Library Special Revenue Fund</u>	<u>Taxicab Grant Program Fund</u>	<u>Parkland Acquisition Fund</u>	<u>Parkland Development Fund</u>	<u>Forestry Fund</u>	<u>Rescue Squad Equipment/ Educ. Fund</u>
REVENUES							
Intergovernmental	\$ -	\$ 233,020	\$ 152,584	\$ -	\$ -	\$ -	\$ -
Public Charges for Services	79,717	5,604	-	-	-	-	-
Intergovernmental Charges for Services	-	-	-	-	-	-	268
Interest Income	40	582	-	-	-	1	119
Miscellaneous Income	18,169	52,390	-	-	11,630	1,500	-
Total Revenues	<u>97,926</u>	<u>291,596</u>	<u>152,584</u>	<u>-</u>	<u>11,630</u>	<u>1,501</u>	<u>387</u>
EXPENDITURES							
Current:							
Public Safety	-	-	-	-	-	-	3,270
Public Works	-	-	139,031	-	-	-	-
Culture, Recreation and Education	110,692	834,588	-	-	1,361	-	-
Conservation and Development	-	-	-	-	-	2,890	-
Capital Outlay	-	4,721	-	-	-	-	-
Total Expenditures	<u>110,692</u>	<u>839,309</u>	<u>139,031</u>	<u>-</u>	<u>1,361</u>	<u>2,890</u>	<u>3,270</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(12,766)</u>	<u>(547,713)</u>	<u>13,553</u>	<u>-</u>	<u>10,269</u>	<u>(1,389)</u>	<u>(2,883)</u>
OTHER FINANCING SOURCES (USES)							
Transfer in CDA	-	-	-	-	2,867	-	-
Transfers In	-	470,000	-	-	-	7,917	-
Total Other Financing Sources and Uses	<u>-</u>	<u>470,000</u>	<u>-</u>	<u>-</u>	<u>2,867</u>	<u>7,917</u>	<u>-</u>
Net Change in Fund Balances	(12,766)	(77,713)	13,553	-	13,136	6,528	(2,883)
Fund Balances - Beginning	69,658	686,858	62,542	53,169	19,666	12,367	149,067
Fund Balances - Ending	<u>\$ 56,892</u>	<u>\$ 609,145</u>	<u>\$ 76,095</u>	<u>\$ 53,169</u>	<u>\$ 32,802</u>	<u>\$ 18,895</u>	<u>\$ 146,184</u>

**City of Whitewater
Whitewater, WI**

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Year Ended December 31, 2021**

	<u>Parking Permit Fund</u>	<u>Police Dept. Trust Fund</u>	<u>Parks and Recreation Fund</u>	<u>Field of Dreams Fund</u>	<u>Aquatic Center Fund</u>	<u>Non-Major Special Revenue Funds</u>
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 140,500	\$ 526,104
Public Charges for Services	33,437	-	92,257	-	209,835	420,850
Intergovernmental Charges for Services	-	-	-	-	-	268
Interest Income	24	46	-	-	607	1,419
Miscellaneous Income	-	17,597	2,208	76,584	200	180,278
Total Revenues	<u>33,461</u>	<u>17,643</u>	<u>94,465</u>	<u>76,584</u>	<u>351,142</u>	<u>1,128,919</u>
EXPENDITURES						
Current:						
Public Safety	4,591	16,911	-	-	-	24,772
Public Works	-	-	-	-	-	139,031
Culture, Recreation and Education	-	-	84,179	62,594	583,464	1,676,878
Conservation and Development	-	-	-	-	-	2,890
Capital Outlay	-	-	-	-	-	4,721
Total Expenditures	<u>4,591</u>	<u>16,911</u>	<u>84,179</u>	<u>62,594</u>	<u>583,464</u>	<u>1,848,292</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>28,870</u>	<u>732</u>	<u>10,286</u>	<u>13,990</u>	<u>(232,322)</u>	<u>(719,373)</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	153,000	630,917
Transfers Out	(35,927)	-	-	(5,000)	-	(40,927)
Total Other Financing Sources and Uses	<u>(35,927)</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>	<u>153,000</u>	<u>592,857</u>
Net Change in Fund Balances	(7,057)	732	10,286	8,990	(79,322)	(126,516)
Fund Balances - Beginning	86,010	87,625	(3,122)	51,393	(334,106)	941,127
Fund Balances (Deficit) - Ending	<u>\$ 78,953</u>	<u>\$ 88,357</u>	<u>\$ 7,164</u>	<u>\$ 60,383</u>	<u>\$ (413,428)</u>	<u>\$ 814,611</u>

**City of Whitewater
Whitewater, WI
Combining Balance Sheet
Non-Major Capital Project Funds
December 31, 2021**

	<u>TID #5</u>	<u>TID #6</u>	<u>TID #7</u>	<u>TID #8</u>	<u>TID #9</u>	<u>TIF 10</u>	<u>TIF 11</u>	<u>TIF 12</u>	<u>TIF 13</u>	<u>TIF 14</u>	<u>Other Capital Projects Funds</u>	<u>Non-Major Capital Project Funds</u>
ASSETS												
Cash and Cash Equivalents	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,574	\$ 239,324
Receivables:												
Due from Other Governments	-	-	-	-	-	-	-	-	-	-	161,025	161,025
Total Assets	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 396,599</u>	<u>\$ 400,349</u>								
LIABILITIES												
Accounts Payable	\$ 750	\$ 750	\$ 750	\$ 750	\$ 750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,426	\$ 63,176
Due to Other Funds	-	-	-	-	-	18,660	10,710	10,710	10,710	10,710	-	61,500
Total Liabilities	<u>750</u>	<u>750</u>	<u>750</u>	<u>750</u>	<u>750</u>	<u>18,660</u>	<u>10,710</u>	<u>10,710</u>	<u>10,710</u>	<u>10,710</u>	<u>59,426</u>	<u>124,676</u>
DEFERRED INFLOWS OF RESOURCES												
Tax Apportionment	-	-	-	-	-	-	-	-	-	-	167,995	167,995
FUND BALANCE (DEFICIT)												
Restricted	-	-	-	-	-	-	-	-	-	-	169,178	169,178
Unassigned (Deficit)	-	-	-	-	-	(18,660)	(10,710)	(10,710)	(10,710)	(10,710)	-	(61,500)
Total Fund Balance (Deficit)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(18,660)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>169,178</u>	<u>107,678</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 750</u>	<u>\$ -</u>	<u>\$ 396,599</u>	<u>\$ 400,349</u>								

City of Whitewater
Whitewater, WI

Non-Major Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended December 31, 2021

	TID #5	TID #6	TID #7	TID #8	TID #9	TIF 10	TIF 11	TIF 12	TIF 13	TIF 14	Other Capital Projects Funds	Non-Major Capital Projects Funds
REVENUES												
Property Taxes	\$ 13,914	\$ 72,598	\$ -	\$ 3,040	\$ 613	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,165
Intergovernmental	748	2,838	-	-	(7)	-	-	-	-	-	91,729	95,308
Interest Income	-	2	-	8	-	-	-	-	-	-	377	387
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	34,965	34,965
Total Revenues	<u>14,662</u>	<u>75,438</u>	<u>-</u>	<u>3,048</u>	<u>606</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>127,071</u>	<u>220,825</u>
EXPENDITURES												
Current:												
Conservation and Development	750	750	750	750	750	18,660	10,710	10,710	10,710	10,710	-	65,250
Capital Outlay	-	-	-	-	-	-	-	-	-	-	278,331	278,331
Total Expenditures	<u>750</u>	<u>750</u>	<u>750</u>	<u>750</u>	<u>750</u>	<u>18,660</u>	<u>10,710</u>	<u>10,710</u>	<u>10,710</u>	<u>10,710</u>	<u>278,331</u>	<u>343,581</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>13,912</u>	<u>74,688</u>	<u>(750)</u>	<u>2,298</u>	<u>(144)</u>	<u>(18,660)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>(10,710)</u>	<u>(151,260)</u>	<u>(122,756)</u>
OTHER FINANCING SOURCES (USES)												
Payments to overlying jurisdiction	(12,758)	(38,173)	-	(17,834)	(2,570)	-	-	-	-	-	-	(71,335)
Transfers Out	(5,212)	(15,595)	2,312	(7,137)	(1,050)	-	-	-	-	-	-	(26,682)
Transfers Out to CDA	-	(25,000)	-	-	-	-	-	-	-	-	-	(25,000)
Total Other Financing Sources and Uses	<u>(17,970)</u>	<u>(78,768)</u>	<u>2,312</u>	<u>(24,971)</u>	<u>(3,620)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(123,017)</u>
Net Change in Fund Balances	(4,058)	(4,080)	1,562	(22,673)	(3,764)	(18,660)	(10,710)	(10,710)	(10,710)	(10,710)	(151,260)	(245,773)
Fund Balances (Deficit) - Beginning	4,058	4,080	(1,562)	22,673	3,764	-	-	-	-	-	320,438	353,451
Fund Balances (Deficit) - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (18,660)</u>	<u>\$ (10,710)</u>	<u>\$ (10,710)</u>	<u>\$ (10,710)</u>	<u>\$ (10,710)</u>	<u>\$ 169,178</u>	<u>\$ 107,678</u>

**Combining Statement of Net Position
Component Unit
December 31, 2021**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 2,925	\$ 809,441	\$ 8,944	\$ 821,310
Due from Other Funds	-	50,000	-	50,000
Total Current Assets	<u>2,925</u>	<u>859,441</u>	<u>8,944</u>	<u>871,310</u>
Noncurrent Assets:				
Restricted Assets				
Other Assets				
Net Pension Asset	27,755	-	-	27,755
Loans Receivable	-	1,248,760	-	1,248,760
Capital Assets				
Land, Improvements, and Construction in Progress	-	481,816	-	481,816
Other Capital Assets, Net of Depreciation	-	4,881,562	-	4,881,562
Total Capital Assets	<u>-</u>	<u>5,363,378</u>	<u>-</u>	<u>5,363,378</u>
Total Noncurrent Assets	<u>27,755</u>	<u>6,612,138</u>	<u>-</u>	<u>6,639,893</u>
Total Assets	<u>30,680</u>	<u>7,471,579</u>	<u>8,944</u>	<u>7,511,203</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	45,944	-	-	45,944
Total Deferred Outflows of Resources	<u>45,944</u>	<u>-</u>	<u>-</u>	<u>45,944</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 76,624</u>	<u>\$ 7,471,579</u>	<u>\$ 8,944</u>	<u>\$ 7,557,147</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 5,404	\$ -	\$ 8,943	\$ 14,347
Due to City General Fund	1,496	1,247	69,123	71,866
Total Current Liabilities	<u>6,900</u>	<u>1,247</u>	<u>78,066</u>	<u>86,213</u>
Total Liabilities	<u>6,900</u>	<u>1,247</u>	<u>78,066</u>	<u>86,213</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	60,842	-	-	60,842
Total Deferred Inflows of Resources	<u>60,842</u>	<u>-</u>	<u>-</u>	<u>60,842</u>
NET POSITION				
Net Investment in Capital Assets	-	5,363,378	-	5,363,378
Restricted	-	2,106,954	-	2,106,954
Unrestricted	8,882	-	(69,122)	(60,240)
Total Net Position	<u>8,882</u>	<u>7,470,332</u>	<u>(69,122)</u>	<u>7,410,092</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 76,624</u>	<u>\$ 7,471,579</u>	<u>\$ 8,944</u>	<u>\$ 7,557,147</u>

Combining Statement of Revenues, Expenses and Changes in Net Position
Component Unit
For the Year Ended December 31, 2021

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
Operating Revenues	\$ -	\$ 21,123	\$ 135,393	\$ 156,516
Operating Expenses				
Operating Expenses	146,486	30,655	358,228	535,369
Depreciation	-	126,345	-	126,345
Total Operating Expenses	<u>146,486</u>	<u>157,000</u>	<u>358,228</u>	<u>661,714</u>
Operating Income (Loss)	<u>(146,486)</u>	<u>(135,877)</u>	<u>(222,835)</u>	<u>(505,198)</u>
Non-Operating Revenues (Expenses)				
Investment Income	-	156,661	-	156,661
Miscellaneous	-	-	100,113	100,113
Intergovernmental and Other	-	3,500	-	3,500
Total Non Operating Revenues	<u>-</u>	<u>160,161</u>	<u>100,113</u>	<u>260,274</u>
Transfer In from City	100,000	-	-	100,000
Transfer Out to City	-	(2,867)	-	(2,867)
CDBG Loan Close-Out	<u>-</u>	<u>(860,741)</u>	<u>-</u>	<u>(860,741)</u>
Change in Net Position	(46,486)	(839,324)	(122,722)	(1,008,532)
Total Net Position - Beginning	<u>55,368</u>	<u>8,309,656</u>	<u>53,600</u>	<u>8,418,624</u>
Total Net Position - Ending	<u>\$ 8,882</u>	<u>\$ 7,470,332</u>	<u>\$ (69,122)</u>	<u>\$ 7,410,092</u>

**Combining Statement of Cash Flows
Component Unit
For the Year Ended December 31, 2021**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
Cash Flows From Operating Activities				
Received from customers	\$ -	\$ 24,623	\$ 135,393	\$ 160,016
Loans repaid	-	72,719	-	72,719
New loans issued	-	(30,000)	-	(30,000)
Paid to suppliers for goods and services	(158,653)	(154,085)	(186,034)	(498,772)
Net cash flows from operating activities	<u>(158,653)</u>	<u>(86,743)</u>	<u>(50,641)</u>	<u>(296,037)</u>
Cash Flows From Investing Activities				
Investment income	-	156,661	-	156,661
Net cash flows from investing activities	<u>-</u>	<u>156,661</u>	<u>-</u>	<u>156,661</u>
Cash Flows From Non-Capital Financing Activities				
Transfers in from City	100,000	-	-	100,000
CDBG Loan Close-Out	-	(860,741)	-	(860,741)
Transfers out to City	-	(2,867)	-	(2,867)
Advance repayments	-	250,000	-	250,000
Net cash flow from noncapital financing activities	<u>100,000</u>	<u>(613,608)</u>	<u>-</u>	<u>(513,608)</u>
Net increase (decrease) in cash and cash equivalents	(58,653)	(543,690)	(50,641)	(652,984)
Cash And Cash Equivalents - Beginning Of Year	<u>61,578</u>	<u>1,353,131</u>	<u>59,585</u>	<u>1,474,294</u>
Cash And Cash Equivalents - End Of Year	<u>\$ 2,925</u>	<u>\$ 809,441</u>	<u>\$ 8,944</u>	<u>\$ 821,310</u>
Reconciliation Of Operating Income (Loss) To Net Cash Flows From Operating Activities				
Operating income (loss)	\$ (146,486)	\$ (135,877)	\$ (222,835)	\$ (505,198)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Miscellaneous	-	-	100,113	100,113
Noncash items included in income (loss)				
Depreciation	-	126,345	-	126,345
Pension expense	(10,354)	-	-	(10,354)
Change in Assets and Liabilities				
Loans receivable	-	42,719	-	42,719
Due from other funds	1,496	3,500	-	4,996
Due to primary government	-	(123,430)	69,123	(54,307)
Accounts payable and accrued expenses	(3,309)	-	2,958	(351)
Net Cash Flows From Operating Activities	<u>\$ (158,653)</u>	<u>\$ (86,743)</u>	<u>\$ (50,641)</u>	<u>\$ (296,037)</u>

OTHER INFORMATION

City of Whitewater

**Schedule of Long-Term Debt Principal Payments - Governmental Activities
December 31, 2021**

Year	Totals	2012 General Obligation Refunding Bonds	2014 Taxable General Obligation Bonds	2017 Taxable General Obligation Notes	2018 Taxable General Obligation Bonds	2019 Taxable General Obligation Notes	2020 Taxable General Obligation Bonds
2022	\$ 792,900	\$ 275,000	\$ 150,000	\$ 60,225	\$ 60,000	\$ 87,675	\$ 160,000
2023	807,675	280,000	150,000	-	120,000	87,675	170,000
2024	789,050	290,000	155,000	-	110,000	64,050	170,000
2025	812,750	295,000	285,000	-	-	57,750	175,000
2026	782,750	300,000	385,000	-	-	57,750	40,000
2027	802,750	305,000	400,000	-	-	57,750	40,000
2028	782,750	315,000	160,000	-	210,000	57,750	40,000
2029	797,750	325,000	160,000	-	210,000	57,750	45,000
2030	590,000	335,000	-	-	210,000	-	45,000
2031	600,000	345,000	-	-	210,000	-	45,000
2032	255,000	-	-	-	210,000	-	45,000
2033	260,000	-	-	-	215,000	-	45,000
2034	270,000	-	-	-	215,000	-	55,000
2035	265,000	-	-	-	210,000	-	55,000
2036	270,000	-	-	-	215,000	-	55,000
2037	265,000	-	-	-	210,000	-	55,000
2038	55,000	-	-	-	-	-	55,000
2039	55,000	-	-	-	-	-	55,000
2040	20,000	-	-	-	-	-	20,000
Totals	\$ 9,273,375	\$ 3,065,000	\$ 1,845,000	\$ 60,225	\$ 2,405,000	\$ 528,150	\$ 1,370,000

City of Whitewater

**Schedule of Long-Term Debt Interest Payments - Governmental Activities
December 31, 2021**

Year	Totals	2012	2014	2017	2018	2019	2020
		General Obligation Refunding Bonds	Taxable General Obligation Bonds	Taxable General Obligation Notes	Taxable General Obligation Bonds	Taxable General Obligation Notes	Taxable General Obligation Bonds
2022	\$ 250,728	\$ 81,475	\$ 46,605	\$ 1,490	\$ 82,188	\$ 13,151	\$ 25,820
2023	231,568	75,288	43,605	-	79,188	10,968	22,520
2024	210,409	68,988	40,305	-	73,188	8,809	19,120
2025	189,828	62,463	36,818	-	67,688	7,190	15,670
2026	172,615	55,678	29,978	-	67,688	5,752	13,520
2027	153,199	48,478	20,000	-	67,688	4,314	12,720
2028	132,704	40,853	9,360	-	67,688	2,884	11,920
2029	111,358	32,663	4,800	-	61,388	1,438	11,070
2030	87,358	22,100	-	-	55,088	-	10,170
2031	68,746	11,213	-	-	48,263	-	9,270
2032	49,808	-	-	-	41,438	-	8,370
2033	42,083	-	-	-	34,613	-	7,470
2034	34,095	-	-	-	27,625	-	6,470
2035	26,008	-	-	-	20,638	-	5,370
2036	18,083	-	-	-	13,813	-	4,270
2037	9,995	-	-	-	6,825	-	3,170
2038	2,070	-	-	-	-	-	2,070
2039	970	-	-	-	-	-	970
2040	210	-	-	-	-	-	210
Totals	\$ 1,791,835	\$ 499,199	\$231,471	\$ 1,490	\$ 815,000	\$ 54,505	\$ 190,170

**CITY OF WHITEWATER
WHITEWATER, WISCONSIN
REQUIRED AUDIT COMMUNICATIONS
TO THE CITY COUNCIL**

Year Ended December 31, 2021

**Johnson Block & Company, Inc.
Certified Public Accountants
9701 Brader Way, Suite 202
Middleton, Wisconsin 53562
(608) 274-2002**

**CITY OF WHITEWATER
WHITEWATER, WISCONSIN**

Year Ended December 31, 2021

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AUDIT MATTERS REQUIRING COMMUNICATION TO THE GOVERNING BODY

To the City Council
City of Whitewater
Whitewater, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater for the year ended December 31, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 21, 2021. Professional standards require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the City of Whitewater are described in Note 1 to the financial statements. No new accounting policies were adopted in 2021. We noted no transactions entered into by the City of Whitewater during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the City of Whitewater's financial statements were:

- Depreciation - Management's estimates of the depreciable lives of property and equipment are based on the expected use of the respective assets and management's experience with similar assets used by the City of Whitewater.
- WRS Pension and Life Insurance Liability and Deferred Outflows and Inflows of Resources - Management's estimate of the pension liability and deferred outflows and inflows of resources are based on various factors. These estimates are computed by the pension plan administrator.

We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

The financial statement disclosures are neutral, consistent and clear.



Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. Management has elected not to accrue the liability related to the actuarial determined OPEB for retiree health insurance related to the implicit rate subsidy. It was not material. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit. The addendum to this letter contains adjustments detected as part of the audit.

Disagreements with Management

For purposes of this letter a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 15, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City of Whitewater's financial statements or a determination of the type of auditor's opinion that may be expressed on these statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of principles and auditing standards, with management each year prior to retention as the City of Whitewater's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.



Other Matters

We applied certain limited procedures to management’s discussion and analysis, the budgetary comparison information, and the Wisconsin Retirement System schedules, which are required supplementary information (“RSI”) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the City Council and management of the City of Whitewater and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
April 15, 2022



MANAGEMENT LETTER

To the City Council
City of Whitewater
Whitewater, Wisconsin

In planning and performing our audit of the financial statements of the City of Whitewater for the year ended December 31, 2021, we considered the City of Whitewater's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control.

However, during our audit we became aware of other matters that are opportunities for strengthening internal controls and operating efficiency. The following pages that accompany this letter summarize our comments and suggestions regarding those matters. This letter does not affect our report dated April 15, 2022, on the financial statements of the City of Whitewater.

We would like to take this opportunity to acknowledge the many courtesies extended to us by the City of Whitewater's personnel during the course of our work.

We shall be pleased to discuss any of the matters referred to in this letter. Should you desire assistance in implementing any of the following suggestions, we would welcome the opportunity of assisting you in these matters.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
April 15, 2022

**CITY OF WHITEWATER
WHITEWATER, WISCONSIN
Year Ended December 31, 2021**

ADJUSTING JOURNAL ENTRIES

As your auditor, our role is to substantiate year-end financial balances and information presented by your accounting personnel, and compare it to supporting information and outside confirmations. When information in your records does not agree with audit evidence, an adjusting entry is necessary to correct your records. Sometimes these entries are identified by your staff as they get ready for the audit. Other adjustments are prepared by us as we discover that your general ledger balances need to be changed to reflect the correct balances.

The proposed entries were accepted by the City of Whitewater's management. All of these changes are reflected properly in your audited financial statements. A copy of the adjusting entries has been provided to your staff and they have been posted to your 2021 general ledger.

Due to the technical nature of financial reporting and complying with financial reporting standards, most clients have their CPA firm prepare the year-end financial statements and note disclosures. We have provided these services to your City.

We are communicating this information to you to give you a better understanding of what we do and how the year-end process works. Our job as auditors is to bring in an outside perspective and provide a level of comfort that your financial reporting system is materially correct and accurately reflects the financial activity for the year. However, in many cases, our services go beyond auditing. Our experience and training can provide a very cost-effective means of providing the year-end accounting assistance that you need.

We hope that by providing this information on what we do, you will have a better understanding of our role, and the various ways that we work with your staff.

PASSED JOURNAL ENTRIES

Passed journal entries may occur due to transaction timing, industry practices or lack of overall significance. The liability for health insurance OPEBs was considered immaterial.

**CITY OF WHITEWATER
WHITEWATER, WISCONSIN
Year Ended December 31, 2021**

ADDITIONAL COMMENTS

Aquatic Center Revenue Projections

While formulating the budget for the Aquatic Center, we recommend that the City of Whitewater also perform revenue projections to gain a more accurate understanding of the fees and other funds the Aquatic Center expects to receive during the year. An example of a potential projection test would be to identify (or estimate) the number of memberships and perform an analysis based off of membership fees for each membership category.

Current Year comment – The City has worked on getting projections in its budget process. The Aquatic Center had a deficit of \$413,428 as of December 31, 2021. This deficit requires an advance of funds from the City and increased subsidies from the general fund.

Leases

The Governmental Accounting Standards Board issued Statement No. 87 (GASB 87), Leases, effective for fiscal years beginning after December 15, 2021. GASB 87 will significantly change the criteria and conditions for classifying leases. It includes guidance for both lessees and lessors and must be implemented for the year ended December 31, 2022. (Implementation has been delayed 18 months due to COVID-19 but early implementation is still allowed).

GASB 87 defines a lease as a contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset) as specified in the contract for a period of time. Examples of nonfinancial assets most commonly include buildings, land, vehicles, and equipment. New lease accounting will include any contracts that meet the GASB 87 definition of a lease, even if the contracts do not identify the agreements as leases. Applicable leases may include water tower/cell phone tower leases, electric pole rental, etc.

GASB 87 requires similar reporting of all leases entered into by the governmental unit. A lessee is required to recognize an asset and lease liability on the statement of net position. With each year of the lease, amortization and interest expense will be allocated to the statement of activities until the lease term is complete.

Leases that meet a “short-term” criteria will continue to be reported as expenses/expenditures by lessees based on the required payments in the lease contract. Short-term leases are defined as contracts with a maximum possible term of 12 months or less.

A listing of all contracts for consideration of meeting the definition of a lease needs to be started and continuously updated. The listing should include key terms of the contracts, including:

- Description of contract
- Underlying asset
- Contract term
- Options for extensions and terminations
- Service components, if any (portion of contract for services, not control of the assets, are expensed)
- Dollar amount of lease

**CITY OF WHITEWATER
WHITEWATER, WISCONSIN
Year Ended December 31, 2021**

We will continue requesting potential contracts that meet the definition of a lease and are available to assist with initial and annual journal entries related to implementation of this new standard.

CONCLUDING REMARKS

We would like to thank you for allowing us to serve you. We are committed to assisting you in the long-term financial success of the City of Whitewater and our comments are intended to draw to your attention issues which need to be addressed by the City to meet its goals and responsibilities.

The comments and suggestions in this communication are not intended to reflect in any way on the integrity or ability of the personnel of the City of Whitewater. They are made solely in the interest of establishing sound internal control practices required by changing professional standards. The City of Whitewater's staff is deeply committed to maintaining the financial reporting system so that informed decisions can be made. They were receptive to our comments and suggestions.

We will review the status of these comments during each audit engagement.

If you have any questions or comments regarding this communication or the financial statements, do not hesitate to contact us.



Council Agenda Item

Meeting Date: May 3, 2022

Agenda Item: Lakes Drawdown & Dredging Project Presentation

Staff Contact (name, email, phone): Eric Boettcher eboettcher@whitewater-wi.gov

BACKGROUND

(Enter the who, what when, where, why)

The dredging portion of the lake project was completed earlier this year. The next phase in the project includes preparations for refilling the lake. The project work identified for this phase includes the following:

1. Controlled burns of the lake bed.
2. Cover crop installation.
3. Lakeshore restoration.
4. Live plant installation.

Refilling of the lake is expected to begin in June.

City staff will give a presentation on the project and the remaining work required to prepare the lake for refilling.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

FINANCIAL IMPACT

(If none, state N/A)

\$6,000 – \$10,000 as part of the Lakes Project Budget

STAFF RECOMMENDATION

This item is not included for action although staff will welcome feedback from the Common Council.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

N/A – A presentation will be given at the meeting.



Council Agenda Item

Meeting Date: May 3, 2022

Agenda Item: Effigy Mounds and Walton Oaks Restoration Work Presentation

Staff Contact (name, email, phone): Eric Boettcher eboettcher@whitewater-wi.gov

BACKGROUND

(Enter the who, what when, where, why)

After two seasons of little to no maintenance at Effigy Mounds Preserve, the City of Whitewater hired a prairie restoration service to complete multiple projects within both the Effigy Mounds Preserve and Walton Oaks Park. Each park area had become overgrown and needed trimming and clearing work.

Work began in November 2021 and has continued into March 2022. Parks & Recreation Director, Eric Boettcher will provide an update on the work in each park space and answer questions from the Common Council and the public.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

September 27, 2021 – Landmarks Commission Effigy Mounds Presentation

FINANCIAL IMPACT

(If none, state N/A)

The overall cost of the work provided is \$11,273.00

STAFF RECOMMENDATION

This item is not included for action although staff will welcome feedback from the Common Council.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

N/A – A presentation will be given at the meeting.



Council Agenda Item

Meeting Date:	May 3, 2022
Agenda Item:	Arch Agreement - Sanitary Sewer and Water Main
Staff Contact (name, email, phone):	Brad Marquardt, bmarquardt@whitewater-wi.gov , 262-473-0139

BACKGROUND

(Enter the who, what when, where, why)

At previous Council meetings it was decided that the street serving the new development off of Tratt Street would remain private. However, the sanitary sewer and water main are serving multiple lots and could be extended in the future to serve additional property and thus should be considered public (City maintained). Additionally, staff asked the developer for water main to be extended to a property line for future looping purposes. The Agreement outlines the conditions and responsibilities of the developer and City for the sanitary sewer and water main to be dedicated as public, along with reimbursement costs associated with the City requested water main extension.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

The Public Works Committee discussed this item at their October 12, 2021 meeting. They recommended this item be sent to the full Council for discussion.

The Common Council discussed this item at the November 2, 2021 Council meeting. No action was taken.

The Common Council discussed this item at the December 7, 2021 Council meeting. Council voted to not make the private drive a public street. Council also voted to reimburse the contractor for the design and construction of the additional water main City staff requested (minutes attached, see Page 4 highlighted text).

FINANCIAL IMPACT

(If none, state N/A)

The City has no fiscal responsibility in the design or construction of the sanitary sewer and watermain serving the development other than the water main that was asked to be extended. The Agreement states that the City will reimburse the Developer an amount not to exceed \$16,500 for construction and engineering.

STAFF RECOMMENDATION

Staff recommends approval of the Agreement.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Agreement for Sanitary Sewer and Water Main Improvements
 2. December 7 Council Minutes
-

**AGREEMENT FOR SANITARY SEWER AND WATERMAIN IMPROVEMENTS
BETWEEN ARCH DEVELOPMENT LLC
AND THE CITY OF WHITEWATER, WISCONSIN**

ARCH DEVELOPMENT PHASE I

THIS AGREEMENT (“Agreement”) is entered into between Arch Development LLC, 2317 S. Stoughton Road, Madison, WI 53716, hereinafter called “Developer,” and the City of Whitewater, a municipal corporation of Jefferson and Walworth Counties, Wisconsin, hereinafter called “City.”

WHEREAS, the City and Developer believe that certain extensions and upgrades to the City’s sanitary sewer and watermain facilities, as more particularly identified below and on Exhibit A, attached hereto, and located on property owned by Developer (“Property”), are appropriate and in the best interests of the City and Developer, and the Developer has indicated it is willing to proceed with such sanitary sewer and watermain improvements provided the City agrees to accept and maintain the extensions as public facilities; and further provided City agrees to reimburse the Developer for the costs that will be paid by the Developer to third party contractors engaged by the Developer to install additional watermain as requested by the City (and agreed to by Developer), and the City is willing to agree to reimburse the Developer for such engineering and design associated with the requested additional watermain as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree:

1. **Engineering Plans and Specifications.** The Developer shall prepare and submit to the City, the Engineering Plans and Specifications for Phase I, which shall be subject to the approval of the Director of Public Works (“Plans”). Preliminary drafts of the Plans are attached hereto and incorporated herein by reference as Exhibit B. Final Plans submitted by Developer and approved by City shall become part of this Agreement.
2. **Permits.** Developer shall be responsible for obtaining all required permits and approvals, and the City shall use best efforts to work with Developer for the approval of the Plans.
3. **Timing of Construction.** Upon City approval of the Plans, subject to the reimbursements as stated above, Developer shall be solely responsible for the construction of all watermain and sanitary sewer on the Property as set forth in the Plans and incorporated herein as Exhibit B.
4. **Approval of Watermain and Sanitary Sewer.** Upon completion of the watermain and sanitary sewer in accordance with the Plans, Developer shall furnish the City with digital “as built” sets of Plans showing all sanitary sewer and watermain facilities improvements on the Property. The Director of Public Works shall approve and accept the watermain and sanitary sewer improvements in writing with Developer, and such acceptance shall indicate the City shall maintain, repair and replace such improvements as necessary. Upon approval and acceptance of watermain and sanitary sewer, Developer shall grant the City an easement for the purposes of maintaining, repairing and replacing such improvements located on the Property, along with necessary access rights.

5. **Corrections of Defects.** Developer guarantees that all watermain and sanitary sewer on the Property shall conform to the approved Plans, and shall be free from material defects in workmanship or materials for a period of 12 months from the date of substantial completion. If the watermain and sanitary sewer fail to conform to this guarantee, Developer shall correct such defects, without cost to City, not more than 60 calendar days after provided with written notice by the City.

Should the Developer fail to make such repair or replacement within the time specified by the City in the aforementioned notification, after notice has been sent, the City may cause such work to be done, but has no obligation to do so, either by contract or otherwise, and the Developer shall immediately pay the cost or expense incurred in the correction process.

6. **Reimbursements.** The City desires to extend water main to the south Property line as indicated on Exhibit A, and as shown on the Plans, for future looping to prevent dead end water mains. In consideration of these improvements, the City will also reimburse the Developer, upon completion and acceptance of said improvements by the City, an amount not to exceed \$16,500 for construction and engineering.

IN WITNESS THEREOF, the parties have caused this Agreement to be executed by their respective authorized officers or agents on the date written below.

Dated this ____ day of _____, 2022.

CITY OF WHITEWATER

By: _____
Cameron Clapper, City Manager

By: _____
Michele Smith, City Clerk

Dated this ____ day of _____, 2022.

ARCH DEVELOPMENT LLC

By: _____
Adam M. Coyle, Managing Member

EXHIBIT LIST

- A. Map of the Property and proposed sewer and water improvements areas
- B. Arch Development Phase I Plans

EXHIBIT A

MAP OF THE PROPERTY AND PROPOSED SEWER AND WATER IMPROVEMENT
AREAS



PROPERTY

SEWER

WATER

CITY OF WHITEWATER

458

434

422

W SCHWINGER DR
W TRAVIS ST

Map of Property

WALWORTH COUNTY, WISCONSIN



1 inch = 188 feet



Author:
Map Produced on: 4/26/2022

Wisconsin State Plane Coordinate System, South Zone
Horizontal Datum: NAD83-2011



Walworth County Information Technology Department
Land Information Division

1800 County Trunk N N
Elkhorn, Wisconsin 53121-1001

DISCLAIMER: THE INFORMATION PROVIDED ON THIS MAP HAS BEEN PRODUCED AND PROCESSED FROM SOURCES BELIEVED TO BE RELIABLE. NO WARRANTY, EXPRESS OR IMPLIED, IS MADE REGARDING THE ACCURACY, COMPLETENESS, OR QUALITY, RELIABILITY OR USEFULNESS OF THE INFORMATION CONTAINED HEREIN. WILLING TO BE ACCEPTED AS IS.

4/29/2022

4/29/2022

EXHIBIT B

ARCH DEVELOPMENT PHASE I PLANS

HUGHES AND COYLE DEVELOPMENT

STREET AND UTILITY CONSTRUCTION

CITY OF WHITEWATER

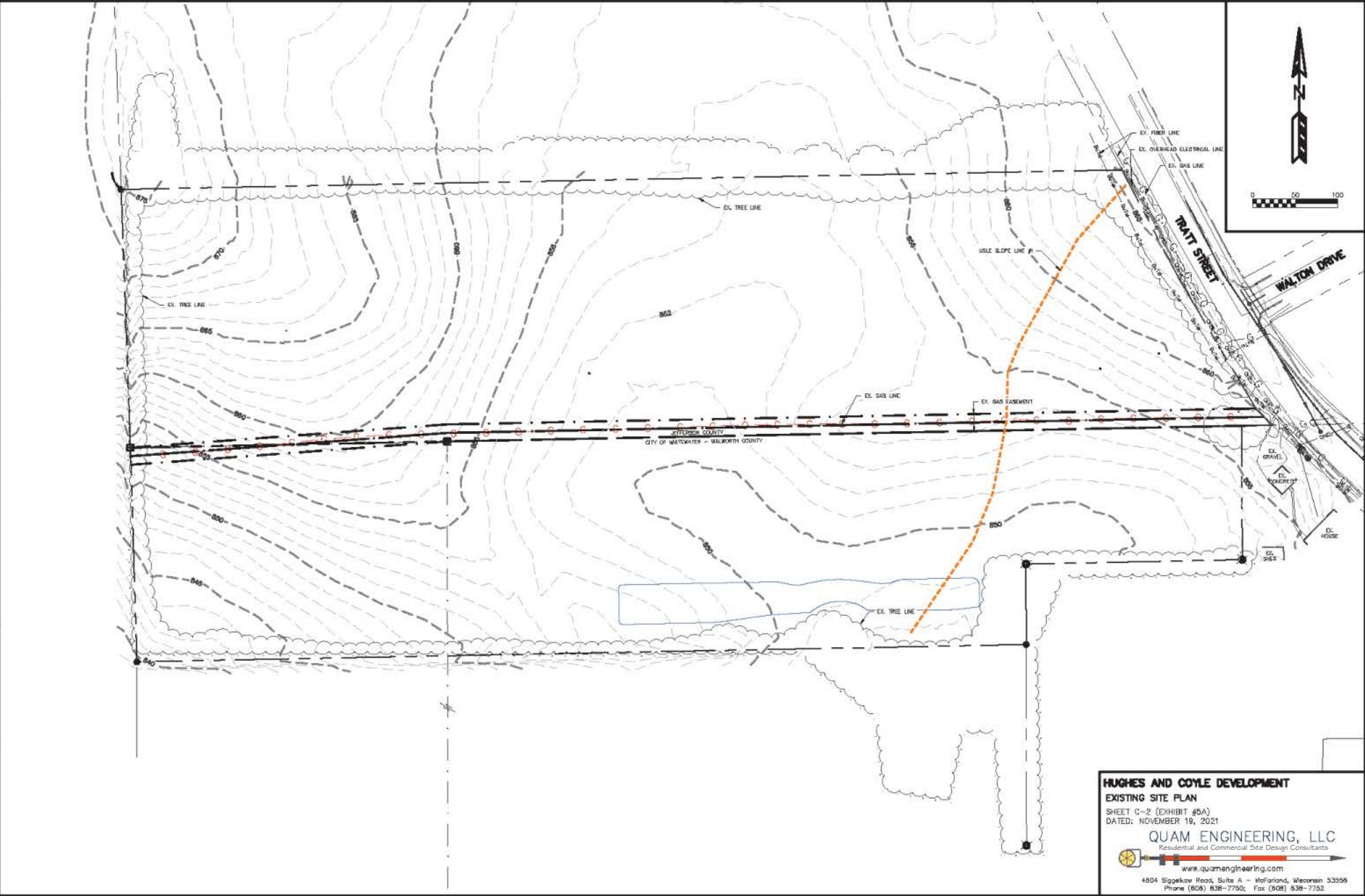
JEFFERSON/WALWORTH COUNTY, WISCONSIN

QUAM ENGINEERING, LLC 4604 Siggelkow Road, Suite A; McFarland, WI 53558 (608) 838-7750

INDEX		
PAGE	STATIONS	DESCRIPTION
1		COVER PAGE
2		EXISTING SITE PLAN
3		APARTMENTS LOT - SITE PLAN & FIRE LANE PLAN
4		APARTMENTS - GRADING & EROSION CONTROL AND RESTORATION PLAN
5		MASS GRADING PLAN
6		PHASE 1 GRADING AND EROSION CONTROL PLAN
7		SOUTH POND PLAN
8		NORTH POND PLAN
9	10+00 - 16+00	RIESCH ROAD PLAN AND PROFILE
10		TRATT STREET IMPROVEMENTS PLAN
11		PUBLIC WATER & STORM SEWER EXTENSION PLAN AND PROFILE

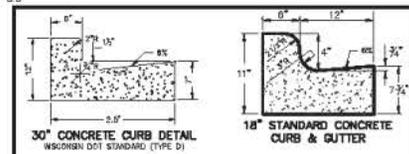
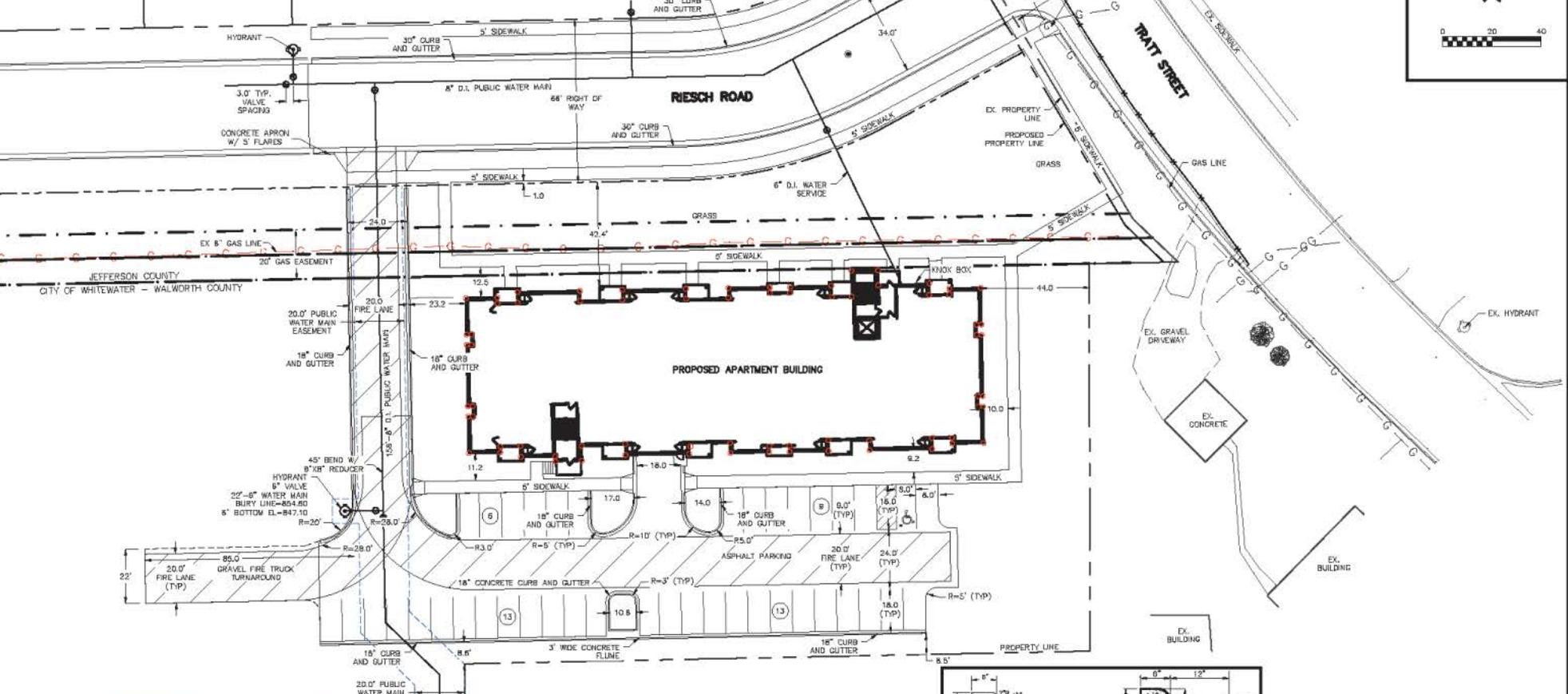
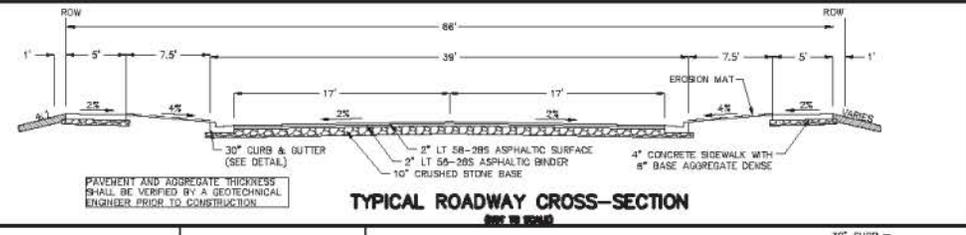


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Residential and Commercial Site Design Consultants
www.quamengineering.com
 4804 Siggelkow Road, Suite A; McFarland, Wisconsin 53558
 Phone (608) 838-7750; Fax (608) 838-7752



HUGHES AND COYLE DEVELOPMENT
EXISTING SITE PLAN
SHEET C-2 (EXHIBIT #5A)
DATED: NOVEMBER 19, 2021

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Residential and Commercial Site Design Consultants
www.quamengineering.com
4804 Siggelkow Road, Suite A - McFarland, Wisconsin 53558
Phone: (608) 838-7750; Fax: (608) 838-7752



GENERAL NOTES

LATERAL CONNECTION JOINTS SHALL BE PLACED AT INTERVALS OF NOT MORE THAN 10' NOR LESS THAN 4' TO EXIST. THE JOINTS SHALL BE A MINIMUM OF 2" WIDE.

EXPANSION JOINTS SHALL BE PLACED TRANVERSELY AT SPREAD POINTS ON CURVES OF RADIUS 200' OR LESS, AND AT WALL POINTS, OR AS DIRECTED BY THE CONTRACTOR. THE EXPANSION JOINT SHALL BE A ONE-PIECE ASPHALTIC MATERIAL HAVING THE SAME EXPANSION AS CURB & GUTTER AT THAT SPREAD RATE BE 1/2" PER 100'. IN ALL CASES CONCRETE CURB & GUTTER SHALL BE PLACED ON THOROUGHLY COMPACTED CRUSHED STONE.

HUGHES AND COYLE DEVELOPMENT
APARTMENTS LOT - PROPOSED SITE
& FIRE LANE PLAN
 SHEET C-3 (EXHIBIT #56)
 DATED: NOVEMBER 19, 2021

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 Phone (608) 838-7750; Fax (608) 838-7752

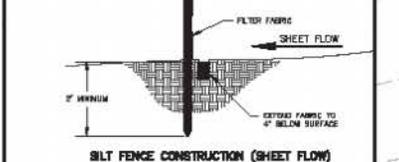
EROSION NOTES:
 THE STONE CONSTRUCTION ENTRANCE SHALL BE INSTALLED PRIOR TO ANY CONSTRUCTION. THE TRUCK PAD IS TO BE MAINTAINED BY THE CONTRACTOR IN A CONDITION WHICH WILL PREVENT THE TRACK OF MUD OR DRY SEDIMENT ON THE ADJACENT PUBLIC STREET. SEDIMENT BEHIND THE PUBLIC ROAD SHALL BE REMOVED BY STREET CLEANING (NOT HYDRULIC FLUSHING) BEFORE THE DATE OF EACH WORKDAY.
 EROSION CONTROL DEVICES SHALL BE INSTALLED PRIOR TO GRADING OPERATIONS AND SHALL BE PROPERLY MAINTAINED FOR MAXIMUM EFFECTIVENESS UNTIL VEGETATION IS ESTABLISHED. ALL EROSION CONTROL MEASURES AND STRUCTURES BEHIND THE SITE MUST BE INSPECTED AT LEAST WEEKLY OF WHICH 24 HOURS OF A D.D HIGH RAIN EVENT. ALL MAINTENANCE WILL FOLLOW AN INSPECTION WITHIN 24 HOURS.
 CUT AND FILL SLOPES SHALL BE NO GREATER THAN 3:1.
 EROSION CONTROL IS THE RESPONSIBILITY OF THE CONTRACTOR UNTIL ACCEPTANCE OF THIS PROJECT. EROSION CONTROL MEASURES AS SHOWN SHALL BE THE MINIMUM PRECAUTIONS THAT WILL BE ALLOWED. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROMPTLY AND CORRECTLY ALL EROSION CONTROL PROBLEMS THAT ARE A RESULT OF CONSTRUCTION ACTIVITIES. ADDITIONAL EROSION CONTROL MEASURES ARE REGULATED BY WRITING BY THE STATE OF WISCONSIN FOR THE DEVELOPERS ENGINEER, SHALL BE INSTALLED WITHIN 24 HOURS.

TIME SCHEDULE:
 MAY 1 - MAY 30, 2022 INSTALL INITIAL EROSION CONTROL DEVICES, GRADE VET PADS (SIDEWALKS AND EXTERIOR TERRACE), INSTALL OUTLET STRUCTURES, AND FINISH GRADE SITE.
 JUNE 1, 2022 - JULY 15, 2022 CONSTRUCT PRIVATE ROAD AND UTILITIES.
 JUNE 15, 2022 - JUNE 30, 2022 BUILDING, PAVING LOT, AND RESTORE DISTURBED AREAS. GRADE AND RESTORE WET POND AND INFILTRATION AREA FOR POND PLAN.

RESTORATION NOTES:
 ALL DISTURBED AREAS OUTSIDE OF PAVED SHALL BE RESTORED WITH A MINIMUM OF FOUR INCHES OF TOPSOIL. FERTILIZER, SEED, AND MULCH WITHIN SEVEN DAYS OF FINAL GRADING. SEED SHALL BE MIXTURE 4G AND SHALL BE USED ON ALL DISTURBED AREAS EXCEPT THE WET-RETENTION BASINS AND THE INFILTRATION BASIN. MIXTURES WILL BE IN ACCORDANCE WITH THE LATEST EDITION OF THE WISDOT SPECIFICATIONS FOR HIGHWAY AND STRUCTURE CONSTRUCTION. AN EQUAL AMOUNT OF NEURAL FERTILIZER SHALL BE ADDED TO THE MIX.
 SEED MIXTURE FOR THE WET-RETENTION BASIN, NOT ALLOWED FOR INFILTRATION BASIN. MIXTURES SHALL BE WET WEEDING AS SPECIFIED BY PRIVATE TENDER OR EQUIVALENT.
 FERTILIZER SHALL MEET THE FOLLOWING ANNUAL REQUIREMENTS: NITROGEN, NOT LESS THAN 16% PHOSPHORUS 40%, NOT LESS THAN 8% POTASH, NOT LESS THAN 8%.
 SEED MIXTURES SHALL BE APPLIED AT THE RATE OF FOUR (4) POUNDS PER ONE THOUSAND SQUARE FEET. FERTILIZER MIXTURES SHALL BE APPLIED AT THE RATE OF FOUR (4) POUNDS PER ONE THOUSAND SQUARE FEET. MULCH SHALL CONSIST OF HAY OR STRAW APPLIED AT THE RATE OF 2 TONS PER ACRE.

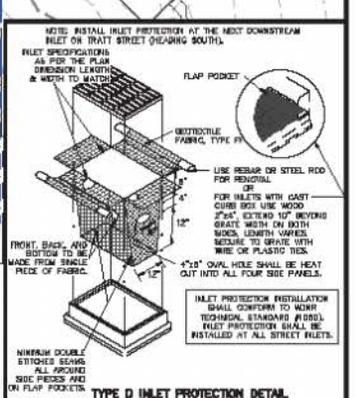
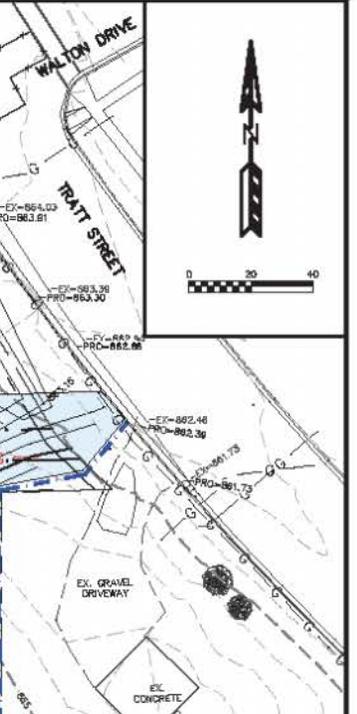
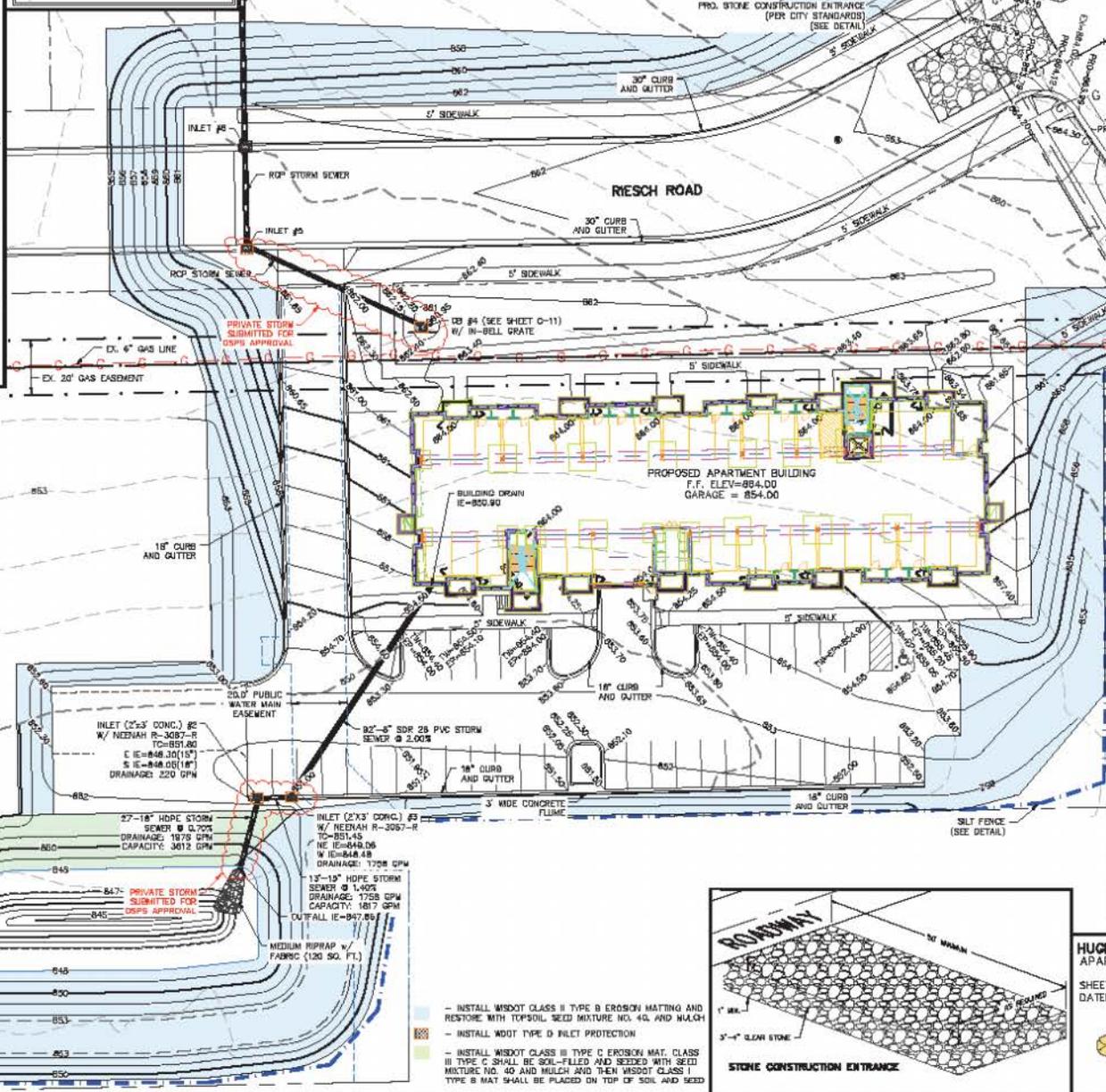
OWNER:
 HUGHES AND COYLE DEVELOPMENT, LLC
 4770 W. WISCONSIN ROAD
 MADISON, WI 53706

ENGINEER:
 QUAM ENGINEERING, LLC
 4604 SIGELKOW ROAD, SUITE A
 MCFARLAND, WI 53558



SITE INFORMATION BLOCK

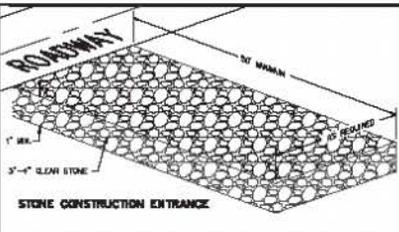
Total square footage of building	15,800 s.f.
Impervious area	16,172 s.f.

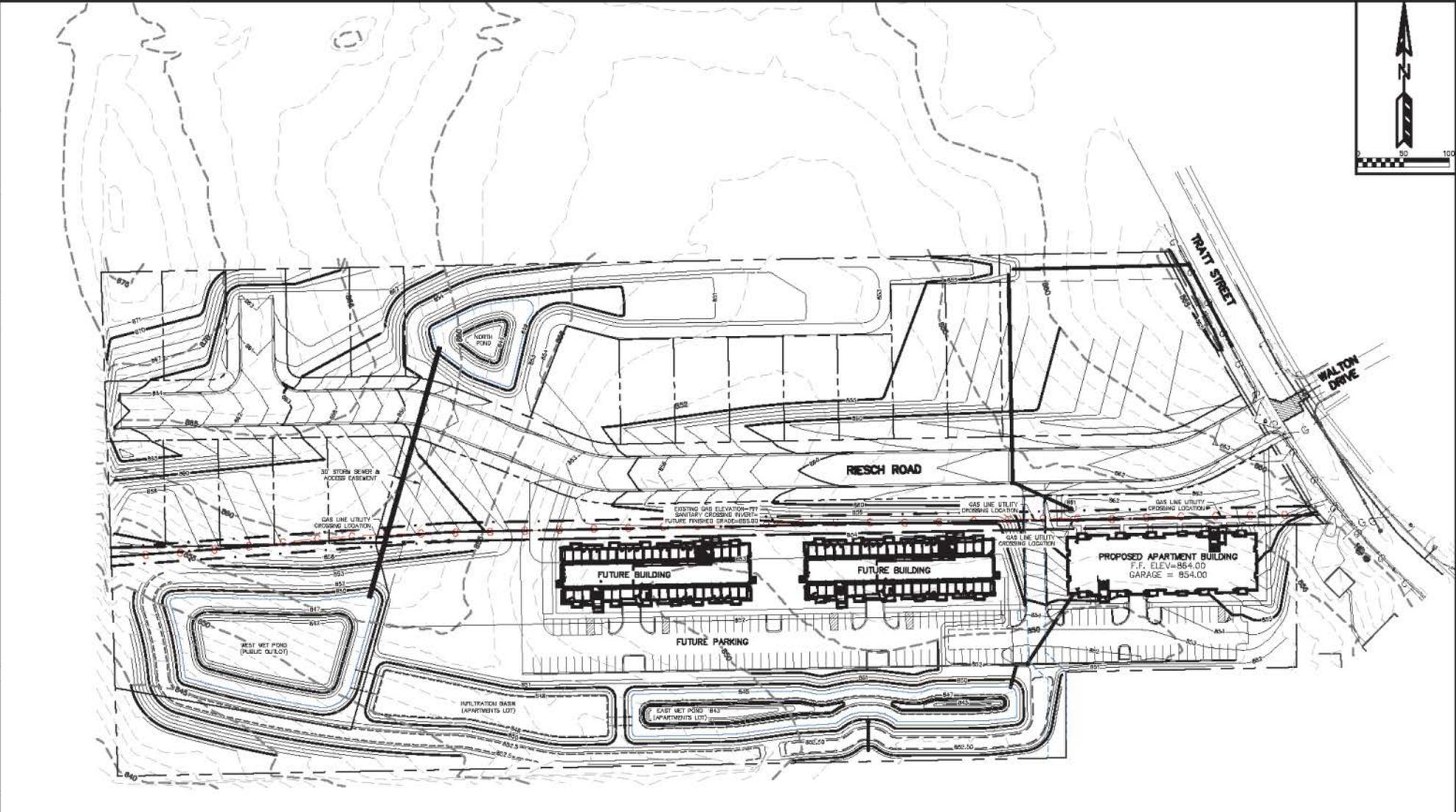


HUGHES AND COYLE DEVELOPMENT
 APARTMENTS LOT-GRADING AND EROSION CONTROL
 AND RESTORATION PLAN
 SHEET C-4 (EXHIBIT #50)
 DATED: NOVEMBER 18, 2021

QUAM ENGINEERING, LLC
 Residential and Commercial Site Design Consultants
 www.quamengineering.com
 4604 Sigelkow Road, Suite A - McFarland, Wisconsin 53568
 Phone (608) 838-7750, Fax (608) 838-7752

- INSTALL WISDOT CLASS II TYPE B EROSION MATTING AND RESTORE WITH TOPSOIL, SEED MIXTURE NO. 4G, AND MULCH
- INSTALL WISDOT TYPE D INLET PROTECTION
- INSTALL WISDOT CLASS III TYPE C EROSION MAT, CLASS III TYPE C SHALL BE SOIL-FILLED AND SEEDING WITH SEED MIXTURE NO. 4G AND MULCH, AND THEN WISDOT CLASS I TYPE B MAT SHALL BE PLACED ON TOP OF SOIL AND SEED

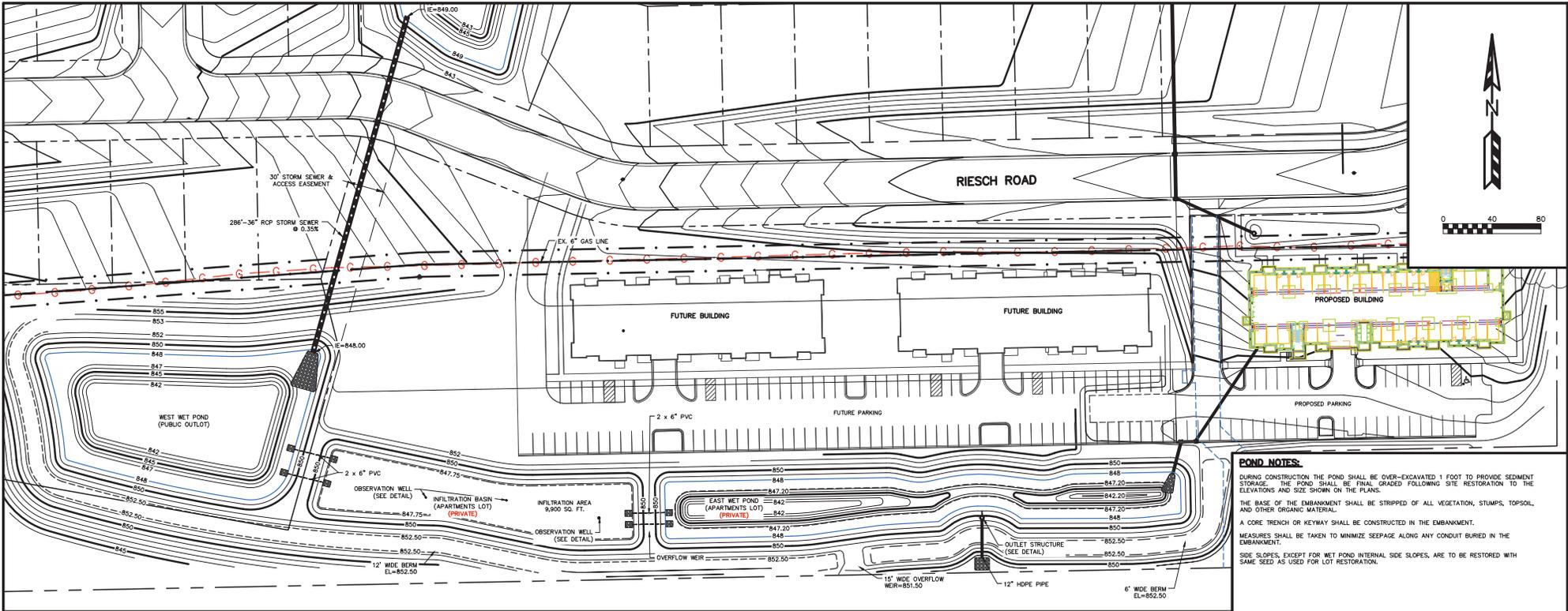




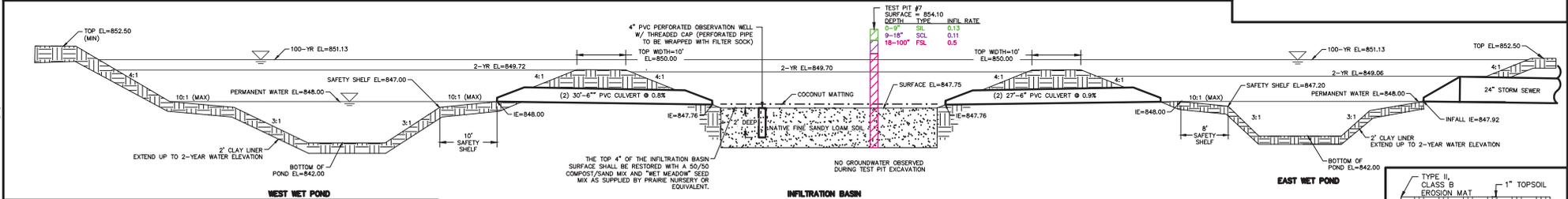
HUGHES AND COYLE DEVELOPMENT
FULL SITE DEVELOPMENT—MASS GRADING PLAN
SHEET C-5 (EXHIBIT #00)
DATED: NOVEMBER 19, 2021

QUAM ENGINEERING, LLC
Residential and Commercial Site Design Consultants

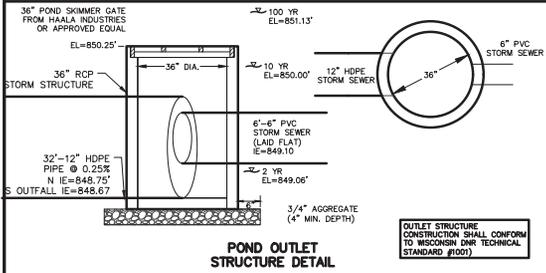
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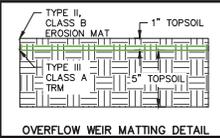
POND NOTES:
 DURING CONSTRUCTION THE POND SHALL BE OVER-EXCAVATED 1 FOOT TO PROVIDE SEDIMENT STORAGE. THE POND SHALL BE FINAL GRADED FOLLOWING SITE RESTORATION TO THE ELEVATIONS AND SLOPE SHOWN ON THE PLANS.
 THE BASE OF THE EM BANKMENT SHALL BE STRIPPED OF ALL VEGETATION, STUMPS, TOPSOIL, AND OTHER ORGANIC MATERIAL.
 A CORE TRENCH OR KEYWAY SHALL BE CONSTRUCTED IN THE EM BANKMENT.
 MEASURES SHALL BE TAKEN TO MINIMIZE SEEPAGE ALONG ANY CONDUIT BURIED IN THE EM BANKMENT.
 SIDE SLOPES, EXCEPT FOR WEST POND INTERNAL SIDE SLOPES, ARE TO BE RESTORED WITH SAME SEED AS USED FOR LOT RESTORATION.



WEST WET POND, INFILTRATION BASIN, AND SOUTH WET POND CROSS SECTION (NOT TO SCALE)



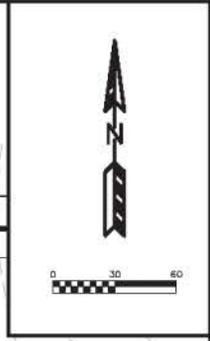
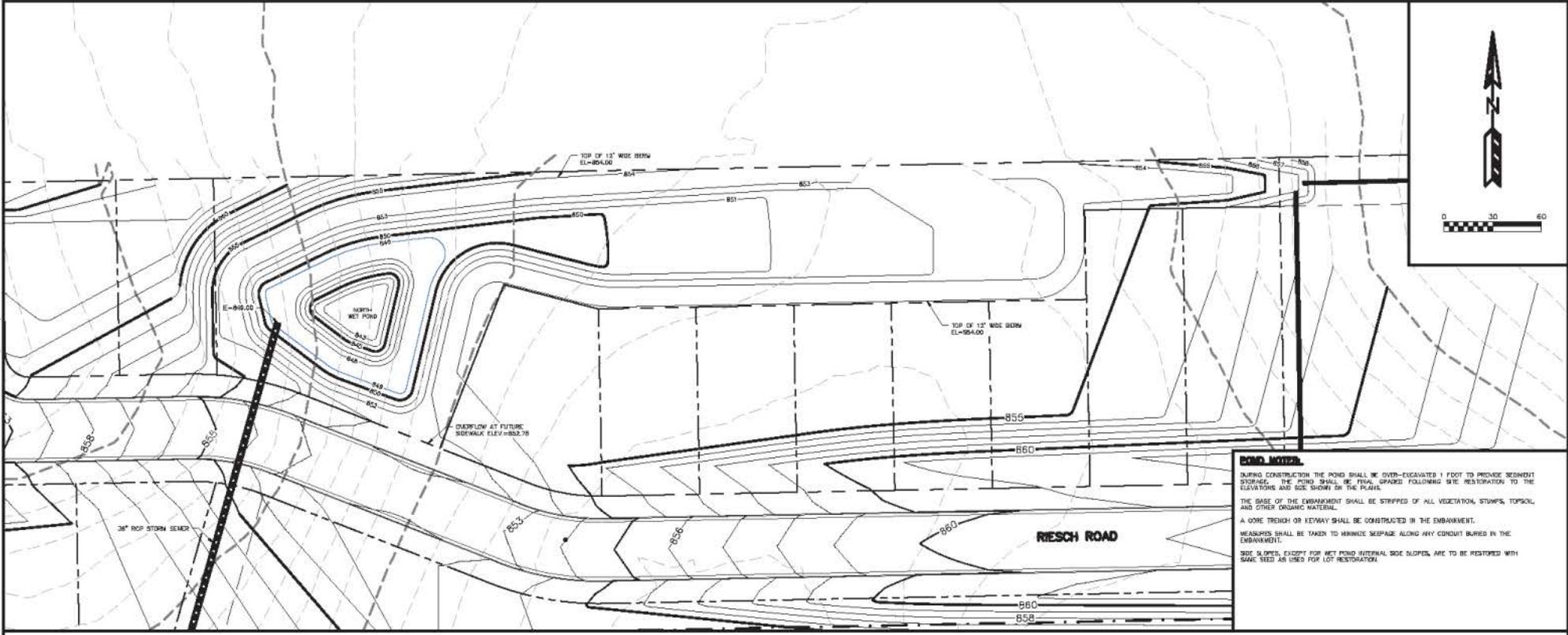
- POND NOTES:**
- INFILTRATION BASIN CONSTRUCTION SHALL CONFORM TO WISCONSIN MNWR TECHNICAL STANDARD #1003.
 - ESTABLISHMENT - COVER CROPS NEED TO BE APPLIED IN CONNECTION WITH THE INITIAL SEEDING OF PERMANENT VEGETATION. WHEN ESTABLISHING TURF TYPE GRASS, USE THE CRITERIA CONTAINED IN THE MNWR CONSERVATION PRACTICE STANDARD SEEDING FOR CONSTRUCTION SITE EROSION CONTROL (1059). SOO SHALL NOT BE USED. IF TURF GRASS IS UTILIZED, THE BASIN CANNOT BE USED FOR RECREATIONAL PURPOSES DUE TO COMPACTION CONCERNS.
 - NATIVE SEEDING - NATIVE VEGETATION SHALL BE ESTABLISHED IN CONFORMANCE WITH RECOMMENDATIONS FROM A QUALIFIED NATIVE NURSERY IN THE AREA. IF TREES ARE TO BE USED, SPECIES SHALL BE SELECTED THAT WILL NOT INTERFERE WITH THE FUNCTION OF THE BASIN, OR CAUSE MAINTENANCE PROBLEMS. SECTION 16 REFERENCES, LIST'S SOURCES THAT PROVIDE SUGGESTED SEED MIXTURES. NATIVE (PRAIRIE) SEEDING SHALL BE COMPLETED IN THE FALL (AS DOMINANT SEEDING PRIOR TO FIRST SNOWFALL) OR IN THE SPRING (BETWEEN MAY 1 AND JUNE 20), OR PLUGS SHALL BE USED.
 - FERTILIZER - SOIL TESTING SHALL BE USED TO DETERMINE PROPER APPLICATIONS FOR NUTRIENTS AND LIMING. FERTILIZER APPLICATION SHALL CONFORM TO THE CRITERIA LOCATED IN MNWR CONSERVATION PRACTICE, TECHNICAL STANDARD, CRITICAL AREA PLANTING (242) OR MNWR CONSERVATION PRACTICE STANDARD SEEDING FOR CONSTRUCTION SITE EROSION CONTROL (1059).
 - MULCH - MULCH SHALL CONFORM TO THE CRITERIA LOCATED IN MNWR CONSERVATION PRACTICE STANDARD MULCHING FOR CONSTRUCTION SITES (1058).
 - MULCH - MULCH SHALL CONFORM TO THE CRITERIA LOCATED IN MNWR CONSERVATION PRACTICE STANDARD MULCHING FOR CONSTRUCTION SITES (1058).
 - ONCE CONSTRUCTION OF THE INFILTRATION DEVICE BEGINS, THE INFILTRATION DEVICE SHALL BE CORDONED OFF AND PROTECTED FROM COMPACTION FROM HEAVY EQUIPMENT.
 - CONSTRUCTION OF INFILTRATION POND SHALL BE SUSPENDED IN PERIODS OF RAINFALL, PONING AND SNOWMELT AND SHALL REMAIN SUSPENDED IF PONDED WATER IS PRESENT.
 - THE CONTRACTOR SHALL CONTACT THE CITY OF WHITEWATER ENGINEER DURING EXCAVATION OF THE INFILTRATION POND FOR INSPECTION.
 - ALL INFILTRATION BASINS SHALL HAVE PERMAKATRIX AMENMENT APPLIED PER MANUFACTURER RECOMMENDATIONS.
 - A CERTIFIED SOIL TESTER SHALL VERIFY NATIVE SOIL INFILTRATION RATES AT THE BOTTOM OF THE PROPOSED INFILTRATION BASINS DURING CONSTRUCTION.
 - WET POND CONSTRUCTION SHALL CONFORM TO WISCONSIN MNWR TECHNICAL STANDARD #1001.



HUGHES AND COYLE DEVELOPMENT
 SOUTH POND PLAN
 SHEET: C-7 (EXHIBIT #5F)
 DATED: NOVEMBER 19, 2021

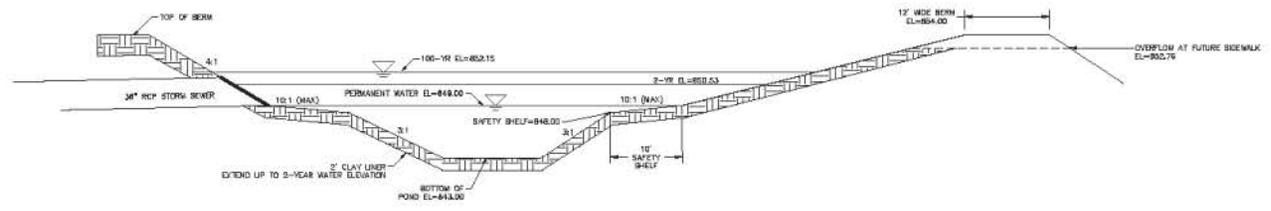
QUAM ENGINEERING, LLC
 Residential and Commercial Site Design Consultants
 www.quamengineering.com
 4604 Siggekow Road, Suite A - McFarland, Wisconsin 53558
 Phone (608) 838-7750; Fax (608) 838-7752

QUAM ENGINEERING, LLC 4604 Siggekow Road, Suite A - McFarland, WI 53558 (608) 838-7750 \RH-14-17\RH14BASE.DWG



BOND NOTES:
 DURING CONSTRUCTION THE POND SHALL BE OVER-EXCAVATED 1 FOOT TO PROVIDE SEDIMENT STORAGE. THE POND SHALL BE FINAL GRADED FOLLOWING SITE RESTORATION TO THE ELEVATIONS AND SIDE SLOPES ON THE PLAN.
 THE BASE OF THE EMBANKMENT SHALL BE STRIPPED OF ALL VEGETATION, STUMPS, TOPSOIL, AND OTHER ORGANIC MATERIAL.
 A CORE TRENCH OR KEYWAY SHALL BE CONSTRUCTED IN THE EMBANKMENT.
 MEASURES SHALL BE TAKEN TO MINIMIZE SEEPAGE ALONG ANY CONDUIT BURIED IN THE EMBANKMENT.
 SIDE SLOPES, EXCEPT FOR WET POND INTERNAL SIDE SLOPES, ARE TO BE RESTORED WITH SAME SEED AS USED FOR LOT RESTORATION.

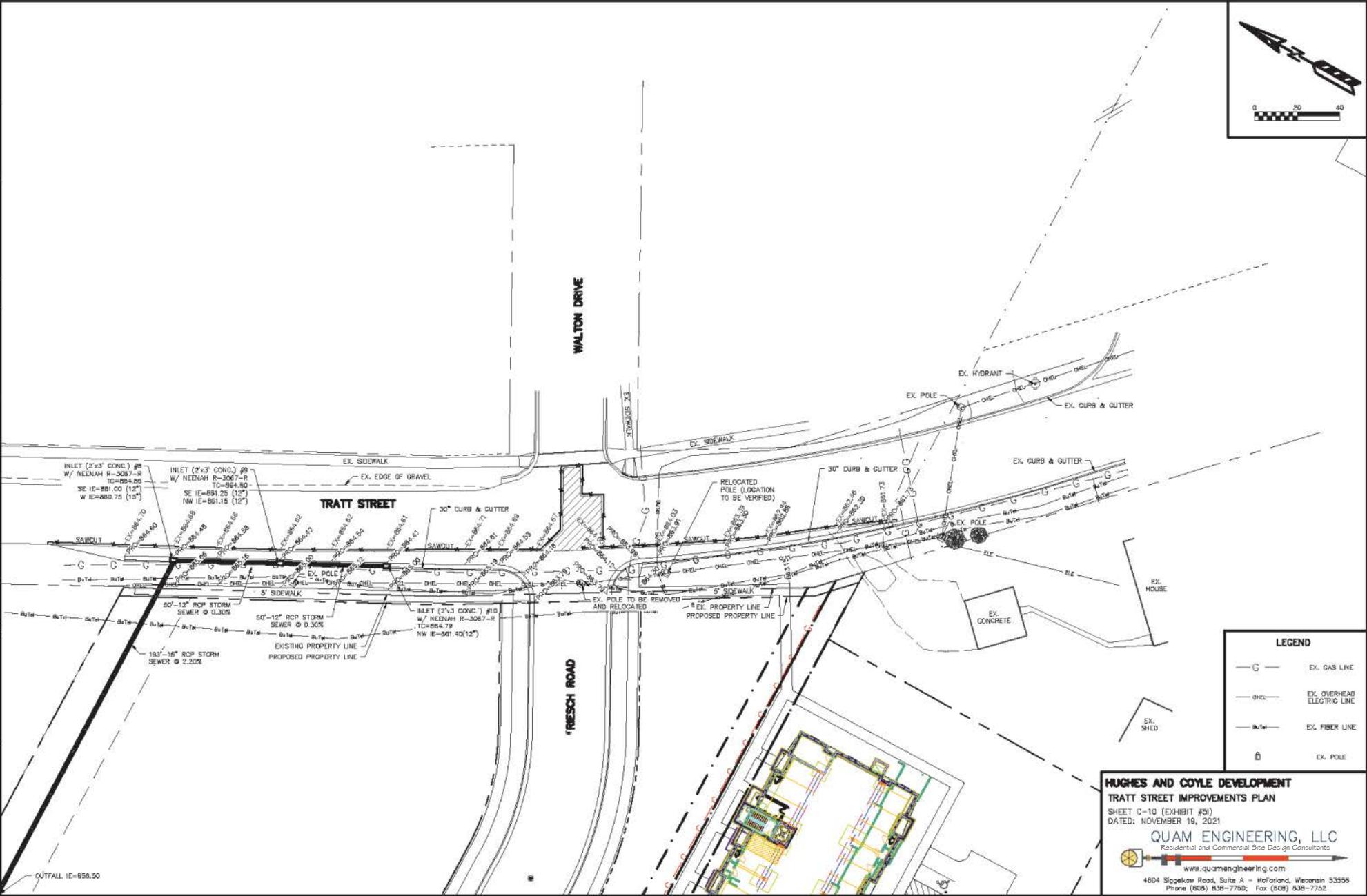
WET DETENTION BASIN CONSTRUCTION SHALL CONFORM TO WISCONSIN DNR TECHNICAL STANDARDS #304

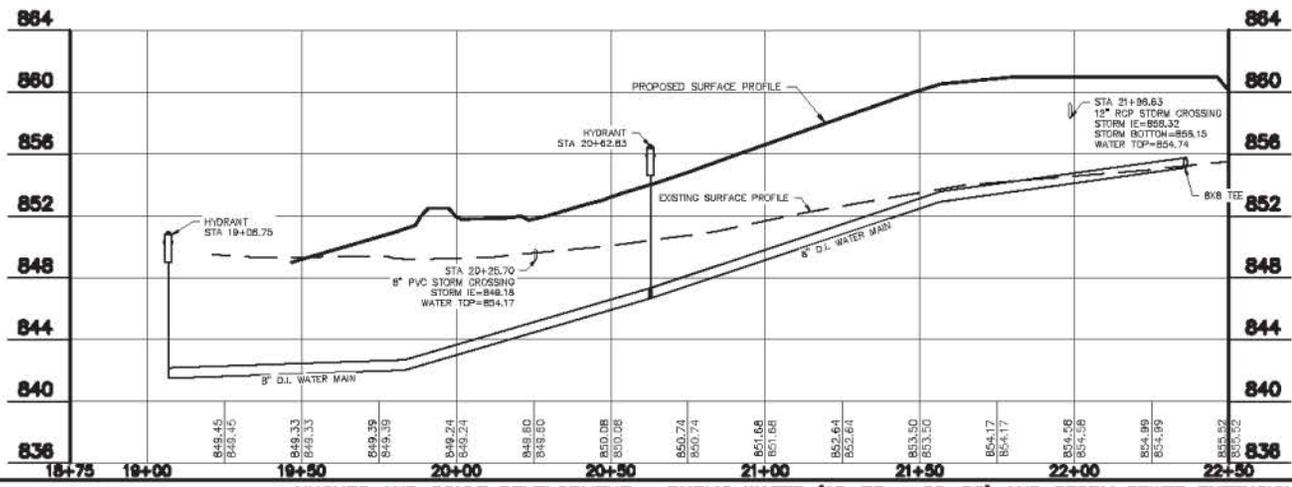
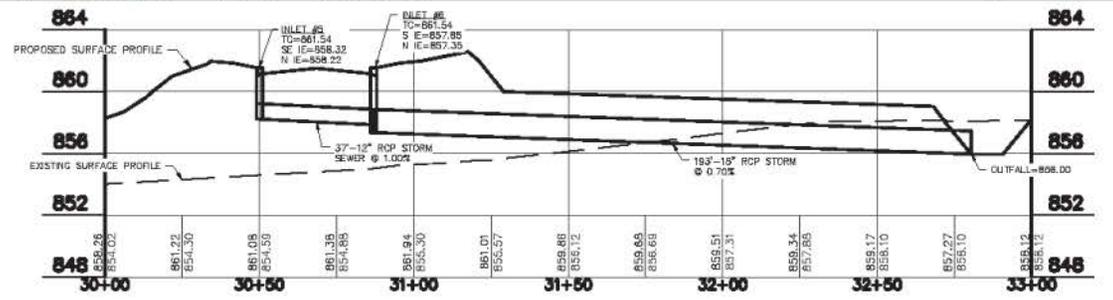
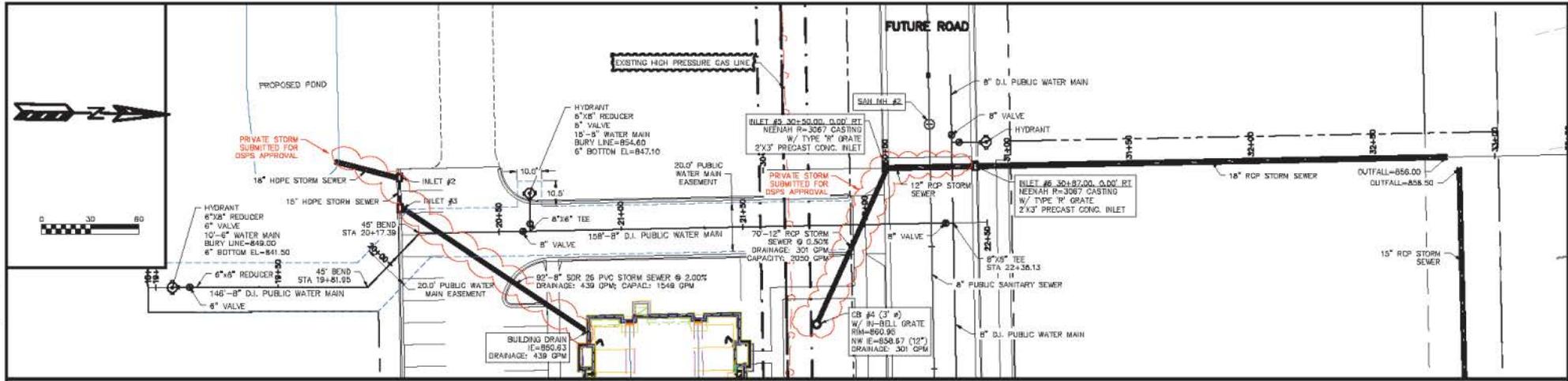


NORTH WET POND CROSS SECTION (NOT TO SCALE)

HUGHES AND COYLE DEVELOPMENT
NORTH POND PLAN
 SHEET: C-B (EXHIBIT #5C)
 DATED: NOVEMBER 19, 2021

QUAM ENGINEERING, LLC
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www.quamengineering.com
 4804 Siggekow Road, Suite A - McFarland, Wisconsin 53558
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HUGHES AND COYLE DEVELOPMENT - PUBLIC WATER (18+75 - 22+50) AND STORM SEWER EXTENSION (30+00 - 33+00) SHEET C-11 (EXHIBIT #5)

**ABSTRACT/SYNOPSIS OF THE ESSENTIAL ELEMENTS OF THE OFFICIAL
ACTIONS OF THE COMMON COUNCIL OF THE CITY OF WHITEWATER,
WALWORTH AND JEFFERSON COUNTIES, WISCONSIN.**

December 7, 2021.

The regular meeting of the Common Council was called to order at 6:30 p.m. by Council President Lynn Binnie. Members Present: McCormick, Schreiber, Brown, Binnie, Allen, Smith, Majkrzak. Members Absent: None. Legal Counsel Present: Wallace McDonell.

It was moved by Allen and seconded by Smith to approve the Council minutes of 10/5/21 and 11/2/21, and to acknowledge receipt and filing of the following: Finance Committee minutes of 8/24/21 and 9/28/21; Police and Fire Commission minutes of 10/13/21; Community Involvement Committee minutes of 4/22/21; CDA minutes of 5/20/21, 7/12/21, 7/15/21, 8/16/21, 8/26/21, and 9/23/21; Irvin L. Young Memorial Library Board minutes of 10/18/21; Whitewater Consolidated Monthly Police Report for 3rd quarter, 2021; Landmarks Commission minutes of 6/3/21, 7/1/21, 9/2/21, 9/9/21, 10/7/21, 11/4/21, and to recognize the amendment of the Council Agenda with less than 72 hours notice, per the City of Whitewater Transparency Ordinance. AYES: Schreiber, McCormick, Brown, Binnie, Smith, Allen, Majkrzak. NOES: None. ABSENT: None.

APPROVAL OF PAYMENT OF CITY INVOICES. It was moved by Allen and seconded by Smith to approve the total sum of \$12,490.07. AYES: Schreiber, McCormick, Brown, Binnie, Smith, Allen, Majkrzak. NOES: None. ABSENT: None.

STAFF REPORTS: None.

CITY MANAGER REPORT: City Manager Clapper provided highlights from the Effigy Mounds Preserve maintenance plan. The complete plan can be viewed on the City's website. Clapper also noted that the Shop with a Cop event will take place on December 7.

CITIZEN COMMENTS- None.

2022 SALARY RESOLUTION. City Manager Clapper recommended adoption of the proposed Resolution, confirming that the Resolution was reviewed and recommended for approval by the Finance Committee. Human Resources Manager Atkinson explained that the pay ranges have been adjusted by 3.3%, which is an amount based on the Wisconsin Expenditure Restraint Program. Both the upper and lower ends of the salary ranges have been adjusted this year. Atkinson noted some position title changes and indicated that the Adult Activities Coordinator position (Parks and Recreation Department) has been upgraded to a full-time position. (See Exhibit A for full copy of Resolution).

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schreiber. AYES: Schreiber, McCormick, Brown, Binnie, Smith, Majkrzak, Allen. NOES: None. ABSENT: None. ADOPTED: December 7, 2021.

AMENDING CHAPTER 2.53, REPEALING BIRGE FOUNTAIN COMMITTEE. Councilmember Allen stated that the fountain was restored in 2000 and the committee has completed their mission. Care of the fountain would return to the City and the Landmarks Commission.

**ORDINANCE NO. 2038A FINAL READING AN ORDINANCE REPEALING
CHAPTER 2.53
BIRGE FOUNTAIN COMMITTEE**

The Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, do ordain as follows:

SECTION 1. Whitewater Municipal Code Chapter 2.53 is hereby repealed.

SECTION 2. This ordinance shall take effect upon passage and publication as provided by law.

Ordinance introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schreiber. AYES: Schreiber, McCormick, Brown, Binnie, Majkrzak, Smith, Allen. NOES: None. ABSENT: None. FIRST READING APPROVED: December 7, 2021.

Allen moved to waive the second reading of the ordinance, McCormick seconded. AYES: Schreiber, McCormick, Brown, Binnie, Majkrzak, Smith, Allen. NOES: None. ABSENT: None. ADOPTED: December 7, 2021.

Cameron L. Clapper, City Manager

Michele R .Smith, City Clerk

CLASS “A” BEER AND LIQUOR LICENSE FOR KWIK TRIP (WEST SIDE KWIK TRIP).

The second Kwik Trip location will be opening in January 2022, and Kwik Trip has requested approval of a beer and liquor license at that location. It was moved by Allen and seconded by Smith to approve the request for a “Class A” Beer and Liquor License for Kwik Trip, Inc., Kwik Trip 1065, 837 S. Janesville St., Whitewater, Wisc., Jacob Radonski, Agent. AYES: Schreiber, Majkrzak, McCormick, Brown, Binnie, Smith, Allen. NOES: None. ABSENT: None.

2022 TAXI CAB RIDE SHARE APPLICATION. It was moved by Allen and seconded by Smith to authorize submission of the annual taxi cab ride share application. AYES: Majkrzak, Schreiber, McCormick, Brown, Binnie, Smith, Allen. NOES: None. ABSENT: None.

USE OF TID FUNDS FOR EXPANSION OF PRIVATE DRIVEWAY TO PUBLIC STREET (ARCH DEVELOPMENT – TRATT STREET). City Manager Clapper indicated that Arch Development (Ryan Hughes and Adam Coyle) own property on N. Tratt Street, and in 2018 there was a request to use TID dollars to make the private drive for their development project a public street. At that time, the request was denied, but in May of 2021, discussion regarding zoning of the parcels to be developed began. The parcel in Jefferson County remains zoned “Agricultural Transition” (“AT”), and the southern two parcels are now zoned R-3. Clapper indicated that installation of a public road through this area had been listed in the City’s Comprehensive Plan for years.

Councilmember Allen asked whether City Manager Clapper was advocating for this project. Clapper responded affirmatively, indicating that he supported the proposed upgrade for the

project. Clapper explained that the City cannot require the developer to build a public road. Clapper explained that the developer has not asked the City to pay for the road, and that it was in fact the City that brought the possibility up. Clapper indicated there would be an advantage to constructing this road at this time.

Councilmember McCormick asked the status of the letters sent to landowners in that area to inquire about development in the City. Clapper stated responses he's received have expressed interest in developing on the east side of the City.

Councilmember Allen moved to refuse the use of either TID or general funds to construct the public road as requested. Councilmember McCormick seconded that motion.

Councilmember Binnie spoke in support of the project, indicating it makes sense for the public road to be constructed. Majkrzak indicated that the Public Works Department supports the project, and Majkrzak believes the road expansion could promote the construction of needed single-family homes that the City has expressed interest in. Councilmember Schreiber asked if the road was intended to connect Tratt to Main Street. Clapper responded that it was intended to connect to Main Street or Cold Spring Road. Schreiber asked whether there was a cost estimate or time frame for that connection to be completed. Clapper responded that since there is not a development planned beyond the current multi-unit complex currently under construction, there is no planned timeline. Councilmember Smith asked if there was a desire by City staff to purchase the northern parcel. Clapper stated that there was a desire to facilitate development, whether through the City owning the parcel, or through a developer owning the parcel. Clapper responded that purchase of the parcel by the City is not anticipated at this time.

DPW Director Marquardt stated that Phase I of the project results in a street length that serves the first apartment building. Councilmember Smith asked when the previously-discussed housing report would be available for the Council. Clapper responded that it should be available by the January meeting. In response to questions, DPW Director Marquardt indicated that the typical life expectancy of a street is 80 years, assuming it is properly maintained.

Councilmember Allen indicated that past practice in the City in paying for widening of a road occurred when there was a known development forthcoming. Allen indicated that adjacent landowners do not have any intention of developing at this time, and there is no rush to expand this road. DPW Director Marquardt indicated that the water and sanitary sewer was being installed regardless of council action, and the proposal is to deal with just the road.

Councilmember Binnie stated that in order to have a single family residential development, a public road is needed. DPW Director Marquardt explained that in this case, the developer is allowed to put in a 24 foot wide private drive because it is serving only his development. For a subdivision, there is required lot frontage, which requires a public road. Marquardt stated that the City sees it as beneficial to make this a public street at this time. In the future, it will cost more to remove the drive that is there in order to upgrade than it is to put the public road in to begin with.

Councilmember Allen stated that this project went before the CDA and was denied. Allen asked why it advanced to the Common Council. City Manager Clapper explained that the project being

proposed is different from the project mentioned by Allen. Allen questions the eligibility of the proposed project for TIF. Clapper explained that if the TIF money was not available, the City would not have considered building this road. Councilmember McCormick wondered about the possibility that the project can be abandoned, possibly due to reduced enrollment at the University. Clapper explained that the liability consists of only the cost of Phase I.

Resident Jeff Knight indicated information he had been given represented that the developers always pay for the road. Knight questioned the design of the storm sewer, indicating that from his perspective, the design could take away from potential single-family lots. Knight believes there should have been a Development Agreement requiring the developer to put in a public road. Knight expressed concern that valuable TIF money is being provided to a multi-family development when the City says they desire single family housing development.

Arch Development's Adam Coyle explained that they would like to develop one building per year, and they would like to develop a plan for single family housing on the north lot.. Contrary to arguments being made, Coyle has not seen rents for multi-family housing declining. Councilmember Schreiber indicated that the uncertainty of planned development to the west is concerning to him.

A vote was taken on the motion, to decline the request to use either TIF funds or general funds to construct the public road as presented. AYES: Schreiber, McCormick, Smith, Allen. NOES: Majkrzak, Brown, Binnie. ABSENT: None. Council denied the request to approve TIF or general funds to construct a public street.

DPW Director Marquardt requested approval to approve extension of the water main to the south to the property line for looping purposes and to pay for engineering with TID dollars. It was moved by Councilmember Smith, and seconded by Councilmember Brown, to approve the extension of water main / engineering with TID dollars. AYES: Schreiber, McCormick, Brown, Binnie, Smith, Allen Majkrzak. NOES: None. ABSENT: None.

TRIPPE AND CRAVATH LAKES DRAWDOWN -DREDGING PROJECT. City Manager Clapper stated bids for dredging came in substantially higher than anticipated. Those bids were rejected, and City staff has been gathering information on how to proceed. Parks and Recreation Director Boettcher stated that he has spoken with five-six contractors, has met with two contractors, and has a meeting scheduled with another contractor. Boettcher has not received any new proposals. He has contacted the DNR to see if it is planned to spread the dredging project over multiple years, and has been informed that the DNR issued permit is good until November 2026. Boettcher stated that he hoped to have further information available at the December 21 meeting. Boettcher stated that the controlled burn is planned it is planned over the next two weeks. Councilmember Majkrzak requested a report identifying the expenditures to date, and information as to whether re-filling is a possibility. Majkrzak asked that that information be brought back to Council. Councilmember Smith asked that information be provided to the public, advising them when the burn will place, to allow those citizens with sensitivity to smoke to be prepared. Parks Director Boettcher explained that there is a requirement to send a letter to nearby residents prior to the burn. Councilmember Allen indicated that if dredging is not necessary, he would consider a scaled back project. Further information will be coming at the December 21 council meeting.

BOARD AND COMMISSION APPOINTMENT POLICY. City Manager Clapper explained the past and current Board and Commission appointment methods. Currently, the applications are handled

through the City Manager's office. Clapper noted that moving forward, letters will be sent to applicants when an application is submitted and when the application is received and set aside for review. After review, interviews are scheduled, and a message is sent out to determine interview availability. After the interview, a message is sent explaining when the appointment will be made by the Common Council. After appointment, a letter will go out to the appointee, the staff support, and the chair of the board/commission.

Clapper indicated that the revised policy will be brought back to the Council at the next meeting for their approval.

Councilmember Allen indicated that the proposal addresses any communication issues. Clapper indicated he would add language and bring the policy back to Council. Clapper indicated that a Board and Commission orientation is a newer addition, and that application deadlines have been eliminated, allowing applications to be submitted at all times. Resident Jill Gerber supported a deadline. Gerber also encouraged that all applications be submitted to councilmembers, so that councilmembers could have input into the process. Further information will be coming at the December 21 meeting.

FUTURE AGENDA ITEMS AND FUTURE POLCO QUESTIONS. Councilmember Smith would like the City Manager's Review to be on agenda. Councilmember Allen would like to see a policy or guidelines for what TIF funds can be used for. Councilmember Majkrzak wanted to know if ordinances on the city website were being updated and the process for new ordinances to take effect.

EXECUTIVE SESSION. It was moved by Binnie and seconded by Allen to Adjourn to Closed Session *Not to Reconvene* pursuant to Wisconsin Statutes Ch. 19.85(1) (e) "Deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session". Item to be Discussed: Negotiation of agreement with Whitewater Fire Department relating to fire and rescue services. AYES: Brown, Binnie, Allen, Schreiber, Majkrzak, Smith, McCormick. NOES: None. ABSENT: None. The regular portion of the meeting adjourned at 8:30 p.m.

Respectfully submitted,

Michele R. Smith, Clerk



Council Agenda Item

Meeting Date:	May 3, 2022
Agenda Item:	Special Council Meeting May 19, 2022
Staff Contact (name, email, phone):	Steve Hatton, shatton@whitewater-wi.gov , 262-473-1380

BACKGROUND

(Enter the who, what when, where, why)

The City began the issuance process for the 2022 Utility Revenue Bonds through resolutions approved at the April 19, 2022 Common Council meeting. Bidding for the bonds will conclude on May 19, 2022. With the conclusion of the bidding comes required action on the part of the Common Council to award the bond sale to the successful bidder. To accomplish the required action to award the bond sale, there are two options.

Option 1: MOVE the Tuesday, May 17, 2022 Common Council meeting to Thursday, May 19, 2022.

Option 2: Schedule a SPECIAL MEETING for Thursday, May 19, 2022 to award the bond sale.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

N/A

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

Staff requests the Common Council act in one of two ways.

1. Motion to RESCHEDULE the regular May 17, 2022 meeting to May 19, 2022; or
2. Motion to schedule a SPECIAL MEETING on May 19, 2022.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

N/A



Council Agenda Item

Meeting Date:	2022.05.03
Agenda Item:	2021 Annual Report & 2022 Management Plan
Staff Contact (name, email, phone):	Cameron Clapper, cclapper@whitewater-wi.gov , 262-473-0104

BACKGROUND

(Enter the who, what when, where, why)

The Annual Report & Management Plan document exists for the benefit of the common council, city manager and department directors as a management tool. The document consists of three main parts.

1. Strategic Goals and City Roles. This section provides the current city-wide strategic goals as well as a general overview of the roles of a municipal government entity.
2. The Annual Report. This section is simply the compilation of goals listed in the budget for the previous year along with a brief statement as to the final status of each of the goals.
3. The Management Plan. This section is meant to include all the goals listed in the budget for the current year along with any other goals provided by each department director. This list is not comprehensive, but provides a map to help the city manager guide department directors and managers in their work throughout the year.

The document was not requested by any member of the common council or general public, but was initiated by the city manager with the intent that the document would function as a management tool for staff and be refined each year as each department gained experience with setting goals and reporting on those goals.

In both 2021 and 2022, the document has been posted on the City’s website. The report was posted prior to the April 19, 2022 meeting of the common council. Both the 2021 and 2022 documents will remain online throughout the tenure of the current city manager with a new version added each year.

In line with the City’s intent to maintain transparent and open government, the report was also provided in hard copy to common council members at the April 19, 2022 meeting. This was done so that elected officials would have the first opportunity to receive a hard copy, though anyone can request a hard copy at the cost of printing or print their own.

Council member Allen requested the topic to be brought back to the May 3rd Council meeting. This item has been included for discussion as a result of that request.

Editing Note: Additional material was added to the City Clerk portions of the document between the presentation on Tuesday, April 19 and the creation of this meeting packet. The updated document is included herein.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

N/A

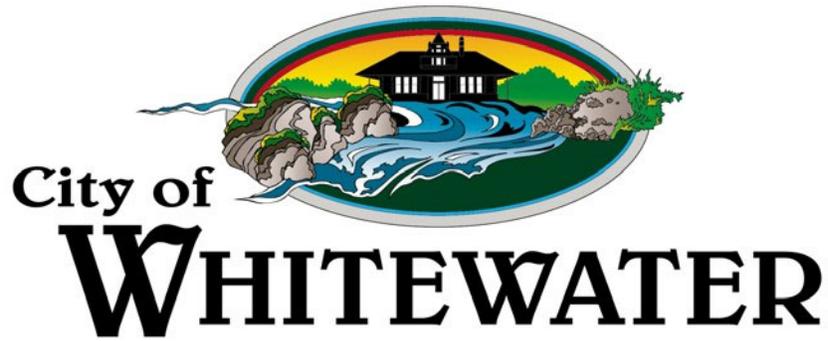
STAFF RECOMMENDATION

No action is requested at this time. The report is completed. The city manager welcomes suggestions for future reports.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. The 2021 Annual Report & 2022 Management Plan



2021 Annual Report 2022 City Management Plan

Revised April 27, 2022

Introduction

Accountability to the Whitewater Common Council and the citizens of Whitewater that we collectively serve is an important value to the City of Whitewater Management Team. Individually, and as a whole, we strive to be continually responsive and responsible to the Whitewater Community for the service we render and for the efficient use of resources. We seek to continually improve the services and programs that we provide.

The 2021 Annual Report & 2022 Management Plan serves as a tool, not only for reporting on progress with projects and goals from the prior year, but also for setting forth goals to be accomplished during the coming year. Staff in each department identified goals for the coming year that address organizational needs, improve departmental effectiveness, and relate to the City's strategic objectives as outlined by the Common Council in 2017.

The body of the 2021 Annual Report & 2022 Management Plan includes the following sections:

Mission, Vision and Values Statements. Before one can properly determine the effectiveness of their course, they must first determine their direction. The City of Whitewater's Mission Statement, Vision Statement and Values help to define that course as well as expectations for each employee and department within the organization.

Organizational Roles. As we continue our efforts to better connect our actions and outcomes to our organizational purpose and our strategic objectives, it is important to define the roles the City of Whitewater fills for the community. All programs, projects, initiatives and services provided by the City of Whitewater can be organized under at least one of the five roles identified in this section.

Strategic Objectives. The Common Council, together with department directors and managers, participated in a strategic planning workshop on 2017. The group identified seven Strategic Objectives to address current needs and areas for improvement within the community. These objectives are outlined in this section.

2021 Accomplishments. This section outlines the accomplishments of each department for the year 2021. Readers will also observe instances where goals have been modified or deferred due to significant unplanned events in 2021. Each goal for 2021 is listed with its associated organizational role and strategic objective.

2022 Planned Goals. This section outlines the department goals for 2022. Goals for 2022 are listed based on strategic objective.

City of Whitewater Mission Statement, Vision Statement, and Values

Mission Statement

The City of Whitewater provides efficient and high-quality services which support living, learning, playing and working in an exceptional community.

Vision Statement

Building upon our rich history, we will continue to be a welcoming, safe, and dynamic community. We will embrace the cultural and educational opportunities that the presence of a thriving university and an increasingly diverse population offers.

We will seek to continually improve and make Whitewater strong by fostering public trust and confidence in our government. We will encourage a community characterized by a spirit of openness and fairness that encourages individuals to participate publicly and prosper personally. We will maintain a high quality of life through careful stewardship of all our many resources.

Values

Our City

- We value history and culture.
- We support the wise and creative use of our financial, human and natural resources.
- We promote a high quality of life and place – commerce, education, housing, safe environment and sustainable growth.
- We embrace a spirit of teamwork, cooperation, collaboration, open communication and citizen involvement.
- We are a friendly, caring, diverse community.

Our Organization

- We work as a team to accomplish our mission and goals through open and honest communication, close coordination and collaboration between departments and recognition of community needs and expectations.
- We promote pride and ownership in our municipal organization and in the Whitewater community.

Each Other

- We are committed to professionalism.
- We are fully accountable to the citizens we serve and to each other.
- We are committed to the highest level of professional standards by recruiting and developing highly trained, skilled, and motivated employees.
- We are positive in our relationships and promote a positive attitude.
- We truly believe that each member of the City staff and all elected and appointed members of the Common Council, Boards and Commissions can make significant contributions.

Key Organization Roles



Municipal Governance

This role incorporates all administrative duties and activities of the organization. This includes the workings of the Common Council, citizen committees and relationships with legislators. This role also includes the administration of municipal operations, financial management, and legal issues.

Community Building

Community Building encompasses both the internal and external culture of the organization. It includes all activities and events that help to increase connectedness and build a sense of community in Whitewater for residents, but it also includes activities and events that cultivate a cohesive environment for city employees. Community events, employee recognitions, internal and external communications are all part of Community Building.

Public Health & Safety

This role may be seen as self-explanatory. All emergency medical, fire and law enforcement operations are included in Public Health & Safety. Also included here are public health programs and initiatives.

Community Development

This role includes the projects and initiatives intended to spur both residential and commercial development within the community. Efforts to retain, grow or attract businesses fall into this category, but so does neighborhood preservation and some code enforcement efforts.

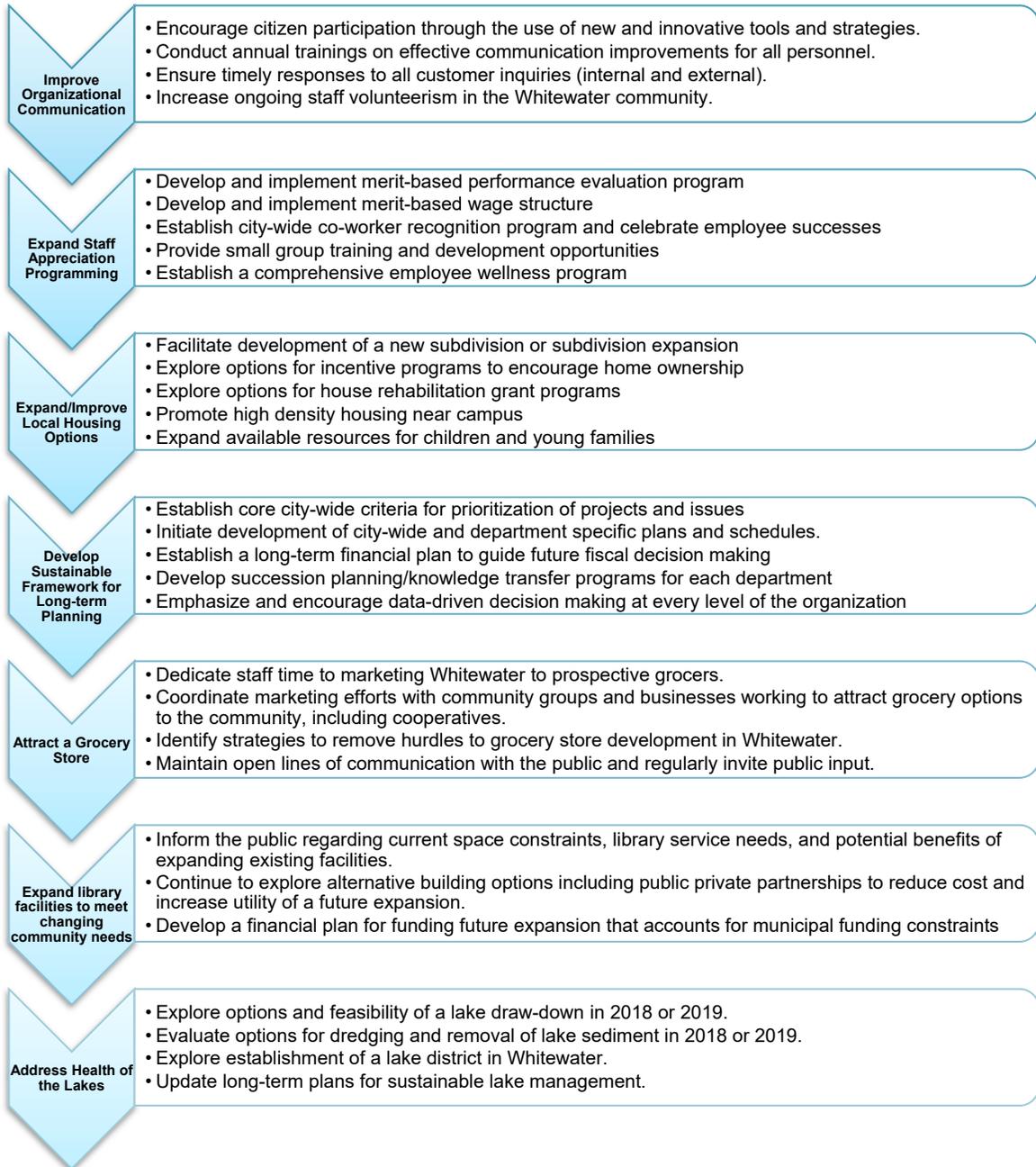
Infrastructure & Facilities

All activities related to the construction and maintenance of municipal utility distribution and collection systems, IT networks and roadways all fall within this role. Parks and buildings are also included here.

Strategic Plan Objectives

Strategic planning and goal setting are processes by which a community can plan for its future. Planning and setting effective goals is an excellent strategy for utilizing limited resources effectively and efficiently.

On July 11, 2017, members of the Common Council and city staff attended a Strategic Planning Workshop. The workshop was held to identify and prioritize issues the City faces as well as to establish community goals. The outline below is the output from that workshop. It is intended to assist council members and staff set departmental objectives to guide work towards achieving these identified objectives.



2021 Annual Report

Department Accomplishments

Community Development Authority

Organizational Role	Strategic Objective	2021 Goal
Community Building	Expand/Improve Local Housing Options	1. Together with the City Manager, develop a “Mobilized Municipal Staff” program to foster communication, inclusivity and resident engagement with local officials throughout the community.
		<p>Outcome – Deferred</p> <ul style="list-style-type: none"> ○ Due to COVID this project was deferred to 2022.
Community Development	Expand/Improve Local Housing Options	2. Facilitate the one-year TID Extension for TID 4 with the purpose of funding future housing development.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ This was accomplished with Council approval.
Community Building	Expand/Improve Local Housing Options	3. Identify additional GIS information for publication on the municipal website via interactive maps.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ This was accomplished in partnership with our GIS technician.
Community Development	Develop Sustainable Framework for Long-term Planning	4. Establish a cooperative marketing plan with the Whitewater Chamber of Commerce.
		<p>Outcome – Completed</p>
Community Development	Develop Sustainable Framework for Long-term Planning	5. Coordinate the development of proposals for new TID development as well as the successful closure of existing TIDs 4-9.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ This was accomplished with Council approval.
Community Development	Develop Sustainable Framework for Long-term Planning	6. Develop a clear economic development incentive policy for future TID projects.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ This was accomplished in partnership with the Finance Department.
Community Development	Attract a Grocery Store	7. Continue efforts to locate a grocery store in Whitewater, including coordinating efforts with the grocery co-op
		<p>Outcome – Ongoing</p>
Community Development	Attract a Grocery Store	8. Continue promoting grocery home delivery options
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ This was accomplished through a partnership with an online app called Instacart.
<p>Additional Accomplishments</p> <ul style="list-style-type: none"> ○ CDA provided façade loans to the Bower House LLC and Shabani Investments LLC ○ Provided an Action loan to Black Sheep ○ Assisted in the relocation of a Hemp extractor to WW ○ Assisted in the relocation of a SIP manufacture from Georgia to WW 		

- CDA identified and prepared 11 lot sales for closing
- 2021 Projects: the CDA office fielded 56 projects last year winning 13 of them
- Commences on major rehabilitation on 206 E Cravath
- Completed Whitewater Trade Area Characteristic with the Chamber
- Completed the CDBG Closeout process
- Granted TID housing extension
- Facilitated Bird Scooters coming to WW
- Issued a WED Capital Catalyst grant to Safepro Technologies
- Partnered with Elkhorn Youth Build to further housing initiatives

Community TV & Media Services

Organizational Role	Strategic Objective	2021 Goal
Community Building	Improve Organizational Communication	1. Continue to grow following and activity on social media platforms including Facebook, Twitter, Instagram and Polco.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ By the end of quarter 3 of 2021, we increased followers on all social media platforms: City Facebook- 194, City Police Facebook- 608, Parks and Rec Facebook- 130, Library Facebook- 48, Dementia Friendly Facebook- 14, City Twitter- 10, City Instagram- 80, Polco- 196.
Community Building	Improve Organizational Communication	2. Work with IT to create a new infrastructure to broadcast for television and live streaming.
		<p>Outcome - Ongoing</p> <ul style="list-style-type: none"> ○ This began a research process in 2019, was put on hold in 2020 due to COVID and on hold while we waited for equipment from Spectrum in 2021. Media Services and IT have continued to work on this process and plan to implement in 2022 when new equipment is in place.
Community Building	Improve Organizational Communication	3. Create 2 additional PSA's and 3 Gems of Whitewater for the TV station.
		<p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ Food Pantry and Community Space PSA's completed. Began work on multiple PSA's for Fairhaven Trishaws.
Community Building	Improve Organizational Communication	4. Continue to add information to the website including forms, images and documents.
		<p>Outcome - Ongoing</p> <ul style="list-style-type: none"> ○ Updated back drop images, working with staff to create necessary forms for their departments along with how to add documents and rearrange department pages.
Community Building	Improve Organizational Communication	5. Continue initiatives to grow interest in Commissions and Boards with Community Involvement & Cable TV Commission.
		<p>Outcome - Ongoing</p> <ul style="list-style-type: none"> ○ Working with Community Involvement & Cable TV Commission to share open positions and share with respective groups and organizations. Continuing to post and share on social media and city website.
Community Building	Improve Organizational Communication	6. Create 2020 Highlights Flyer and Booklet- discussed in years passed but not completed.
		<p>Outcome - Deferred</p> <ul style="list-style-type: none"> ○ Discussed and desired to look at each year but not completed.

Community Building	Improve Organizational Communication	7. Work with Parks & Recreation Director for creation of Sponsorship packet.
		<p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ Parks and Recreation Director and PR & Communication Manager were unable to meet to complete this project, but Parks and Recreation did complete.
Municipal Governance	Expand Staff Appreciation Programming	Work with Television staff to train potential new camera operators as needed.
		<p>Outcome - Ongoing</p> <ul style="list-style-type: none"> ○ Two new volunteers were welcomed to the department to help learn the process in hopes they will want to continue volunteering in 2022 and then hired in 2022/2023 as two other camera operators/producers move on. In transition.
Municipal Governance	Develop Sustainable Framework for Long-term Planning	Explore additional areas of revenue including advertisements as allowed with having a PEG channel.
		<p>Outcome - Ongoing</p> <ul style="list-style-type: none"> ○ Looking to additional services and options to bring in revenue for the department aside from DVD orders.
<p>Additional Accomplishments</p> <ul style="list-style-type: none"> ○ Created media coordinator and media assistant positions to implement in 2022 to run the TV station and assist with PR roles during PR Manager's upcoming maternity leave in 2022. ○ Sent out 22 press releases for the city- 7 specifically per the request of Economic Director. ○ Worked with IT to disassemble current TV software and rebuild community room to help create a virtual hybrid option for city meetings. 		

Finance

Organizational Role	Strategic Objective	2021 Goal
Municipal Governance	Develop Sustainable Framework for Long-term Planning	1. Review and redevelopment of Policy Documents, including the Employee Manual. Establishment of policies/procedure review/revision schedule by each department leader by 04/30/21. Completion per agreed schedule. Primary six of each department by 09/30/2021.
		<p>Outcome – Modified</p> <ul style="list-style-type: none"> ○ Coordinated development of project plan, work tools (Laserfiche workflows), training material. Employee Manual content completed by 12/31/21 using new process. Full rollout and further departmental procedures to transition in 2022.
Municipal Governance	Develop Sustainable Framework for Long-term Planning	2. Refinement of Operational and Capital Budgeting process. - Submit 2021 Budget for GFOA Distinguished Budget Award Program, Improve composite score.
		<p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ 2021 Budget submitted for GFOA Distinguished Budget Award Program. Award received for 2021, 4th consecutive year. ○ Composite Score improvement: 2021 Program terms were revised compared to the 2020 period. Composite score remained static at 3.1 of 4.0 (Proficient).

Municipal Governance	Develop Sustainable Framework for Long-term Planning	<p>3. Enhancement of budget tools. Breakout of annual budget into monthly periods, Development of Tax Levy/Rate forecasting model</p> <p>Outcome – Modified</p> <ul style="list-style-type: none"> ○ General Ledger software does not support monthly budgeting. As alternative, developed reporting to provide comparisons to same period in prior year and full-year budget. ○ Tax Levy/Rate forecasting model development completed and utilized in 2022-2023 Budgeting process.
Municipal Governance	Develop Sustainable Framework for Long-term Planning	<p>4. Priority Based Budgeting: evaluate in conjunction with City Manager.</p> <p>Outcome – Deferred</p> <ul style="list-style-type: none"> ○ Pending full development of metrics for each department
Municipal Governance	Develop Sustainable Framework for Long-term Planning	<p>5. Development of Finance Dept. reporting metrics and data sourcing.</p> <p>Outcome – Completed</p>
<p>Additional Accomplishments</p> <ul style="list-style-type: none"> ○ Received GFOA Distinguished Budgeting Award for fourth year (2018, 1029, 2020, 2021). ○ Completed 2022-2023 Budget Process. Successfully transitioned from Annual to Biennial process adapting budget document and analysis as needed. ○ Monitored and provided updates on ARPA funding to Council and Community organizations. Proposed allocation to Water Tower and Lift station projects garnering full Council support, no objections. ○ We continue to reduce audit fees by improving internal accounting activities and record keeping, thus reducing the auditor’s billable time requirements. ○ Implemented Water Utility billing system upgrades: <ul style="list-style-type: none"> ● BEACON: Transitioned locally hosted meter reading platform to Cloud based platform. System consolidates meter reading data from five existing radio receivers (hubs) plus adds cellular endpoints and reporting. ● Backflow Management: Implemented software module to manage residential and commercial Cross Connection activity required by Public Service Commission. ○ Developed Human Resources reporting. Provides basis for tracking vacancies, recruitment activity, and turnover by department. ○ Drafted Real Property Policy to formalize aspects of acquiring, holding, and selling real estate. ○ Created analysis and communication materials to realize the following with support of Municipal Advisor and affected departments: <ul style="list-style-type: none"> ● Affordable Housing Extension; ● Closure of TIDs 4-9, Final Audit and payout of accumulated fund balance completed; ● Creation of TIDs 10-14. ○ Achieved 2021 General Fund Surplus > \$300,000. 		

General Administration

City Manager

Organizational Role	Strategic Objective	2021 Goal
Community Building	Improve Organizational Communication	1. Complete all initiatives proposed and established to achieve racial equity and cultivate greater inclusivity within the organization and throughout the community. These initiatives were proposed and presented as part of the City Manger’s July 21 st presentation to the Common Council regarding the City’s commitment to Racial Justice.
		<p>Outcome – Modified.</p> <ul style="list-style-type: none"> Regular town hall style meetings were originally planned to include Chancellor Watson. With the change in leadership at UW-W, these meetings were postponed. All other initiatives have been completed or will be ongoing in the future.
Community Building	Improve Organizational Communication	2. UW Community Network. Together with other UW community managers, establish regular meetings (no less than quarterly) to connect on shared challenges. Establish consistent reports to the Common Council on said meetings.
		<p>Outcome - Cancelled.</p> <ul style="list-style-type: none"> This goal was dependent on the involvement of other UW community leaders. Opportunities to convene in 2021 were limited and regular meetings did not occur.
Municipal Governance	Improve Organizational Communication	3. Orientation Process Update. Expand and formalize the current orientation process for all elected and appointed officials to include committee-specific training, an expanded Governance Manual, facility tours, meetings with department directors. Institute this new process for the start of new appointment terms in late April 2021.
		<p>Outcome – Modified.</p> <ul style="list-style-type: none"> All elements of this goal have been completed. However, the formal document of the process will be completed in 2022.
Municipal Governance	Improve Organizational Communication	4. Goals Completion Oversight. Oversee the successful completion of 90% or more of all department goals and objectives provided as part of the 2021 budget.
		<p>Outcome - Incomplete.</p> <ul style="list-style-type: none"> Based on reports provided by each department for 2021, 84% (77 goals/projects) of stated goals for 2021 were completed. While 16% (15 goals/projects) were deferred.
Municipal Governance	Improve Organizational Communication	5. Common Council Directives. Complete all goals and directives provided by the Common Council via the City Manager Performance Review Process.
		<p>Outcome - Ongoing.</p> <ul style="list-style-type: none"> GPS in CSO & NSO vehicles is nearly completed as well as multiple ordinance additions or changes in 2021. However, more ordinance updates are required to address long-standing code enforcement concerns. These should be addressed in 2022.
Municipal Governance	Develop Sustainable	6. Strategic Plan Update. Execute the strategic planning process designed in 2020 in order to revise the plan with new and updated strategic

	Framework for Long-term Planning	<p>objectives and clear linkages from service outputs to organizational roles.</p> <p>Outcome - Deferred.</p> <ul style="list-style-type: none"> ○ In 2022, staff will be focusing on a more thorough review of existing services and their ultimate connection to core municipal functions and values. This update was deferred to be included in this process in 2022.
<p>Additional Accomplishments</p> <p>The below goals will be listed among the work of various departments in the 2021 Annual. However, they are included here because the City Manager was heavily involved with each of them over the course of the year. In all cases, other staff members did a significant amount of work as well.</p> <ul style="list-style-type: none"> ○ Obtained approval of the DOR TIF Housing Extension for TID 4. ○ Successfully closed TIDs 4-9. ○ Successfully developed and obtained approval for TIDs 10-14. ○ Successfully developed a policy for the acquisition, holding and sale of real estate. ○ Successfully outfitted the Community Room for hybrid meetings and cable/online streaming. ○ Completed the CDBG Close program and initiated construction of a new water tower. ○ Successfully implemented review procedures for all HR policies via Laserfiche Workflows. ○ Successfully prepared approximately 80% of all job descriptions for integration into Laserfiche Workflows in 2022. ○ Oversaw the development of a biennial budget for 2022-23 to focus staff hours on prioritizing service delivery and strategic planning in 2022. ○ Oversaw the successful allocation of ARPA dollars to fund revenue losses and infrastructure improvements. ○ Oversaw monitoring of COVID-19 variants and workplace operations changes to preserve employee health and safety in the workplace. ○ Participated in completing a new conceptual design for a library expansion. ○ Oversaw the update and creation of interactive maps to be shared with residents through the website. ○ Oversaw the continued draining of Trippe Lake and preparations for dredging both lakes in 2022. ○ Successfully obtained support from membership of WFD, Inc. to fully integrate the organization into a municipal department. 		

City Clerk

Organizational Role	Strategic Objective	2021 Goal
Municipal Governance	Improve Organizational Communication	<p>1. Increase utilization of automated forms and applications.</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Implemented electronic reporting of Rental Registrations. ○ Presented Alcohol in Parks forms to IT, who is working on online presentation. ○ Also working on Beverage Operator License application process for electronic submission.
		<p>2. Review and update of election manual.</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Completed updates to Common Council candidate manual. ○ Now in process of working on Election Forms / Instructions / Manual. Delayed due to late census numbers / redistricting.

Municipal Governance	Develop Sustainable Framework for Long-term Planning	3. Completed redistricting of local wards and update ordinances as required following 2020 Census. Outcome – Completed
Municipal Governance	Develop Sustainable Framework for Long-term Planning	4. Review and update Transient Merchant and Outdoor Entertainment License Ordinances Outcome – Deferred
Municipal Governance	Develop Sustainable Framework for Long-term Planning	5. Review and update of records management program. Outcome – Ongoing <ul style="list-style-type: none"> ○ Almost all Council minutes electronically stored. ○ Contracts are electronically stored. ○ Numerous minute books scanned into Laser. ○ Beverage Operator’s licenses, Public Entertainment license, Cigarette license electronically stored. ○ Tax Exempt returns electronically stored. ○ Handbill license in process of being digitalized ○ Rental Registration mailing and chart and record updates, including electronic submission of rental information.
Additional Accomplishments Poll Book maintenance, including additional mailing and record maintenance regarding absentee ballot status for indefinitely confined electors.		

Human Resources

Organizational Role	Strategic Objective	2021 Goal
Community Building	Expand Staff Appreciation Programming	1. Develop an environment of support, education and compliance for staff in the COVID-19 Pandemic Era. Outcome – Ongoing <ul style="list-style-type: none"> ○ With the ongoing need for safety and awareness into 2021, first and second quarter focused on communication regarding the availability of vaccine and when and who could receive it. ○ As the 3rd quarter began, the guidelines for Vaccinated vs Unvaccinated were communicated to managers. Affected staff members were contacted personally. ○ FFCRA funds, the federal program that provided funds for extended paid sick leave and FMLA, ended on 12/31/2020. The City of Whitewater chose to extend that program to 3/31/2021. ○ Effective April 1, 2021, staff who were exposed to or contracted COVID -19 utilized their benefit time bank to cover hours missed. ○ A strong relationship has been developed with Walworth County Public Health and up-to-date information is ongoing.
		2. Develop and Establish Staff Appreciation Program (2 nd Quarter 2021) Outcome – Completed
Community Building	Expand Staff Appreciation Programming	

		<p>Continued with the practice of the annual Employee Recognition, but, due to COVID-19 protocols, every employee received a gift certificate for a restaurant of their choice in Whitewater.</p> <ul style="list-style-type: none"> ○ Employees were award for various length of service milestones and retirement recognitions. ○ An Employee Appreciation Video was produced and made available to all staff.
Community Building	Expand Staff Appreciation Programming	<p>3. Identify Co-Worker Recognition/Job well done! (Wildcard- catching them in the act) (2nd Quarter 2021)</p> <p>Outcome – Deferred</p>
Municipal Governance	Expand Staff Appreciation Programming	<p>4. Establish and then expand comprehensive wellness program, engaging staff to choose healthier ways of living and working. (3rd Quarter 2021)</p> <p>Outcome – Completed</p> <ul style="list-style-type: none"> ○ The City of Whitewater continues to partner with Fort Business Health regarding health and wellness programming. The Rock the Walk Challenge was offered in the Spring and the Fall of 2021. ○ Employees covered under the State of Wisconsin Health Insurance Program are encouraged to participate in the Well Wisconsin Program.
Municipal Governance	Expand Staff Appreciation Programming	<p>5. Small group training opportunities: Utilize training opportunities through CVMIC, UWW and other sources. (1st Quarter 2021)</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ A new training platform, LEARN, was implemented in collaboration with CVMIC. ○ In person training programs have been put on hold due to COVID-19, with training offered on a virtual platform. This will continue through the end of 2021.
Municipal Governance	Expand Staff Appreciation Programming	<p>6. Implement ONBOARD, online orientation program for the first year of the employee’s employment.</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Have completed about 30% of the creation of the ONBOARD platform. ○ New Employees go through an onboarding process upon hire.
Municipal Governance	Expand Staff Appreciation Programming	<p>7. Implement updated Performance Management System (PERFORM), utilizing the improvements brought forward by Review Team. (1st Quarter 2021)</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Utilized a multidisciplinary team to review the Performance Review System for 2021. ○ The review form was modified based on feedback from the team. ○ Upgrades will continue for the 2022 review cycle, working with Subject Matter Experts from CVMIC.
Municipal Governance	Expand Staff Appreciation Programming	<p>8. Prioritize a schedule for the review of each position to ensure compliance and accountability for incumbents. (1st Quarter 2021)</p> <p>Outcome – Modified</p> <ul style="list-style-type: none"> ○ Current job descriptions were organized. ○ List of job descriptions needing review compiled . ○ Review of job descriptions to be completed by end of 1st quarter 2022 ○ Job description policy to be completed by end of 1st quarter 2022

		<ul style="list-style-type: none"> Job descriptions will be incorporated into workflow software for tracking of changes by the end of 2nd quarter 2022.
Municipal Governance	Expand Staff Appreciation Programming	9. Develop and implement strategic Compensation Plan. (4th Quarter 2021)
		Outcome –Deferred <ul style="list-style-type: none"> This plan is currently in process and will be completed in 2022.

Information Technology

Organizational Role	Strategic Objective	2021 Goal
Community Building	Improve Organizational Communication	1. TV Station hardware payout hardware restructure.
		Outcome – Ongoing <ul style="list-style-type: none"> Still waiting on Spectrum equipment to finish this project up. Everything else is in place and ready to go. Hoping to have this finished 1st quarter.
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	2. Water Department Beacon Upgrade- Convert SQL process into AWS Cloud Solution with Badgermeter.
		Outcome - Completed
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	3. Windows 10 Semi-Annual Upgrades - Update 145 computers to the latest Windows 10 update x2 per year- Spring Completed, Fall will be 100% completed by 10/31.
		Outcome - Completed
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	4. Internal IT Process and Auditing structure creation- Identify/implement a solution for auditing/tracking IT related processes (Logins, file modifications, group policies, deletions, etc.)
		Outcome - Completed

Irvin L. Young Memorial Library

Organizational Role	Strategic Objective	2021 Goal
Community Building	Improve Organizational Communication	1. Complete re-labeling of the adult nonfiction collection with large type, ADA-compliant font.
		Outcome - Deferred <ul style="list-style-type: none"> Staff have completed 75% of the collection
Municipal Governance	Expand Staff Appreciation Programming	2. Complete the Department of Public Instruction Inclusive Assessment with the assistance of Bridges Library System staff.
		Outcome - Completed
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	3. Install new lighting to replace vault lights; install new carpet.
		Outcome - Deferred <ul style="list-style-type: none"> Reassigned to the renovation and expansion project

Infrastructure & Facilities	Expand Library Facilities to Meet Changing Community Needs	4. Complete a new conceptual design for a library expansion with the selected architectural firm.
		Outcome - Completed
Community Building	Expand Library Facilities to Meet Changing Community Needs	5. Develop library advocates to promote the value of the library by creating a campaign to revitalize the Friends of the Library group.
		Outcome – Completed/Ongoing <ul style="list-style-type: none"> ○ A library trustee completed research on the subject in 2021 and reported to the Library Board; further action is planned for 2022.
Additional Accomplishments <ul style="list-style-type: none"> ○ The Library received four significant grants in 2021: a Wisconsin Humanities Recovery Grant (\$6250); an American Library Association Libraries Transforming Communities grant (\$3000); an American Library Association NASA @ My Library grant (\$1600); and a community grant from Generac (\$1000). 		

Neighborhood Services

Organizational Role	Strategic Objective	2021 Goal
Community Development	Expand/Improve Local Housing Options	1. Develop a Pocket Neighborhood Development Plan to facilitate single-family home development.
		Outcome – Deferred <ul style="list-style-type: none"> ○ The department helped with numerous initiatives related to housing in 2021, but did not specifically address pocket neighborhood development plans to facilitate single-family home development.
Public Health & Safety	Expand/Improve Local Housing Options	2. Develop a comprehensive building occupancy report for CDA and 911 dispatch use.
		Outcome – Completed <ul style="list-style-type: none"> ○ This was completed in partnership with the Whitewater Police Department and University of Wisconsin – Whitewater campus.
Community Development	Expand/Improve Local Housing Options	3. Identify additional GIS information for publication on the municipal website via interactive maps.
		Outcome – Completed <ul style="list-style-type: none"> ○ The GIS Technician developed an interactive zoning violations map that is featured on the city’s web site.
Additional Accomplishments <ul style="list-style-type: none"> ○ The department pursued cost recovery with local developers and end users ○ Active steps were taken to deal with nuisance properties in town ○ City fire inspections were moved to a contractor 		

Parks & Recreation

Organizational Role	Strategic Objective	2021 Goal
Municipal Governance	Develop Sustainable Framework for Long-term Planning	1. Update the Parks and Recreation Strategic plan to set up the framework of the Departments planning through 2025.
		Outcome - Deferred <ul style="list-style-type: none"> ○ Postponed to 2022 in order to include lakes management plan along with Effigy Mounds and Walton Oaks maintenance plans.

Community Development	Develop Sustainable Framework for Long-term Planning	2. Create a Business and Marketing plan for the Whitewater Aquatic and Fitness Center as a client of the UWW Innovation Centers Wheel Growth program.
		Outcome – Completed <ul style="list-style-type: none"> Completed initial phase of plan that will continue to grow. This allowed us to focus on branding the WAFC and creation of a WAFC website specific for the WAFC Facility.
Infrastructure & Facilities	Address Health of Lakes	3. Continue the planning and implementation of lake rehabilitation plan by completing the drawdown of Trippe Lake. Develop and implement the dredging plan for Cravath and Trippe Lake with the project completion in spring of 2022.
		Outcome - <ul style="list-style-type: none"> Developed and implemented the dredging plan to begin in January of 2022 with anticipated completion by March 1st, 2022. Residents who wish to perform their own shoreline dredging and restoration will be able to complete through May of 2022. Refill both lakes in June 2022.
Infrastructure & Facilities	Address Health of Lakes	4. Research and apply for additional grant funding through the DNR Lakes Protection Grant program.
		Outcome – Deferred <ul style="list-style-type: none"> Applied for additional grants in 2021 however, with dredging finishing up this year we will re-apply for funding to be used in 2023.
Additional Accomplishments		
<ul style="list-style-type: none"> Created New Website for WAFC to allow for us to brand the facility as its own entity. This will allow for better communication to our membership with a website dedicated to the facility and it's programs. 		

Police

Organizational Role	Strategic Objective	2021 Goal
Infrastructure & Facilities	Improve Organizational Communication	1. Network of Surveillance Cameras – Expand the strategic placement of surveillance cameras at various intersections in the city. Q4 of 2020 began with the intersection of W. Main St. and W. Whitewater St. This will greatly enhance investigative effectiveness by the end of 2021.
		Outcome - In-progress <ul style="list-style-type: none"> Equipment has been purchased. Working with IT and Public Works to determine scheduling for installation.
Community Building	Expand Staff Appreciation Programming	2. Host a Formal 2019 and 2020 Police Day Ceremony - Ceremony hosted during Police Week for formal recognition of outstanding work by WPD staff and/or community members which occurred in 2019 and 2020 by Q2 of 2021. Due to the COVID-19 pandemic, we were unable to host a 2019 ceremony in 2020.
		Outcome - Completed <ul style="list-style-type: none"> Hosted department-wide picnic on August 25, 2021 that served as our 2019 and 2020 awards ceremony.
Municipal Governance	Develop Sustainable	3. Establish a Concurrent Jurisdiction Law Enforcement Agreement/MOU - Between the City of Whitewater Police

	Framework for Long-term Planning	<p>Department and the University of Wisconsin at Whitewater Police Department in order to more efficiently and effectively reduce crime and disorder in the neighborhoods closest to the University campus.</p> <p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ As of May 5, 2021
Public Health & Safety	Develop Sustainable Framework for Long-term Planning	<p>4. Maintain WILEAG Accreditation Status - Annual proofs need to be gathered. In order to streamline this requirement, the Deputy Chief will implement an annual policy review schedule to meet accreditation standards in 2021.</p> <p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ The annual policy review schedule is in place and on August 27, 2021, the WILEAG board voted unanimously to reaccredit the Whitewater Police Department for another three years.
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	<p>5. Evidence Storage Garage – Cause blueprints to be drafted for a secure long-term evidence storage garage. This structure will house evidence related to the most serious crimes and will ensure evidence is secure and protected for court purposes which reduces liability to the city. This is an extremely important and reoccurring goal/objective by the end of 2021.</p> <p>Outcome - Deferred</p>

Public Works

Organizational Role	Strategic Objective	2021 Goal
Infrastructure & Facilities	Develop Sustainable Framework for Long-term Planning	<p>1. Develop 5 Year Street Maintenance Plan (June 2021) – Determine streets, with associated costs, for the next five years for improvements. Projects to include reconstruction, asphalt overlay, seal coating and crack filling.</p> <p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ Street maintenance plan was developed for next five years which includes streets for reconstruction, mill and overlay, chip sealing and asphalt sealing. A spread sheet was developed to indicate a running cost per year and the required budgeted amount per year to meet future needs.
		<p>2. Develop Sidewalk Replacement Program (July 2021) – Develop a systematic approach to identify defective sidewalk throughout the City and develop a plan to replace a desired amount each year.</p> <p>Outcome - Deferred</p> <ul style="list-style-type: none"> ○ This goal will be incorporated into the goals for 2022.
Municipal Governance	Develop Sustainable Framework for Long-term Planning	<p>3. Equipment Replacement Fund (August 2021) – Continue to define a schedule to replace vehicles and equipment in the street department. Some vehicles in use are over 30 years old.</p> <p>Outcome - Completed</p> <ul style="list-style-type: none"> ○ Each year vehicles are reviewed for service and need. The fleet inventory was updated with unused vehicles and equipment put up for auction. An updated five year schedule was completed and submitted for the five year capital budget.

<p>Infrastructure & Facilities</p>	<p>Develop Sustainable Framework for Long-term Planning</p>	<p>4. Design of E. Main Street and Yoder Street (December 2021) – Work with Strand Associates in successfully developing design plans for the reconstruction of E. Main Street and Yoder Street in order to be able to put out for bid in late December, early January for construction in 2022.</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Staff worked with Strand Associates to review and develop construction plans for the reconstruction of the two streets. During review of the design of Main Street, additional underground work for sanitary sewer, water main and force main was identified on adjacent streets to be included in the reconstruction of the street. Plans will be finalized in early 2022 for advertising and bidding.
<p>Municipal Governance</p>	<p>Improve Organizational Communication</p>	<p>5. Update DPW Policies (December 2021) – Working with the Superintendents of Water, Wastewater and Streets, develop or update workplace policies pertaining specifically to the three departments.</p> <p>Outcome – Ongoing</p> <ul style="list-style-type: none"> ○ Staff is working with other Department Heads in reviewing and updating policies associated with the Employee Manual and department specific. This is anticipated to be complete in 2022.

2022 Management Plan

2022 Planned Goals

Strategic Objective: Improve Organizational Communication

2022 Goal	Role	Department
Program-Based Strategic Performance Plan. Complete an analysis of each departments programs and outputs to successfully map out each contact point between the City organization and our residents.	Municipal Governance	City Manager
Job Descriptions Migration to Laserfiche. Complete the migration of all job descriptions into the City's document repository and management system, Laserfiche. All job descriptions, like policy documents will be migrated to Laserfiche where the history of all document changes and scheduled document updates will be recorded and managed.	Municipal Governance	City Manager
Establish an annual City Gala Event. The event will be a platform for promoting and recognizing city accomplishments as well as the influential citizens responsible for making great things happen in Whitewater. This event will include all board, committee and commission members as well as presentations and information on city operations.	Community Building	City Manager
Migrate existing Departmental procedural documents to Laserfiche by 9/30/22.	Municipal Governance	All Departments
Host at least two Voter Registration trainings.	Municipal Governance	City Clerk
Host Election Inspector training by certified trainer, inviting township poll workers.	Municipal Governance	City Clerk
Recruit and train at least two poll workers to serve as Absentee Voting inspectors at care facilities / nursing homes.	Municipal Governance	City Clerk
Ongoing education and understanding of dealing with COVID-19.	Public Health & Safety	Human Resources
Implement ONBOARD, online orientation program for the first year of the employee's employment.	Municipal Governance	Human Resources
Utilize the functionality of the NEOGOV system, including Insight, OHC, Onboard, Perform and "LEARN".	Municipal Governance	Human Resources
Review and redevelopment of Policy Documents. Establishment of policies/procedure review/revision schedule by 01/31/22. Coordinate migration of existing Departmental procedural documents to Laserfiche by 9/30/22.	Municipal Governance	Finance
Refinement of Operational and Capital Budgeting process. Submit 2022-2023 Budget for GFOA Distinguished Budget Award Program and improve composite score.	Municipal Governance	Finance
Create Popular Annual Financial Report and submit for GFOA Award Program.	Municipal Governance	Finance
Update DPW Policies (December 2022) – Working with the Superintendents of Water, Wastewater and Streets, develop or update workplace policies pertaining specifically to the three departments.	Municipal Governance	Public Works
We have renewed our efforts to improve upon the Utility ArcGIS capabilities. We have begun working cooperatively with City Staff and consultants to develop a user friendly platform that can be used to not	Infrastructure & Facilities	Wastewater Utility

only capture current infrastructure but assist in tracking meaningful maintenance history of collection system structures.		
Partner with Kiwanis to host a quarterly Cops 'N Kids book reading event. This will be a new community engagement initiative for the department. The COVID-19 pandemic hampered our efforts to host such events to date. (2022-2023)	Community Building	Police
Host a Formal 2022 & 2023 Police Day Ceremony - Ceremony hosted during Police Week (in May) for formal recognition of outstanding work by WPD staff and/or community members which occurred in 2021 by Q2 of 2022 and Q3 of 2023.	Community Building	Police
Put more GIS info on city web site and encourage use of interactive zoning violation map.	Community Development	Neighborhood Services
Integrate zoning code date into municipal web site – include pages of commonly searched ordinances, most common violations, etc.	Community Development	Neighborhood Services
Develop a comprehensive building occupancy report for CDA and 911 dispatch use.	Public Health & Safety	Neighborhood Services
Engage with residents to improve community culture and social life.	Community Building	Economic Development
Continue posts and growth of followers on social media accounts Facebook, Twitter and Instagram.	Community Building	Media Services
Review plans for PSA's about local services and consider sponsorships from local businesses and organizations to generate revenue.	Community Building	Media Services
Continue to add information to the website including forms, images and documents.	Community Building	Media Services
Website Redesign with CivicPlus in 2022 and run for the next 4 years.	Community Building	Media Services
Continue initiatives to grow interest in Commissions and Boards with Community Involvement & Cable TV Commission.	Municipal Governance	Media Services
Research has begun on internal communications plan for the organization and effort to work on the creation of this document will continue in 2022. Work with City Manager to complete.	Municipal Governance	Media Services
Add a bilingual Community Outreach Coordinator position to library staff to engage segments of the community who face barriers to access with collections, services, and programs, both inside and outside the library.	Community Building	Library
Building on what we learned about virtual programming during the pandemic, improve and expand in-person, virtual, and hybrid programs and events.	Community Building	Library
Create 2020 Highlights Flyer and Booklet- discussed in years passed but not completed.	Community Building	Media Services

Strategic Objective: Expand Staff Appreciation Programming

2022 Goal	Role	Department
Develop and Establish Staff Appreciation Program.	Community Building	Human Resources
Identify Co-Worker Recognition/Job well done! (Wildcard- catching them in the act).	Community Building	Human Resources

Expand wellness program, engaging staff to choose healthier ways of living and working.	Public Health & Safety	Human Resources
Small group training opportunities: Utilize training opportunities through CVMIC, UWW and other sources, hopefully including in-person options.	Municipal Governance	Human Resources
Continue job description reviews, create policy related to job descriptions, and transfer job descriptions to workflow.	Municipal Governance	Human Resources
With a young staff, the Utility will look to help develop our employees by sending them to water education classes, both to learn and to obtain the necessary continuing educations credits that are required by the DNR.	Municipal Governance	Water Utility
We will continue to improve upon our “in-house” training program by targeting needed programs as suggested by staff and by empowering staff to lead trainings in their area of interest and knowledge.	Municipal Governance	Wastewater Utility
Network of Surveillance Cameras – Expand the strategic placement of surveillance cameras at various intersections in the city. Q4 of 2020 began with the intersection of W. Main St. and W. Whitewater St. This goal extends into 2022 and, if need be, into 2023. This will greatly enhance investigative effectiveness at the conclusion of 2023.	Public Health & Safety	Police

Strategic Objective: Expand/Improve Local Housing Options

2022 Goal	Role	Department
Empower our community through access to capital.	Community Development	Economic Development
Create and rehabilitate high-quality affordable housing stock.	Community Development	Economic Development
Develop a Pocket Neighborhood Development Plan to facilitate single-family home development.	Community Development	Neighborhood Services
Together with the City Manager, develop a “Mobilized Municipal Staff” program to foster communication, inclusivity and resident engagement with local officials throughout the community.	Community Development	Economic Development

Strategic Objective: Develop Sustainable Framework for Long-term Planning

2022 Goal	Role	Department
Goals Completion Oversight. Oversee the successful completion of 90% or more of all department goals and objectives provided as part of the 2022-2023 budget.	Municipal Governance	City Manager
Common Council Directives. Complete all goals and directives provided by the Common Council via the City Manager Performance Review Process in 2022-2023.	Municipal Governance	City Manager
Address Public Safety Operational, Capital and Funding Needs (Fire, Rescue and EMS)	Public Health & Safety	City Manager
Conduct an analysis of possible funding alternatives for municipal services, linking costs directly to users.	Municipal Governance	City Manager
Recruit and train two Chief Election Inspectors for 2022-2023.	Municipal Governance	City Clerk

Recruit Election Board of Canvass members.	Municipal Governance	City Clerk
Upgrade Performance Management System (PERFORM), utilizing the improvements brought forward by Review Team and Leadership.	Municipal Governance	Human Resources
Train employees in the use of "LEARN" website training opportunities.	Municipal Governance	Human Resources
Develop and implement strategic Compensation Plan.	Municipal Governance	Human Resources
Migrate on-premise Exchange server to cloud and decommission all on-premise email-2022	Infrastructure & Facilities	Information Technology
Redundant Firewall Replacement and Upgrade- 2022	Infrastructure & Facilities	Information Technology
Replacement of Main Fiber Connection to Wiscnet- 2022	Infrastructure & Facilities	Information Technology
Replacement of Email Archiver- 2022	Infrastructure & Facilities	Information Technology
Replacement of Fingerprint Scanner- 2022	Infrastructure & Facilities	Information Technology
Implement a Security Information and Event Management (SIEM) solution- 2022	Infrastructure & Facilities	Information Technology
Employee Phishing Testing/Training- 2022	Infrastructure & Facilities	Information Technology
Enhancement of budget tools. Establish graphic presentation of key Budget information on city website by 8/31/22.	Municipal Governance	Finance
Development of Finance Dept. reporting metrics and data sourcing.	Municipal Governance	Finance
Develop 5 Year Street Maintenance Plan (June 2022/June 2023) – Determine streets, with associated costs, for the next five years for improvements. Projects to include reconstruction, asphalt overlay, seal coating and crack filling.	Infrastructure & Facilities	Public Works
Develop Sidewalk Replacement Program (July 2022/June 2023) – Develop a systematic approach to identify defective sidewalk throughout the City and develop a plan to replace a desired amount each year.	Infrastructure & Facilities	Public Works
Equipment Replacement Fund (August 2022/August 2023) – Continue to define a schedule to replace vehicles and equipment in the street department. Some vehicles in use are over 30 years old.	Municipal Governance	Public Works
Construction of E. Main Street and Yoder Street (Summer 2022) – Coordinate with Strand Associates in oversight of the reconstruction of E. Main Street and Yoder Street.	Infrastructure & Facilities	Public Works
Oversee the construction on the new Southwest Elevated Tank water reservoir located by Well #9. Work with the contractors to integrate bringing the new tower online with the Cravath St tower and taking the Starin Park tower out of service.	Municipal Governance	Water Utility
The Utility is closely monitoring the discussion on PFAS at the DNR level. Any new mandates delivered by the DNR will most likely cause additional water sampling throughout our Wells.	Public Health & Safety	Water Utility
New DNR regulations will require the Utility to do additional monitoring of total water discharged and total chlorine residuals during hydrant	Public Health & Safety	Water Utility

flushing, new water main construction and maintenance on water towers where discharges end up in waterways.		
The Utility will continue to identify lead services on both the private and public side. The majority of this work will be completed during meter changeouts. Other verification will be completed using the trailer vacuum excavator.	Infrastructure & Facilities	Water Utility
The Utility took over the meter replacement program in 2021 by completing this requirement using city employees. The Utility will review the accomplishments made in 2021 and look to make adjustments in 2022-2023.	Infrastructure & Facilities	Water Utility
The Utility is proposing to work with a consultant to help initiate the non-residential cross connection inspections.	Infrastructure & Facilities	Water Utility
The Final Compliance Alternatives Plan, relative to phosphorus discharge, will be submitted to the WDNR along with our permit renewal package in September of 2021. Our current permit expires on March 31, 2022. As part of our new permit we will begin detailed plans for future phosphorus compliance.	Infrastructure & Facilities	Wastewater Utility
Utility staff will be addressing items noted on past smoke testing reports in a prioritized fashion. There is work to be done on both public and private infrastructure.	Infrastructure & Facilities	Wastewater Utility
Storm Sewer Maintenance Tracking (August 2022) – Working with GIS staff, develop protocols to determine and track maintenance requirements on storm sewer related devices, including items such as, detention pond maintenance, inlet cleaning, inlet reconstruction, and outfall inspections.	Infrastructure & Facilities	Stormwater Utility
Maintain WILEAG Accreditation Status - Annual proofs need to be gathered and the annual policy review schedule will be followed to ensure accreditation standards are being met or exceeded. - (2022-2023)	Public Health & Safety	Police
Evidence Storage Garage – Blueprints to be drafted for a secure long-term evidence storage garage. This structure will house evidence related to the most serious crimes and will ensure evidence is secure and protected for court purposes which reduces liability to the city. However, rising costs, along with and a lack of funding and overall city priority make it possible that this will extend into 2023.	Infrastructure & Facilities	Police
Maintain the concurrent Jurisdiction Law Enforcement Agreement/MOU between the City of Whitewater Police Department and the University of Wisconsin at Whitewater Police Department in order to more efficiently and effectively reduce crime and disorder in the neighborhoods closest to the University campus.	Municipal Governance	Police
Review/edit municipal code, in concert with Vandewalle & Associates Inc. and City Attorney.	Municipal Governance	Neighborhood Services
Take the Planning and Architectural Review Board paperless, which might require an investment in technology.	Municipal Governance	Neighborhood Services
Limit the NSO program to a maximum commitment of three years per candidate, on the part of the city, and require NSOs to purchase a yet to be determined portion of their uniform.	Municipal Governance	Neighborhood Services

Bring 50 percent of all planning activities in-house and cut down on the amount Vandewalle & Associates is utilized. Metrics for tracking will need to be developed.	Municipal Governance	Neighborhood Services
The Comprehensive Plan is updated every 10 years per Section 66.1001(2)(i). The last plan update was done in 2017, the next update will be done in 2027. This report will update all the background information, such as demography data and the current land use maps.	Municipal Governance	Neighborhood Services
The annual Housing Affordability Report and New Housing Fee Report is updated yearly to comply with Section 66.10014 of Wisconsin Statutes. This report is prepared by Vandewalle & Associates Inc. and the Planning staff at the City of Whitewater.	Municipal Governance	Neighborhood Services
Planning and implementation of 2 year maintenance plan for park preserve areas that include the Effigy mounds preserve and Walton Oaks park. Plan will include services provided by city staff as well as contracting professional services that will help revitalize and maintain these preserve areas.	Municipal Governance	Parks & Recreation
Update the Parks and Recreation Strategic plan to set up the framework of the Departments planning through 2026.	Municipal Governance	Parks & Recreation
Continue to review staffing and facility schedules to identify cost saving measures to allow us to reduce expenses while maintaining quality service.	Municipal Governance	Whitewater Aquatic & Fitness Center
Develop and revise 5-year CIP planning to account for additional needs for possible exterior needs.	Infrastructure & Facilities	Whitewater Aquatic & Fitness Center
Develop system to allow for afterhours use of facility to remain competitive with industry standards and generate additional revenue stream while reducing staffing costs.	Infrastructure & Facilities	Whitewater Aquatic & Fitness Center
Review and revise concessions operations to allow for consistency between WAFC and Treyton Field of Dreams concession programs that will allow sharing of staff and concession products.	Municipal Governance	Treyton Field of Dreams
Completion of CIP projects that include concession deck expansion, turf and facility repairs and additional field equipment.	Infrastructure & Facilities	Treyton Field of Dreams
Adjustment of team fees and concession pricing to increase revenue streams to cover increasing staffing and product costs.	Municipal Governance	Treyton Field of Dreams
Develop consistent field turf maintenance plan to streamline turf maintenance for staff.	Infrastructure & Facilities	Treyton Field of Dreams
Expand business park footprint.	Community Development	Economic Development
Attract Investments.	Community Development	Economic Development
Encourage entrepreneurship.	Community Development	Economic Development
Increase tax-base.	Community Development	Economic Development
New role of Media Coordinator to begin in Jan 2022- a plan will be created for the next two years for filming, editing, archiving, scheduling, programming, hiring, training volunteers and new hires, creating possible	Municipal Governance	Media Services

new programs including working with school district AV team and local organizations.		
Hire the necessary staff after summer of 2022 due to exit of current staff due to graduation and prepare for additional hires in 2023 as needed.	Municipal Governance	Media Services
Work with IT to build upon the new infrastructure to broadcast for television and live streaming. Programmer equipment will be implemented in 2022. Media Coordinator to update this daily as needed.	Community Building	Media Services

Strategic Objective: Attract a Grocery Store

2022 Goal	Role	Department

Strategic Objective: Expand Library Facilities to Meet Changing Community Needs

2022 Goal	Role	Department
Devise a fundraising plan and raise the necessary funds for the library expansion project by August 31, 2022.	Infrastructure & Facilities	Library

Strategic Objective: Address Health of Lakes

2022 Goal	Role	Department
Implement the dredging plan for Cravath and Trippe Lake with the project completion in June of 2022.	Infrastructure & Facilities	Parks & Recreation
Research and apply for additional grant funding through the DNR Lakes Protection Grant program to continue revitalizing the lakes fishing habitat and aquatic vegetation.	Infrastructure & Facilities	Parks & Recreation
Continue with development of 5 year lakes management plan that includes additional funding for lakes preservation projects.	Municipal Governance	Parks & Recreation

Conclusion

For the inquisitive reader, while this report is intended to provide insight into organizational achievements from the prior year and goals for the coming year, it is not intended to be exhaustive in detail. If you would like to share your ideas or learn more about any of the information provided in this document, please contact the Office of the City Manager at 262-473-0104 or citymanager@whitewater-wi.gov or reach out to us online at <https://www.whitewater-wi.gov/538/City-Managers-Forms>.



Council Agenda Item

Meeting Date:	2022.05.03
Agenda Item:	City Letter RE: Spectrum Negligence in Providing Needed Equipment for Realtime PEG Channel Broadcasting
Staff Contact (name, email, phone):	Cameron Clapper, cclapper@whitewater-wi.gov , 262-473-0104

BACKGROUND

(Enter the who, what when, where, why)

This item originated with a request made by councilmember Jim Allen.

City staff produced a letter to state representatives regarding the lack of response from Spectrum to the City of Whitewater's request for needed equipment upgrades to enable a return to live broadcasts of meetings on the City's PEG channel.

Letters were drafted and sent to Senator Janice Ringhand and Representative Don Vruwink.

Copies of the letters were also sent to the League of Wisconsin Municipalities via the League's focus group for media and communications professionals in city government.

City staff will be available to answer questions and take direction from the Common Council if additional action is desired.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

No action has been requested or recommended by staff.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Letter to Senator Janice Ringhand
2. Letter to Representative Don Vruwink



Office of the City Manager
312 W. Whitewater Street, P.O. Box 178
Whitewater, Wisconsin 53190

www.whitewater-wi.gov
Telephone: (262) 473-0104
Fax: (262) 222-5901

April 19, 2022

Senator Janice Ringhand
P.O. Box 7882
Madison, WI 53707

Dear Senator Ringhand,

In June of 2021, the City of Whitewater made significant upgrades to filming and broadcasting equipment in order to provide community viewers the ability to view and participate in meetings virtually and in real time. Pivotal to the successful completion of these upgrades is the use of Whitewater's local Spectrum PEG channel 990.

To maintain compatibility between all broadcasting system components, Spectrum, the City's cable and PEG channel provider, needed to upgrade its 20-year-old coax modulator located within the City's Municipal Building. Without upgraded equipment from Spectrum, the City would not be able to provide live broadcasts of public meetings moving forward.

As of the date of this letter, Spectrum has yet to upgrade its equipment.

- In April, 2021, the City reached out to Spectrum to provide notice of the City's planned upgrade.
- In June, 2021, the City reached out to Spectrum again to formally initiate Spectrum's equipment upgrade process. The City was told a site survey would be required prior to Spectrum initiating the upgrade.
- In June 2021, the City provided all necessary information and completed all necessary forms required by Spectrum to initiate the site survey.
- In June 2021, the City completed all other elements of the system upgrade. However, without the needed Spectrum upgrades, use of the City's broadcasting system is limited and no resident is able to view public meetings live on the PEG channel.
- Spectrum provided no further communication until November 22, 2021, at which point a Spectrum representative simply stated that the upgrade project was being made a priority.
- In January 2022, Spectrum provided the City with a project contract and stated that it would take up to six (6) months from the date of the contract signing to complete the project. No contract had been provided prior to January, 2022. The City signed and returned the contract in January, 2022

Spectrum's lack of attention to this matter is not unique to Whitewater. In recent months, other PEG channel communities have confirmed with Whitewater personnel that they too have experienced a severe lack of communication from Spectrum.

Whitewater's PEG channel is an important line of communication for many residents. When live access to public meetings via the channel is unavailable, local government transparency is limited and it is much more difficult to keep residents up to date on local issues. Further, these limitations are negatively impacting the very cable subscribers paying fees to support the service.

It is incredibly disheartening to dedicate time and resources to improvements that better enable the City of Whitewater to provide greater public visibility and access to local government processes only to be neglected and ignored by a private company seemingly bent on avoiding its corporate social responsibility.

The City of Whitewater is asking for your assistance in reaching out to Spectrum and compelling them to swiftly complete the needed upgrades in Whitewater. Until Spectrum is held accountable for its lack of response in these matters, cable subscribing residents will suffer a lack of timely access to valuable information pertaining to their local government and overall community.

Thank you for your attention to this matter and all you do for the people of our great state.

Kind regards,



Cameron Clapper
City Manager



Kristin Mickelson
PR & Communications Manager



Office of the City Manager
312 W. Whitewater Street, P.O. Box 178
Whitewater, Wisconsin 53190

www.whitewater-wi.gov
Telephone: (262) 473-0104
Fax: (262) 222-5901

April 19, 2022

Rep. Don Vruwink
P.O. Box 8953
Madison, WI 53708

Dear Rep. Vruwink,

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Thank you for your attention to this matter and all you do for the people of our great state.

Kind regards,



Cameron Clapper
City Manager



Kristin Mickelson
PR & Communications Manager



Council Agenda Item

Meeting Date:	May 3, 2022
Agenda Item:	Cold Spring Road Paving Project
Staff Contact (name, email, phone):	Brad Marquardt, bmarquardt@whitewater-wi.gov , 262-473-0139

BACKGROUND

(Enter the who, what when, where, why)

The Town of Cold Spring is planning a mill and overlay project on their portion of Cold Spring Road in the summer of 2022. They reached out to the City to see if the City was interested in doing the same to the portion of Cold Spring Road that lies within the City. The proposal would be that the Town would bid and pay for all the work and then invoice the City for the City's portion of the work.

Cold Spring Road was listed on staff's 5 year maintenance plan for a possible mill and overlay project in 2024. Working together with the Town would ultimately end up saving the City money by having one contractor do the work in one year versus having the work done over multiple years.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

N/A

FINANCIAL IMPACT

(If none, state N/A)

The Town has not bid their project out yet for definitive costs. In 2021, City staff estimated a cost of \$50,400 for the 5 year maintenance plan. There is sufficient funding in Fund 280-Street Repairs to be able to move this project up to 2022.

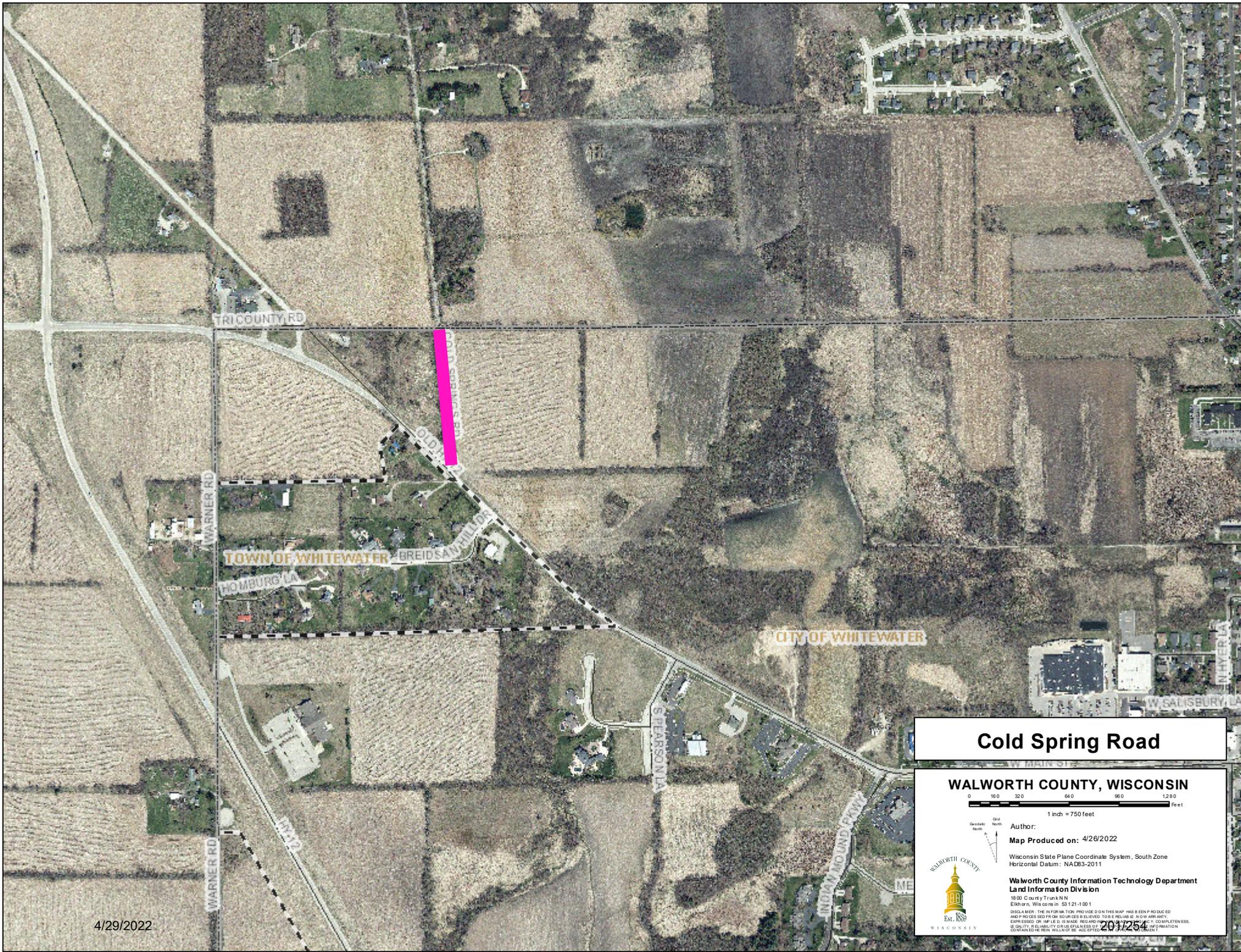
STAFF RECOMMENDATION

Staff believes that having the City's section of Cold Spring Road completed with the Town's portion, the City will be saving money with reduced mobilization costs and rising construction costs. Staff's recommendation is for Council to approve staff to work with the Town in including the City's portion of Cold Spring Road and authorization to reimburse the Town for the City's prorated construction costs.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Cold Spring Road Location Map



Cold Spring Road

WALWORTH COUNTY, WISCONSIN

0 160 320 640 960 1280 Feet

1 inch = 750 feet

Author:

Map Produced on: 4/26/2022

Wisconsin State Plane Coordinate System, South Zone
Horizontal Datum: NAD83-2011

Walworth County Information Technology Department
Land Information Division
1800 County Trunk N N
Elkhorn, Wis cons in 53121-1001

DISCLAIMER: THE INFORMATION PROVIDED ON THIS MAP WAS BEEN PRODUCED AND PROCESSED FROM SOURCES BELIEVED TO BE RELIABLE. NO WARRANTY, EXPRESSED OR IMPLIED, IS MADE REGARDING THE ACCURACY, COMPLETENESS, SECURITY, RELIABILITY OR USE BEYOND THAT OF INFORMATION CONTAINED HEREIN. WILL NOT BE ACCEPTED FOR ANY OTHER PURPOSE.

2022/254



Council Agenda Item

Meeting Date:	May 3, 2022
Agenda Item:	Citizen Committee Appointments
Staff Contact (name, email, phone):	Cameron Clapper, cclapper@whitewater-wi.gov , 262-473-0104

BACKGROUND

(Enter the who, what when, where, why)

The process for the appointment of board, commission, and committee members is outlined in the Whitewater Municipal Code 2.12.011:

- (a) The city manager and the common council president shall review all board, commission and committee applicants and recommend nominees to the common council.
- (b) After considering the candidates nominated to the various boards, commissions, and committees, the common council shall appoint the members of said boards, commissions, or committees.

The common council president and city manager have received and reviewed a number of applications for vacant seats on committees and commissions. Recommendations for new appointments are below under Staff Recommendation.

For Common Council information, the following list of previously appointed board, commission and committee members will begin the start of a new term:

Beverly Stone – Police & Fire Commission and Board of Zoning Appeals
Ken Kienbaum – Board of Zoning Appeals and Landmarks Commission (termed out on both, but no applicants for the positions)
Miguel Aranda – Community Involvement & Cable TV Commission
Chux Ibekwe - Community Involvement & Cable TV Commission (filled a partial term)
Sherry Stanek – Ethics Committee
Maryann Zimmerman – Equal Opportunities Commission
Ryatisima Blue – Equal Opportunities Commission
Dan Richardson - Landmarks Commission
Dan Fuller – Parks & Recreation Board (filled a partial term)
Tom Miller – Plan & Architectural Review Commission
Patrick Taylor – Urban Forestry Commission

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

Recommend the appointment of the following individuals to the following committees:

Kathleen Fleming – Parks & Recreation Board
Deb Weberpal – Parks & Recreation Board
Kori Oberle – Parks & Recreation Board Alternate
Joe Kromholz – Community Development Authority

ATTACHMENT(S) INCLUDED (If none, state N/A)
--

1. New Applicant Applications
 2. Board & Commission Vacancies
-

Kathy Boyd

From: noreply@civicplus.com
Sent: Monday, May 3, 2021 12:22 PM
To: Lynn Binnie; Kathy Boyd
Subject: Online Form Submittal: Citizen Service Information Form

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Citizen Service Information Form

This form is used to apply to City of Whitewater Boards, Committees or Commissions.

Date	5/3/2021
------	----------

Applicant Information

First Name	Kathleen
------------	----------

Last Name	Fleming
-----------	---------

Home Address	N8768 Clover Valley Rd
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City	Whitewater
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State	WI
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Zip Code	53190
----------	-------

Home Phone Number	262 215 9973
-------------------	--------------

Cell Number	262 215 9973
-------------	--------------

Email Address	Kathieswf@gmail.com
---------------	---------------------

Business/Employer Information

Business/Employer Name	Chamber of Commerce only until end of May
------------------------	---

Business/Employer Address	<i>Field not completed.</i>
---------------------------	-----------------------------

City	<i>Field not completed.</i>
------	-----------------------------

State	<i>Field not completed.</i>
-------	-----------------------------

Zip Code	<i>Field not completed.</i>
----------	-----------------------------

Business/Employer Phone Number *Field not completed.*

Boards/Committees/Commissions of Interest

Select all Boards, Committees & Commissions you are applying for by checking each box: Parks & Recreation Board

Give a brief overview of your background, experience, interest, or concerns pertaining to the selected board(s), committee(s) or commission(s). After serving on the Tourism Council while operating my local business, I am interested in continuing to give back to my community in a different capacity. Our family has participated in many of the Park and Rec services with our five children over the twenty years we have lived in town. The community parks are one of our favorite parts of living in Whitewater. Park and Rec is a valuable asset in driving the quality of life for those living in and around Whitewater as well as our visitors. I would like the opportunity to show my appreciation for all that Park and Rec has provided for our family.

Optional: Upload supportive documents (resume, recommendation letter, etc.) *Field not completed.*

Reference #1 Full Name Michelle Dujardin

Reference #1 Address & Phone Number 262 903 9532

Reference #2 Full Name Therese Kennedy

Reference #2 Address & Phone Number 262 3251453

Regular Board, Committee and Commission members are expected to attend at least three-quarters of the meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

Email not displaying correctly? [View it in your browser.](#)

From: noreply@civicplus.com
Sent: Thursday, April 14, 2022 9:51 AM
To: Lynn Binnie; Kathy Boyd
Subject: Online Form Submittal: Citizen Service Information Form

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Citizen Service Information Form

This form is used to apply to City of Whitewater Boards, Committees or Commissions.

Date 4/14/2022

Applicant Information

First Name Debra

Last Name Weberpal

Home Address 724 South Wisconsin Street

City WHITEWATER

State WI

Zip Code 53190

Home Phone Number 6089219123

Cell Number 6089219123

Email Address deb.weberpal@gmail.com

Boards/Committees/Commissions of Interest

Select all Boards, Committees & Commissions you are applying for by checking each box:

Give a brief overview of your background, experience, interest, or concerns pertaining to the selected board(s), committee(s) or commission(s).

Worked in Parks and Recreation for 17 years and with senior citizens for 30 years. Hoping to represent senior citizens and their needs/wants in recreation and park planning as they are the fastest growing segment of the population. I want to make sure parks and programs are adequately funded and park land and/or funds are set aside adequately by developers.

Optional: Upload
supportive documents
(resume, recommendation
letter, etc.)

Field not completed.

Indicate whether you are
available during the day or
the early evening for a short
interview with the City
Manager & Common
Council President.

Day

Business/Employer Information

Business/Employer Name retired

Business/Employer Address 724 South Wisconsin Street

City WHITEWATER

State WI

Zip Code 53190

Business/Employer Phone
Number 6089219123

Reference #1 Full Name Eric Boettcher

Reference #1 Address &
Phone Number 312 Whitewater St 262-473-0500

Reference #2 Full Name Michelle Dujardin

Reference #2 Address &
Phone Number 312 Whitewater St 262-473-0500

Regular Board, Committee and Commission members are expected to attend at
least three-quarters of the meetings each year. Alternate members are always
welcome to attend all meetings, but are not required to attend meetings unless
requested.

Email not displaying correctly? [View it in your browser.](#)

From: noreply@civicplus.com
To: [Lynn Binnie](#); [Kathy Boyd](#)
Subject: Online Form Submittal: Citizen Service Information Form
Date: Monday, May 3, 2021 3:48:40 PM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Citizen Service Information Form

This form is used to apply to City of Whitewater Boards, Committees or Commissions.

Date	5/3/2021
Applicant Information	
First Name	Kori
Last Name	Oberle
Home Address	688 Waters Edge Dr
City	Whitewater
State	WI
Zip Code	53190
Home Phone Number	608-577-8220
Cell Number	608-577-8220
Email Address	k.oberle@sbcglobal.net

Business/Employer Information

Business/Employer Name	retired
Business/Employer Address	<i>Field not completed.</i>
City	<i>Field not completed.</i>
State	<i>Field not completed.</i>
Zip Code	<i>Field not completed.</i>
	<i>Field not completed.</i>

Business/Employer
Phone Number

Boards/Committees/Commissions of Interest

Select all Boards,
Committees &
Commissions you are
applying for by
checking each box:

Parks & Recreation Board

Give a brief overview of
your background,
experience, interest, or
concerns pertaining to
the selected board(s),
committee(s) or
commission(s).

As a retiree from a long career in cultural resource management for the State of Wisconsin and a nearby municipality, I wish to give back to my hometown community. My training and experience include historical research and writing; project direction and management; grant writing and fundraising; budget creation and management working with operation and capital income and expenditures, using general purpose revenue, program revenue, and granted monies.

Optional: Upload
supportive documents
(resume,
recommendation letter,
etc.)

Field not completed.

Reference #1 Full
Name

Sherry Stanek, Urban Forestry Committee

Reference #1 Address
& Phone Number

262-473-3788
415 S. Douglas Ct.

Reference #2 Full
Name

Lisa Dawsey Smith, Common Council member at large

Reference #2 Address
& Phone Number

N. Fremont Street, Whitewater
ldawsey06@gmail.com

Regular Board, Committee and Commission members are expected to attend at least three-quarters of the meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

Email not displaying correctly? [View it in your browser.](#)

From: noreply@civicplus.com
Sent: Friday, April 8, 2022 2:53 PM
To: Lynn Binnie; Kathy Boyd
Subject: Online Form Submittal: Citizen Service Information Form

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Citizen Service Information Form

This form is used to apply to City of Whitewater Boards, Committees or Commissions.

Date 4/8/2022

Applicant Information

First Name Joseph

Last Name Kromholz

Home Address 3360 Gateway Road

City Brookfield

State WI

Zip Code 53045

Home Phone Number 4143792116

Cell Number 4143792116

Email Address jkromholz@rkmiplaw.com

Boards/Committees/Commissions of Interest

Select all Boards, Committees & Commissions you are applying for by checking each box:

Give a brief overview of your background, experience, interest, or concerns pertaining to the selected board(s), committee(s) or commission(s).

Community Development Authority
My wife Marjorie Stoneman and I have lived in Whitewater since 2003. As you may know, I have served on the WWUSD School Board and recently lost my seat in a close election (by 28 votes). I was both humbled and gratified by the substantial support that I received within the City of Whitewater (nearly 1000 votes). I have a strong interest in serving the community and continuing to ensure that the people of our City are well served. Serving on a committee that is committed to promoting

housing and community development programs, sustainable development, economic opportunity, an increased tax base, and empowerment of its residents to benefit the entire City of Whitewater will allow me to do that. It is my position that my skills as a lawyer, a litigator, and a patent attorney, with over 30 years of experience working with businesses and in both state and federal court will benefit the committee.

In addition to my recent service on the WWUSD School Board, I have served as Chairman of the Intellectual Property Section of the State Bar of Wisconsin, and have been a past President of the Wisconsin Intellectual Property Law Association. I am admitted to practice in the United States District Court for the Eastern and Western Districts of Wisconsin, the United States Court of Appeals for the Federal Circuit, and the United States Court of Appeals for the Fourth and Seventh Circuits. I received my undergraduate degree (with majors in chemistry and history) from Carroll College (now University) and my law degree from Marquette University. Through my work, I am very familiar with business development issues.

Please let me know if you need more information.

Optional: Upload supportive documents (resume, recommendation letter, etc.)

Field not completed.

Indicate whether you are available during the day or the early evening for a short interview with the City Manager & Common Council President.

I can generally accommodate my schedule for an interview during the day or evening.

Business/Employer Information

Business/Employer Name Ryan Kromholz & Manion

Business/Employer Address N229 W1433 Westwood Drive, Suite 207,

City Waukesha

State WI

Zip Code 53190

Business/Employer Phone Number 2627831300

Reference #1 Full Name Miguel Aranda

Reference #1 Address & Phone Number Mr. Aranda is currently a citizen member of the committee and you already have his contact information.

Reference #2 Full Name Thayer Coburn

Reference #2 Address & Phone Number thayercoburn@coburn.com

262-473-0321 direct phone

The Coburn Company, Inc.

PO Box 147

Whitewater, WI 53190

Regular Board, Committee and Commission members are expected to attend at least three-quarters of the meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

Email not displaying correctly? [View it in your browser.](#)

Kathy Boyd

From: Joe Kromholz <jkromholz@rkmiplaw.com>
Sent: Friday, April 8, 2022 4:11 PM
To: Kathy Boyd
Subject: Re: Verification of Address
Attachments: Online Form Submittal: Citizen Service Information Form

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Whoops, auto fill issue.

Home address should be

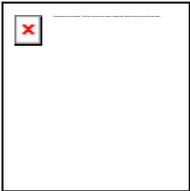
393 Eagle Court
Whitewater, Wi 53190.

The computer must've put my office address when it asked for my place of work.

Thanks

Joe

Joseph A. Kromholz
Ryan Kromholz & Manion



[Visit my BIO Page](#)

[Visit my LinkedIn Page](#)

This e-mail is intended only for the addressee(s) named above. The information contained in this e-mail, and any attachment(s) thereto, are intended only for the personal and confidential use of the designated addressee(s). This message may be an attorney-client communication; if so, it should be considered privileged and confidential. If the reader of this message is not an intended recipient or an agent responsible for delivering it to an intended recipient, you are hereby notified that you have received this e-mail in error, and that any review, retention, dissemination, distribution, or copying of this information is strictly prohibited, and may be subject to penalties under the Electronic Communications Privacy Act, 18 U.S.C. §§ 2510-2521 and other applicable laws. If you have received this communication in error, please notify the sender immediately by reply e-mail or by telephone (262-783-1300) and permanently delete this e-mail message and any accompanying attachment(s). Thank you.

On Apr 8, 2022, at 3:59 PM, Kathy Boyd <KBoyd@whitewater-wi.gov> wrote:

Mr. Kromholz,

We received the attached Citizen Service Information Form from you to serve on the City of Whitewater Community Development Authority (CDA). I need to verify that your home address is in Brookfield, WI, as it states on the form. If that is the case then you would not be eligible to serve on the CDA.

Kathy Boyd
Executive Assistant, City of Whitewater

312 W. Whitewater St., Whitewater, WI 53190
262-473-0101 | kboyd@whitewater-wi.gov
www.whitewater-wi.gov

Board, Committee and Commission Openings as of 04/28/2022

BC&C	# of Openings	Notes
Board of Zoning Appeals	2	2 alt members
Community Development Authority	1	1 Applicant to 5/2 Council Meeting
Community Involvement and Cable TV Commission	3	1 UW-W Student Rep, 1 Chamber of Commerce rep, 1 reg member
Disability Rights Committee	-	
Equal Opportunities Commission	2	1 Possible WUSD rep, 1 reg member
Ethics Committee	-	
Landmarks Commission	1	
Library Board	-	
Parks & Recreation Board	3	3 Applicants to 5/2 Council Meeting (2 reg, 1 alt)
Pedestrian & Bicycle Advisory Committee	2	1 Parks & Rec Board rep, 1 member
Plan & Architectural Review Commission	2	1 Parks & Rec Board rep, 1 alt member
Police & Fire Commission	-	
Urban Forestry Commission	1	1 alt member
Whitewater University Tech Park Board	1	
Total	18	



Common Council Agenda Item

Meeting Date:	2022.05.03
Agenda Item:	Residential Development Plan Scope of Services
Staff Contact (name, email, phone):	Cameron Clapper, cclapper@whitewater-wi.gov , 262-473-0104

BACKGROUND

(Enter the who, what when, where, why)

Included in your packet of materials is a scope of services provided by the City’s contracted planning service, Vandewalle & Associates, Inc. This plan is part of the next step toward a plan of action for residential development in Whitewater.

The scope includes a series of tasks to occur over a period of 3-4 months. Work includes an analysis of existing conditions for the Starin Road property currently in the care and stewardship of the City of Whitewater. The scope also includes the creation of a neighborhood development concept plan, finalizing of that plan, and presentation of that plan to the Plan Commission, CDA, and Common Council.

Additional optional tasks are presented and could be added to the overall scope for an additional cost.

Completing this plan for one or more properties will bring us closer to new residential development in Whitewater.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

The current scope of work would be for property on Starin Road. The cost would be \$21,000. Additional properties within whitewater could be included for an additional \$24,000 each. Other add-on options range in cost from \$2,000-\$2,500 each. Dollars for this project are anticipated to come from funds generated via the TID 4 Housing Extension.

STAFF RECOMMENDATION

This item will go before the CDA for consideration on April 28, 2022. While no formal recommendation will come until after that meeting is completed, any staff recommendations will likely fall along one of the following lines.

1. Recommendation to move forward with a residential development plan for publicly entrusted property on Starin Road.
2. Recommendation to move forward with a residential development plan for publicly entrusted property on Starin Road and one or more additional sites mentioned in the proposal.
3. Recommendation to refine the scope based on feedback and return for discussion on May 17.
4. Recommendation to follow a course recommended by the CDA.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. The scope of services provided by Vandewalle & Associates, Inc.



VANDEWALLE & ASSOCIATES INC.

CITY OF WHITEWATER RESIDENTIAL DEVELOPMENT PLAN SCOPE OF SERVICES

The development of neighborhood development concepts for the City of Whitewater represents a unique opportunity to offer new vibrant and diverse housing options for the Community. Vandewalle & Associates' deep experience in placemaking and neighborhood design has resulted in nearly 4,000 acres of built mixed residential neighborhoods throughout the Midwest. Our team has been involved in every aspect of project implementation for some of the State of Wisconsin's largest traditional neighborhoods and residential developments, guiding projects from site analysis, concept creation, character guidelines, zoning entitlements, and project implementation.

Vandewalle & Associates strives to develop neighborhoods that are more than a sum of lots, but rather creates unique resident focused, walkable neighborhoods that create a wide range of price options, housing formats, and open spaces. These mixed residential neighborhoods build upon the existing property characteristics, grade, vegetation, and views to create diversity of housing choices that are both sustainable and economically feasible.

Vandewalle & Associates has been involved in Whitewater for many years and know the community well. We have worked on comprehensive plans, quadrant plans, sign ordinance and in current planning services. These plans will incorporate this wealth of local knowledge while creating neighborhoods that promote growth and the future needs of the community.

Vandewalle & Associates proposes the following scope of services to assist the City of Whitewater in developing detailed neighborhood development concepts for up to 5 properties:

List properties (in priority of opportunity):

Starin Road
Hoffman Property
High School East Properties
Southeast Properties
Southern Properties

Proposed Tasks: Starin Road Property

Task 1: Existing Conditions Analysis (Month 1)

- Base Mapping
- Review Adopted Plans
- Site Visit
 - Meet with City staff
 - Tour the sites and surrounding area

Task 2: Prepare Draft Neighborhood Development Concept Plan (Month 2)

- One concept
 - Primary site access points
 - Internal circulation (vehicular and ped/bike)
 - Stormwater management areas
 - Open spaces
 - Potential lots
 - Images of proposed development types



VANDEWALLE & ASSOCIATES INC.

Task 3: Prepare Final Neighborhood Development Concept Plan (Month 3)

- Review draft concept alternatives with City staff (via digital platform or remote conferencing)
- Refine draft concepts into Final Neighborhood Development Concept Plan
- Review with City staff (via digital platform or remote conferencing)
- Integrate housing form policy summary

Task 4: Present Final Plans (Month 3)

- Present Final Plans the Plan Commission and Council (via digital platform or remote conferencing)

ESTIMATED TIMELINE: 3-4 Months

BUDGET: \$21,000

Alternates

The following list of alternates outlines additional services that may also be added to the scope of services.

Optional Task A: Additional Properties

Proposed Tasks per property:

Task 1: Existing Conditions Analysis (Month 1)

- Base Mapping
- Review Adopted Plans
- Site Visit
 - Meet with City staff
 - Tour the sites and surrounding area

Task 2: Prepare Neighborhood Development Concept Plan (Month 2)

- One concept
 - Primary site access points
 - Internal circulation (vehicular and ped/bike)
 - Stormwater management areas
 - Open spaces
 - Potential lots
 - Images of proposed development types

Task 3: Prepare Final Neighborhood Development Concept Plan (Month 3)

- Review draft concept alternatives with City staff (via digital platform or remote conferencing)
- Refine draft concepts into Final Neighborhood Development Concept Plan
- Review with City staff (via digital platform or remote conferencing)

Task 4: Present Final Plans (Month 3)

- Present Final Plans the Plan Commission and Council (via digital platform or remote conferencing)

ESTIMATED TIMELINE: 3-4 Months



VANDEWALLE & ASSOCIATES INC.

BUDGET: \$24,000 per property

Efficiency Reduction: If 2 or more properties are included for study, efficient use of resources would bring the pricing down to \$21,000 per property.

Optional Task B: City Staff Tour of Vandewalle Designs in Dane County

- Guided tour of completed and under-construction residential developments in Dane County showing:
 - A range of housing types and price points
 - Mixed-use development
 - Discussion of strategies:
 - Enhance long-term livability and build a sense of community
 - Address housing affordability
 - Efficient use of infrastructure
 - Position projects in the marketplace
 - Address architectural character
 - Budget: \$3,000-\$3,500

Optional Task C: In Person Presentations

- In person presentations to City Commissions or staff may be integrated into the scope if desired for a fixed fee per meeting.
 - Budget: \$2,000 per meeting

Optional Task D: Implementation Assistance

- Assist City Staff in development of target properties, including but not limited to: Drafting Request for Information, developer recruitment/identification/selection.
 - Budget: TBD

Optional Task E: Comp Plan Amendment

- Incorporate Neighborhood Development Concepts into adopted Comprehensive Plan.
 - Budget: \$2,500



Council Agenda Item

Meeting Date: 2022.05.03

Agenda Item: WEDC CDI Grant Documents for Review and Approval

Staff Contact (name, email, phone): Wally McDonell, 262.473.7900

BACKGROUND

(Enter the who, what when, where, why)

The grant materials provided with this memo are associated with a recent Community Development Investment (CDI) Grant application for work to be done on the Bower House, located at 183 W. Main Street. The property had previously been commonly identified as the “White Elephant Building.”

The CDI program is sponsored by the Wisconsin Economic Development Corporation (WEDC).

At the city attorney’s request, this item has been placed on the agenda for discussion and approval.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

None.

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

None.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. CDI Grant Documents

Cameron Clapper

From: Wallace McDonell <wkm@hmattys.com>
Sent: Thursday, April 28, 2022 12:23 PM
To: Cameron Clapper
Cc: Michele Smith
Subject: FW: Whitewater Grant
Attachments: 53170-FY22-Final Contract for Execution-CDI-City of Whitewater-20220421.pdf; FY22 WEDC Grants Decisions Packet.pdf; FW: WEDC Contract for Execution CDI FY22-53170

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Cameron and Michele,

I recommend that the attached contract be added to a Council Agenda for approval in open session.

Also, Cameron should be added as a signor.

Wally

Wallace K. McDonell

Harrison, Williams & McDonell, LLP
452 W. Main Street
P.O. Box 59
Whitewater, WI 53190
Phone: 262-473-7900
Fax: 262-473-7906
Email: wkm@hmattys.com

> This electronic mail transmission and any attachments are confidential
> and may be privileged. They should be read or retained only by the
> intended recipient. If you have received this transmission in error,
> please notify the sender immediately and delete the transmission from
> your system.

From: Michele Smith <MSmith@whitewater-wi.gov>
Sent: Friday, April 22, 2022 9:43 AM
To: Wallace McDonell <wkm@hmattys.com>
Cc: Cameron Clapper <CCLapper@whitewater-wi.gov>
Subject: Whitewater Grant

Wally,

Is it OK if I sign this agreement? Also, should Cameron's name be added to this?

I just want to be sure, as the City is named as “recipient”, when in reality it is a pass through for Bower’s House. Want to be sure that if Bowers House defaults, the City does not have to pay the \$250,000 back.

Thanks.

Michele

**COMMUNITY DEVELOPMENT INVESTMENT GRANT AGREEMENT
BETWEEN
THE WISCONSIN ECONOMIC DEVELOPMENT CORPORATION
AND
CITY OF WHITEWATER**

This Agreement is entered into pursuant to Chapter 238 of the Wisconsin Statutes between the Wisconsin Economic Development Corporation (“WEDC”), a public body corporate and politic authorized to grant funds for the purpose of economic development pursuant to Chapter 238 of the Wisconsin Statutes, and City of Whitewater (“Recipient”). Certain capitalized terms are defined in Section 1 of the Agreement.

WITNESSETH

WHEREAS, the Recipient has submitted an Application to WEDC, requesting funds from WEDC’s Community Development Investment Grant Program (“CDI Funds”);

WHEREAS, WEDC has determined that the Recipient is an eligible recipient of CDI Funds; and

WHEREAS, in reliance upon the Application, WEDC has approved the Recipient for up to Two Hundred Fifty Thousand Dollars (\$250,000) in CDI Funds.

NOW, THEREFORE, for valid consideration, the receipt of which is hereby acknowledged, and in consideration for the promises and covenants in this Agreement, WEDC and the Recipient agree as follows:

1. Definitions. For purposes of this Agreement, the following terms shall have the following meanings:

(a) “Agreement” means this agreement, to include all documents required to be delivered contemporaneously with the execution and delivery of this Agreement, and the attached Exhibits, together with any future amendments executed in compliance with Section 21 of this Agreement.

(b) “Application” means the materials submitted by the Recipient to WEDC relating to this allocation of CDI Funds.

(c) “CDI Funds” means the grant monies the Recipient is eligible to receive from WEDC’s Community Development Investment grant program in accordance with this Agreement.

(d) “Effective Date” means the date on which this Agreement is fully executed by both parties.

(e) “Eligible Project Costs” means costs for which CDI Funds and Matching Funds may be used, as outlined in Section 3(b) of this Agreement, which the Recipient incurs between the Project Start Date and Project End Date.

(f) “Ineligible Costs” means costs for which CDI Funds and Matching Funds may not be used, means costs incurred prior to the Project Start Date; costs for acquisition; costs related to grant applications or bid preparation; costs which may be covered by other grant or statutory programs; permits; Phase I and II environmental studies; Lien claims of the Department of Natural Resources and Environmental Protection Agency; performance and payment bonds; contingencies; developer fees; insurance premiums; supplies and the purchase of moveable equipment; signage and advertising; financing fees, interest payments, or the assumption of debt; relocation fees; accounting, legal, appraisal, and architectural fees; mergers and acquisitions; project administration fees, including costs associated with WEDC compliance reporting, schedules of expenditures, and payment requests.

(g) “Leverage” means all funding provided for the Project other than CDI Funds, including Matching Funds.

(h) “Matching Funds” means non-WEDC funds secured by the Recipient to meet the match requirement of CDI Funds under this Agreement. Eligible Matching Funds must be incurred between the Project Start Date and Project End Date. In order to receive the full amount of CDI Funds contemplated under this Agreement, Matching Funds must be at least Seven Hundred Fifty Thousand Dollars (\$750,000). No more than Fifty Percent (50%) of the Matching Funds may consist of other state and/or federal grants. Matching Funds must be cash and may not be in-kind.

(i) “Project” means the Recipient assisting in the rehabilitation of the Bower House, in accordance with the Application and the terms of this Agreement.

(j) “Project End Date” means December 31, 2023, the date by which the Project will be complete and the last day which the Recipient may incur costs against CDI Funds and Matching Funds.

(k) “Project Location” means the site or sites at which the Project will take place, specifically 183 West Main Street, Whitewater, Wisconsin.

(l) “Project Start Date” means March 30, 2022, the date on which the Project begins and the Recipient may start incurring costs against CDI Funds and Matching Funds.

(m) “Recipient” means City of Whitewater.

(n) “WEDC” means the Wisconsin Economic Development Corporation, together with its successors and assigns.

2. CDI Funds. Subject to the terms and conditions set forth in this Agreement, and in Wisconsin law, WEDC shall provide to the Recipient a grant of up to Two Hundred Fifty Thousand Dollars (\$250,000) in CDI Funds.

3. Recipient’s Obligations. The Recipient will or will ensure that:

(a) The Project is completed as it is contemplated in the Application and in accordance with the terms of this Agreement.

(b) CDI Funds and Matching Funds are used for Eligible Project Costs, incurred between the Project Start Date and Project End Date, as outlined in the following budget:

USES		SOURCES			TOTAL
Budget Code	Eligible Project Costs	CDI Funds	Private Funds	Public Funds	
0385	Renovation	\$250,000	\$903,373	\$75,000	\$1,228,373

(i) Eligible Project Costs to be applied to CDI Funds for renovation include specifically renovation of the Bower House building including exterior, interior, all building systems, building fixtures, and site clearance.

(ii) Eligible Project Costs to be applied to Matching Funds for renovation include specifically renovation of the Bower House building including exterior, interior, all building systems, building fixtures, and site clearance.

(c) CDI Funds or Matching Funds are not used for Ineligible Costs.

(d) Matching Funds from non-WEDC sources are secured sufficient to achieve the match requirement of the CDI Funds under this Agreement. Matching Funds must equal at least Seven Hundred Fifty Thousand Dollars (\$750,000) in order for the Recipient to obtain the maximum amount of the CDI Funds, and must be documented prior to the final reimbursement.

(e) WEDC's participation in the Project is acknowledged in any signage at the Project Location and any planning and feasibility documents related to the Project.

(f) Reports are provided to WEDC as further described in Section 5 of this Agreement, in such form as required by WEDC.

4. Release of Funds. WEDC will release the CDI Funds contemplated by this Agreement to the Recipient on a disbursement basis. The Recipient may request CDI Funds in up to Three (3) disbursements and each disbursement will be contingent on the following:

(a) The Recipient submitting to WEDC a request for payment of funds in such form as required by WEDC, a sample of which is attached to this Agreement as Exhibit A.

(b) Recipient creating a Bill.com account unless Recipient has an existing account with Bill.com. Instructions for creating a Bill.com account will be provided by WEDC under separate cover. Recipient shall provide their Payment Network ID to WEDC with each request for payment.

(c) The Recipient submitting to WEDC a summary report of the Eligible Project Costs incurred against both the CDI Funds and Matching Funds. The amount of Matching Funds incurred for any request must be in an amount pro rata with the amount incurred against the CDI Funds being requested.

(d) The Recipient submitting to WEDC documentation evidencing that the Eligible Project Costs incurred at the Project Location against both the CDI Funds and the Matching Funds covered

by the request have been purchased or will be purchased through an invoice, receipt, registration form, or other third-party documentation that contains the following information:

- (i) Vendor name and contact information;
- (ii) Description of the item(s) purchased;
- (iii) Cost of purchase;
- (iv) Date of purchase (invoice date or date received, not date ordered unless it is the same).

(e) The Recipient being in compliance with this Agreement, and with any other agreements by and between the Recipient and WEDC.

(f) The Recipient requesting all CDI Funds no later than February 29, 2024.

5. Reporting. The Recipient shall provide reports and information to WEDC according to the following requirements:

(a) Performance reports, due according to the Schedule of Reporting set forth in Section 5(b) below, in such form as required by WEDC. The report shall include information required by WEDC to determine Project performance which shall include, at a minimum, a financial overview and narrative summary on the progress of the Project to date, Project expenditures, and the Recipient’s progress on achieving the goals related to the following Project-specific metrics:

Metric	Goal*
Taxable Property Value	\$1,500,000
Capital Investment	\$1,428,373
Leverage – Total	\$1,257,493

*These goals represent anticipated Project outcomes and failure to achieve these goals will not constitute an Event of Default, unless they are noted as a requirement elsewhere in the Agreement.

(b) Schedule of Reporting:

PERIOD COVERED	DOCUMENTATION	DUE DATE
See Section 6 Below	Schedule of Expenditures	See Section 6 Below
March 30, 2022- March 31, 2023	Performance Report	June 1, 2023
March 30, 2022 – December 31, 2023	Performance Report	March 1, 2024

(c) Within Thirty (30) days, notify WEDC in writing of any event or occurrence that may adversely impact the completion of the Project as represented in Recipient’s Application. Adverse impacts include, but are not limited to, lawsuits, regulatory intervention, and inadequate capital to complete the Project.

6. Schedule of Expenditures. Consistent with Wis. Stat. § 238.03(3)(a), the Recipient must submit to WEDC, within 120 days after the end of the Recipient’s fiscal year in which any grant

or loan funds were expended, a schedule of expenditures of the grant or loan funds, including expenditures of any matching cash or in-kind match, signed by the director or principal officer of the recipient to attest to the accuracy of the schedule of expenditures. The Recipient shall engage an independent certified public accountant to perform procedures, approved by WEDC and consistent with applicable professional standards of the American Institute of Certified Public Accountants, to determine whether the grant or loan funds and any matching cash or in-kind match were expended in accordance with the grant or loan contract. The Recipient must make available for inspection the documents supporting the schedule of expenditures.

7. Event of Default. The occurrence of any one or more of the following events shall constitute an “Event of Default” for the purposes of this Agreement:

(a) The Recipient ceases the Project within Five (5) years of the Effective Date of this Agreement and commences substantially the same economic activity outside of Wisconsin.

(b) The Recipient supplies false or misleading information to WEDC in connection with this Agreement, without providing a satisfactory explanation, in WEDC’s sole discretion, for the false or misleading information.

(c) The Recipient fails to comply with or perform, in any material respect, any of its obligations under this Agreement, without providing a satisfactory explanation, in WEDC’s sole discretion, for the noncompliance.

(d) The Recipient is in default under any other agreement between WEDC and the Recipient.

8. Remedies in Event of Default.

(a) Upon the occurrence of any Event of Default, WEDC shall send a written notice of default to the Recipient, setting forth with reasonable specificity the nature of the default. If the Recipient fails to cure any such Event of Default to the reasonable satisfaction of WEDC within Thirty (30) calendar days, WEDC may extend the cure period if WEDC determines, in its sole discretion, that the Recipient has begun to cure the Event of Default and diligently pursues such cure, or, without further written notice to the Recipient, declare the Recipient in default. The cure period shall in no event be extended more than Ninety (90) days. In the Event of Default, WEDC shall terminate the Agreement and recover from the Recipient:

(i) One Hundred Percent (100%) of the funds disbursed to the Recipient under this Agreement;

(ii) All court costs and attorneys’ fees incurred by WEDC in terminating this Agreement and recovering the amounts owed by the Recipient under this provision; and

(iii) A financial penalty of up to One Percent (1%) of the CDI Funds.

(b) These amounts shall be paid to WEDC within Thirty (30) calendar days of demand by WEDC hereunder. If the Recipient fails to pay these amounts to WEDC as and when due, the

Recipient will be liable for the full unpaid balance plus interest at the annual rate of up to Twelve Percent (12%) from the date of the notice of Event of Default.

(c) Upon an Event of Default, WEDC shall, without further notice, withhold remaining disbursements of the CDI Funds.

9. Recipient's Warranties and Representations. In addition to the other provisions of this Agreement, the Recipient hereby warrants and represents to the best of its knowledge that as of the Effective Date and as long as Recipient has obligations under of this Agreement:

(a) The Recipient is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it, the violation of which would have a material adverse effect on the Recipient's ability to perform its obligations under this Agreement or to otherwise engage in its business.

(b) The Recipient is not in default under the terms of any loan, lease or financing agreements with any creditor where such default would have a material adverse effect on the Recipient's ability to fulfill its obligations under this Agreement.

(c) The financial statements and other information provided by the Recipient to WEDC are complete and accurate in accordance in all material respects with Generally Accepted Accounting Principles where applicable and have been relied on by WEDC in deciding whether to enter into this Agreement with the Recipient.

(d) There are no actions, suits or proceedings, whether litigation, arbitration, or administrative, pending or threatened against or affecting the Recipient or the Project which, if adversely determined, would individually or in the aggregate materially impair the ability of the Recipient to perform any of its obligations under this Agreement or adversely affect the financial condition or the assets of the Recipient.

(e) The Recipient is unaware of any conditions which could subject it to any damages, penalties or clean-up costs under any federal or state environmental laws which would have a material adverse effect on the Recipient's ability to comply with this Agreement.

(f) The Recipient has, or will acquire before commencing any work for which they are required, all necessary permits, licenses, certificates or other approval, governmental or otherwise, necessary to operate its business and own and operate its assets, all of which are in full force and effect and not subject to proceedings to revoke, suspend, forfeit or modify.

(g) The Recipient has filed when due all federal and state income and other tax returns required to be filed by the Recipient and has paid all taxes shown thereon to be due. The Recipient has no knowledge of any uncompleted audit of the returns or assessment of additional taxes thereon.

(h) The Recipient and the undersigned officer thereof has all necessary or requisite power and authority to execute and deliver this Agreement.

(i) The execution and delivery by the Recipient of this Agreement has been duly authorized by all necessary action of the Recipient and no other proceedings on the part of the Recipient are necessary to authorize this Agreement or to consummate the transactions contemplated hereby.

(j) The Recipient has available or has the capacity to secure funds necessary to cover, as and when incurred, the costs and expenditures necessary for completion of the Project, as identified in the Application and this Agreement.

(k) The Recipient is not making these representations and warranties specifically based upon information furnished by WEDC.

(l) These warranties and representations herein are true and accurate as of the Effective Date of this Agreement, and shall survive the execution thereof.

(m) The information disclosed to WEDC in the course of WEDC's evaluation of the Recipient's eligibility for the Program does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, taken as a whole and in light of the circumstances under which they were made, not misleading.

10. Wisconsin Public Records Law. The Recipient understands that this Agreement and other materials submitted to WEDC may constitute public records subject to disclosure under Wisconsin's Public Records Law, Wis. Stats. §§ 19.31-.39, and any successor statutes and regulations.

11. Additional Requirements.

(a) Project Records and Financial Records. The Recipient shall prepare, keep and maintain such records as may be reasonably required by WEDC to validate the Recipient's performance under this Agreement, whether held by the Recipient or by a third-party conducting Project-related activities on behalf of the Recipient, and the performance reports provided to WEDC. All of the Recipient's financial records shall be complete and accurate, and prepared, kept, and maintained in accordance with Generally Accepted Accounting Principles. The Recipient shall provide such records to WEDC during the term of this Agreement as may be requested by WEDC. Such materials shall be retained by the Recipient for a period of at least Three (3) years after March 1, 2024.

(b) Inspection.

(i) WEDC and its respective agents, shall, upon Forty-Eight (48) hours' advance written notice to the Recipient, have the right to enter the Recipient's premises, during normal business hours, to inspect the Recipient's operations documentation relating to this Agreement, provided, however, that such access does not unreasonably disrupt the normal operations of the Recipient.

(ii) The Recipient shall produce for inspection, examination, auditing and copying, upon reasonable advance notice, any and all records which relate to this Agreement, whether held by the Recipient or by a third-party conducting Project-related activities on behalf of the Recipient.

(iii) WEDC reserves the right to conduct physical site visits of the Project during the term of this Agreement.

(c) Authorization to Receive Confidential Information. The Recipient hereby authorizes WEDC to request and receive confidential information that the Recipient has submitted to, including any adjustments to such information by, the Wisconsin Department of Revenue (“DOR”) and the Wisconsin Department of Workforce Development (“DWD”), and to use such information solely for the purposes of assessing the Recipient's performance for the duration of the Project and ensuring that WEDC is properly administering or evaluating economic development programs. With regard to the information contained in the DWD unemployment insurance files, WEDC may access the following for the Eight (8) most recent quarters: the quarterly gross wages paid to the Recipient's employees; the monthly employee count; and the Recipient's FEIN, NAICS code, and legal and trade names. The Recipient also authorizes WEDC to share information submitted to WEDC by the Recipient with the DOR and DWD and to redisclose to the public the information received from the DOR and DWD used to evaluate the Recipient's performance under their specific economic development program and the impact of WEDC economic development programs. Records exempted from the public records law by Wis. Stat. § 19.36(1) will be handled by WEDC in accordance with that law.

(d) Consolidation or Merger. During the term of this Agreement, the Recipient shall provide written notice to WEDC within Thirty (30) days of any consolidation or merger with or into any other unrelated corporation or business entity.

(e) Public Announcement. The Recipient agrees to cooperate with WEDC in making a public announcement of this Agreement.

(f) Insurance. The Recipient covenants that it will maintain insurance in such amounts and against such liabilities and hazards as customarily is maintained by other companies operating similar businesses.

(g) Online Portal and Document Delivery. Recipient agrees to respond timely to any invitation sent by WEDC to create an online account for use with WEDC's online customer portal (“Portal”). Upon opening the account, Recipient hereby agrees to use the Portal to submit any required performance reports, schedule of expenditures and supporting documentation, unless WEDC directs otherwise. Recipient further agrees to identify appropriate assigned users, duly authorized by Recipient, to serve as contacts, to execute necessary documents, and to support specific tasks Recipient must complete in the Portal. WEDC may, in its sole discretion, rely on any document, performance report, schedule of expenditures, financial statement, tax return, agreement or other communication (“Document”) physically delivered to WEDC by mail, hand delivery, delivery service, email, facsimile, the Portal or other electronic means which WEDC in good faith believes was sent by Recipient or any representatives or employees of Recipient. WEDC may treat any Document as genuine and authorized to the same extent as if it was an original document validly executed or authenticated as genuine by Recipient. WEDC may from time to time in its sole discretion reject any such Document and require a signed original or require Recipient to provide acceptable authentication of any such Document before accepting or relying on the same. Recipient understands and acknowledges that there is risk that Documents sent by electronic means may be viewed or received by unauthorized persons and Recipient agrees by sending Documents by electronic means that Recipient shall be deemed to have accepted this risk and the consequences of any such unauthorized disclosure. Recipient also agrees to create an

account with Bill.com and provide a Payment Network ID in order to receive any payments from WEDC. Recipient accepts any risk associated with creating an account with Bill.com and releases WEDC from any liability related thereto.

12. Conflicts. In the event of any conflict between the provisions of this Agreement and any accompanying documents, the terms of this Agreement control.

13. Choice of Law. THIS AGREEMENT AND ALL MATTERS RELATING TO IT OR ARISING FROM IT – WHETHER SOUNDING IN CONTRACT LAW OR OTHERWISE – SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED PURSUANT TO, THE LAWS OF THE STATE OF WISCONSIN.

14. Venue, Jurisdiction. Any judicial action relating to the construction, interpretation, or enforcement of this Agreement, or the recovery of any principal, accrued interest, court costs, attorney’s fees and other amounts owed hereunder, shall be brought and venued in the U.S. District Court for the Western District of Wisconsin or the Dane County Circuit Court in Madison, Wisconsin. **EACH PARTY HEREBY CONSENTS AND AGREES TO JURISDICTION IN THOSE WISCONSIN COURTS, AND WAIVES ANY DEFENSES OR OBJECTIONS THAT IT MAY HAVE ON PERSONAL JURISDICTION, IMPROPER VENUE OR FORUM NON CONVENIENS.**

15. Waiver of Right to Jury Trial. EACH PARTY WAIVES ITS RIGHT TO A JURY TRIAL IN CONNECTION WITH ANY JUDICIAL ACTION OR PROCEEDING THAT MAY ARISE BY AND BETWEEN WEDC AND THE RECIPIENT CONCERNING OR RELATING TO THE CONSTRUCTION, INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT, OR THE RECOVERY OF ANY PRINCIPAL, ACCRUED INTEREST, COURT COSTS, ATTORNEYS’ FEES AND OTHER AMOUNTS THAT MAY BE OWED BY THE RECIPIENT HEREUNDER. THIS JURY TRIAL WAIVER CONSTITUTES A SUBSTANTIAL CONSIDERATION FOR AND INDUCEMENT TO THE PARTIES TO ENTER INTO THIS AGREEMENT.

16. Limitation of Liability. RECIPIENT HEREBY WAIVES ANY RIGHT IT MAY HAVE TO CLAIM OR RECOVER FROM WEDC ANY SPECIAL, EXEMPLARY, PUNITIVE, CONSEQUENTIAL, OR DAMAGES OF ANY OTHER NATURE OTHER THAN ACTUAL DAMAGES INCURRED OR SUFFERED BY RECIPIENT.

17. Severability. If any provision of this Agreement is held invalid or unenforceable by any Governmental Body of competent jurisdiction, such invalidity or unenforceability shall not invalidate the entire Agreement. Instead, this Agreement shall be construed as if it did not contain the particular provision or provisions held to be invalid or unenforceable, and an equitable adjustment shall be made and necessary provisions added so as to give effect to the intention of the parties as expressed in this Agreement at the time of the execution of this Agreement and of any amendments to this Agreement. In furtherance of and not in limitation of the foregoing, the parties expressly stipulate that this Agreement shall be construed in a manner which renders its provisions valid and enforceable to the maximum extent (not exceeding its express terms) possible under applicable law. “Governmental Body” means any federal, state, local, municipal, foreign or other government; courts, arbitration commission, governmental or quasi-governmental authority of any nature; or an official of any of the foregoing.

18. WEDC Not a Joint Venturer or Partner. WEDC shall not, under any circumstances, be considered or represented to be a partner or joint venturer of the Recipient or any beneficiary thereof.

19. Captions. The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.

20. No Waiver. No failure or delay on the part of WEDC in exercising any power or right under this Agreement shall operate as a waiver, nor shall any single or partial exercise of any such power or right preclude any other exercise of any other power or right.

21. Entire Agreement. This Agreement embodies the entire agreement of the parties concerning WEDC's and the Recipient's obligations related to the subject of this Agreement. This Agreement may not be amended, modified or altered except in writing signed by the Recipient and WEDC. This Agreement supersedes all prior agreements and understandings between the parties related to the subject matter of this agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, WEDC and the Recipient have executed and delivered this Agreement effective the date set forth next to WEDC's signature below.

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION

By: _____ Date _____
Melissa L. Hughes,
Secretary and CEO

CITY OF WHITEWATER

By: _____ Date _____
Michele Smith,
City Clerk

Notices to the Recipient hereunder shall be in writing and shall be deemed to have been given: (i) at the time it is sent, as recorded by the WEDC's system, when sent by electronic mail during a business day or, if sent after the close of normal business hours on a business day or sent on a non-business day, at the start of normal business hours on the next business day or (ii) Three (3) Business Days after deposit in the United States mail, certified and with proper postage prepaid, addressed as follows:

City of Whitewater
312 W. Whitewater Street
Whitewater WI 53190
Attn: Cathy Anderson
Email: canderson@whitewater-wi.gov

Notices to WEDC hereunder shall be in writing and shall be deemed to have been given: (i) at the time it is sent, as recorded by Recipient's system, when sent by electronic mail during a business day or, if sent after the close of normal business hours on a business day or sent on a non-business day, at the start of normal business hours on the next business day or (ii) Three (3) Business Days after deposit in the United States mail, certified and with proper postage prepaid, addressed as follows:

Wisconsin Economic Development
Corporation
Division of Credit & Risk
P.O. Box 1687
Madison, WI 53701
Attn: Community Development Investment
Email: legal@wedc.org
Contract # CDI FY22-53170

**EXHIBIT A
REQUEST FOR WEDC PAYMENT**

Award Number: CDI FY22-53170		Rep:	Recipient: City of Whitewater
FEIN #	Bill.com Payment Network ID (PNI):		Request Number:
Program: Community Development Investment			Award Type: Grant
Funding Period Covered by this Request From: _____ To _____			

PROJECT EXPENSES INCURRED/PAID DURING THIS PERIOD (see attachment)

Budget Code	Description Line Item	WEDC Funding This Period	+	Matching Funding This Period	=	Total This Period
0385	Renovation					
TOTAL:						

- Check here if this is the Final Request for Payment. If there is a balance remaining on the Project it may be lapsed.

PAYMENT/PROJECT EXPENSE/MATCH DESCRIPTION - Disbursement

Prior to the release of funds, the following requirements must be met (to be initialed by WEDC staff):

- Recipient creating a Bill.com account unless Recipient has an existing account with Bill.com. Instructions for creating a Bill.com account will be provided by WEDC under separate cover. Recipient shall provide their Payment Network ID to WEDC with each request for payment. _____
- The Recipient submitting to WEDC a summary report of the Eligible Project Costs incurred against both the CDI Funds and Matching Funds. The amount of Matching Funds incurred for any request must be in an amount pro rata with the amount incurred against the CDI Funds being requested. _____
- The Recipient submitting to WEDC documentation evidencing that the Eligible Project Costs incurred at the Project Location against both the CDI Funds and Matching Funds covered by the disbursement request have been purchased or will be purchased through an invoice, receipt, registration form, or other third-party documentation that contains the following information: Vendor name and contact information; Description of the item(s) purchased; Cost of purchase; Date of purchase (invoice date or date received, not date ordered unless it is the same). _____
- The Recipient being in compliance with this Agreement, and with any other agreements by and between the Recipient and WEDC. _____
- The Recipient requesting all CDI Funds no later than February 29, 2024. _____

I hereby certify that the expenses reported on this form are in accordance with the terms of the Agreement and that complete and accurate records are being kept to substantiate such expenses.

Authorized Recipient Signature

Date

WEDC Division VP or Designee

Date

WEDC Servicing

Date

WEDC Controller or Finance Department

Date

Retain a copy of the completed form for your records and email a copy of the original and documentation to:
disbursements@wedc.org. The hard copy maybe required to be sent upon request.

WEDC AWARD RECIPIENT REPORTING GUIDE

WEDC Grants



Welcome to WEDC

Thank you for working with WEDC and being a part of economic development here in Wisconsin. Your efforts play a vital part in our state’s economy.

This packet contains information on how to comply with WEDC’s requirements which are based on Wisconsin statutes and our core values.

Packet Contents

<u>WEDC Online Portal Information</u>	2
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WEDC Online Portal Information

Your WEDC Online Portal

Welcome to INform, the Wisconsin Economic Development Corporation's (WEDC's) online customer portal!

WEDC is dedicated to building better communities through well-coordinated economic development resources, including financial awards, technical assistance and client access to a network of development professionals across the globe. INform is your reporting portal providing a faster, more effective experience with WEDC.



About Performance Reports

As a state organization investing public funds, WEDC has an important fiduciary responsibility to taxpayers. One of the ways WEDC upholds this responsibility is through regular collection of Performance Reports under contracts and agreements with award recipients. This reporting provides transparency crucial to WEDC's internal understanding of its program portfolios and provides a means for improving programs over time. It is often also a WEDC statutory requirement, such as under [Wis. Stat. §238.03\(2\)\(c\), 238.301\(2\)\(e\)](#)

Performance Reports are periodic submissions made by recipients of WEDC financial assistance, typically collected on a semi-annual or annual basis. Broadly, reporting applies to any grant, loan, tax credit or allocation of private activity bonds volume cap, as well as to WEDC awards to partner organizations.

- Performance Reports are collected at regular intervals in accordance with requirements set forth in contracts or other written agreements. During contracting, the recipient designates a staff person in their organization who will prepare reports, the "performance reporting designee". By statute, a prepared report must be submitted by an authorized director or principal officer for the recipient organization, the "principal director". Reporting periods typically end on a calendar quarter, with reports due between 30 and 90 days after the report's period end date. WEDC may extend reporting requirements as needed to accommodate for a recipient's actual performance. Wherever possible, WEDC attempts to work around recipient fiscal year end dates for convenience and efficiency.
- Reports gather information on a recipient's progress towards agreed-upon performance deliverables or objectives, which typically take the form of timebound quantitative metrics or qualitative milestones defined in the contract. This data measures the health of the project through adequate capitalization, timely expenditure of funds, and completion of planned work activities. It also measures the throughput of the project through corresponding investment in employment, product or service output levels, and satisfactory outcomes as outlined in the recipient's business or project plans.
 - Depending on the type of assistance, reports may also require the submission of supporting documentation for use in validating this progress or otherwise gauging the stability of the project.
 - In some cases, supporting documentation will be required for releasing program resources, as with the use of payroll documentation to validate



employment levels for the verification of tax credits or forgiveness of loan principal, or proof of expenditures for grants.

Once completed, WEDC reports may be subsequently reviewed against external information such as unemployment insurance data provided by the Wisconsin Department of Workforce Development, or as part of WEDC's internal or independent monitoring.

To ensure clarity of the specific requirements, every WEDC agreement contains specified start and end dates for the project, an accounting of the eligible planned expenditures applicable to a project, and clear requirements stated as timebound performance obligations or conditions. Included in the contract is a schedule covering all planned reporting submissions. In most circumstances, the information gathered through reporting directly addresses the recipient's performance against specified contract activities.

With a few exceptions, Performance Reports gather information on a cumulative basis from the effective or start date of the contract through the reporting period end, rather than requiring recipients to segment reporting to a single reporting period. In addition, WEDC collects Performance Reports through its online portal and provides electronic notifications to recipients when reports come due. This helps to make the reporting process as straightforward and user-friendly as possible.



Performance Report Reporting Process

The reporting process comprises two parts: (1) submission of a prepared report by the recipient, including certification by a "principal director" and (2) review and processing by WEDC's operations and award servicing teams.

- The process begins 30 to 45 days prior to the recipient's reporting due date, when WEDC emails a notification of an upcoming submission deadline to the recipient's performance reporting designee. At this point, the recipient should begin gathering supporting documentation and data for the report.
- The performance reporting designee will use a web link in the email to access a customized report in WEDC's online portal. The online interface provides instructions for how to fill in the required two to five forms (depending on the specific contract) and upload supporting documentation. Once complete, the results are transmitted to the recipient's principal director in a separate email notification.
- The recipient's principal director will access the online portal via an emailed link to review the report, with the option to revise information. On deeming the report accurate, the principal director electronically signs the report and submits to WEDC through the online portal.
- Upon receipt of a completed and signed report, WEDC will review the information for acceptance, and begin processing where applicable.



Report Submission and Review Process



Assignment of a Report (Recipient Preparer)

30 to 45 days prior to the due date of an upcoming report, WEDC will email a link to the recipient's performance reporting designee. The preparer has up to 60 days to complete the report, after which it is considered past due. On becoming past due, the report will be assigned as a task via email to the recipient's principal director, to promptly complete and submit the report. Failure to submit a WEDC Performance Report will eventually lead to a default of the recipient's contract.

Report Preparation (Performance Reporting Designee)

Upon clicking the report link, the preparer will be taken to a work plan, providing an overview of the specific steps involved in preparing the report. This screen will also include information on the supporting documentation to be uploaded so these documents can be gathered prior to starting.

From here, the preparer will be taken through a set of web-based interactive forms that collect the information and respond based on user entry. At each step of the process, the preparer will be shown their saved progress and receive help comments as information is validated. At any point, the preparer can click on a help button for the screen to take them to more specific information about requirements. During this process, WEDC servicing staff are available to help users who encounter problems or have specific questions not covered by the portal's guidance.

Report Review, Certification, and Submission (Principal Director)

When the performance reporting designee has completed the required entries, the report will be assigned to the recipient's principal director(s) or officer(s) for review. Any one of these authorized individuals may take action on the report. Upon clicking the link in their emailed assignment, the approver will be taken to a summary of the report and can revisit individual sections to enter corrections or revisions.

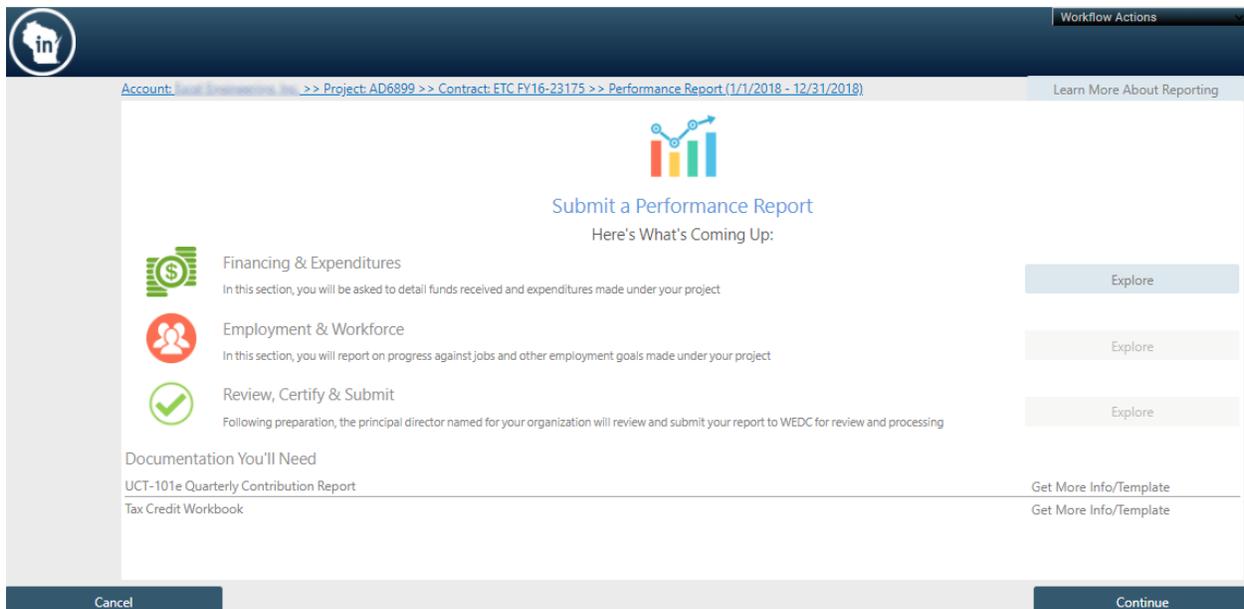
When the report is ready for submission, the principal director will electronically sign the report and submit it to WEDC for review. For data integrity purposes, once a report is submitted, it cannot be recalled and would need to be canceled by WEDC staff. The principal director/approver will receive a submission confirmation along with information about when they can expect a response from WEDC.



Submitting a Performance Report

The Welcome Page/Work Plan

To make WEDC processes clear, each portal submission will begin with an introductory screen explaining the steps a user will see throughout report completion. Users will be shown their progress through the workflow and receive in-form help as information is validated. At any point, users may click on a help button to access more detailed information about the requirements, along with example instructional videos.



Project Financing & Expenditures

For most contracts, it will be necessary for recipients to report the expenditures incurred related to activities planned in the project budget. This section of the report provides a simplified version of the recipient's contract budget, pre-populated with allowable activities and associated planned expenditures for each. Wherever possible, the budget has been simplified to group activities for ease of reporting.

- Use the table to enter expenditures incurred during the reporting period. For each eligible activity, enter the total amount the organization has incurred, regardless of whether WEDC provided funds. Amounts entered will be cumulative over the project duration and not need to be adjusted for prior reporting.



- For projects involving the disbursement of cash-based WEDC resources, amounts paid by WEDC will be accounted for by the portal. Users should simply enter all expenditures incurred for the project or reporting period and WEDC will account for disbursed funds.
- If a recipient organization has expended no funds during the reporting period, zero values should be entered in the table provided.

Upon completion of each form, click 'Check My Work' and make any corrections requested, then click 'Continue.'

\$123,456.00 Account: [Local Enterprises, Inc](#) >> Project: [AD6899](#) >> Contract: [ETC FY16-23175](#) >> Performance Report (1/1/2018 - 12/31/2018)

Capital Expenditures [Submit a Performance Report](#) [Show Help](#)

Project Financing & Expenditures Reporting

This page collects information on how your organization has funded your project and how those funds have been applied to various project activities. This information helps WEDC assess program leverage rates and measure how well your project is progressing relative to expectations.

Your project budget appears below. Using the table provided, please report all non-WEDC funded expenditures through the current reporting period (1/1/2018 - 12/31/2018). Expenditures paid by WEDC funds have already been included.

Budget Category	Planned Expenditures (\$)	Actual Expenditures (\$)
Capital Expenditures	\$ 4,600,000.00	\$ 123,456.00
All Other Project Expenditures	\$ 400,000.00	\$ 12,345.00
Total Project Expenditures	\$ 5,000,000.00	\$ 135,801.00

< Back Check My Work Continue

Project Activities & Milestone Deliveries

The project activity and milestones form will provide the measures appropriate for the recipient's contract. Some items will ask whether an objective or milestone has been met to date, others will require entry of dollar or numeric amounts.

Upon completion of each form, click 'Check My Work' and make any corrections requested, then click 'Continue.'



Completing the Submission

Following preparation of a Performance Report by a recipient organization's performance reporting designee, the principal director(s) will be prompted to review, certify and submit the report.

- To complete the submission, review the information provided, revising any sections as necessary using the 'Revisit' buttons.
- Next, provide certification and electronic signature using the button provided on the form. This enables acceptance and submission of the report and provides the applicable disclosures included with the electronic signature.
- Finally, click 'Accept and Submit.'

Upon submittal, a confirmation page will indicate that the report has been received by WEDC. Once WEDC's review is complete, a confirmation email of the acceptance will be sent to the principal director. If the submission requires additional information or clarification, it will be assigned back to the organization's performance reporting designee via email.



About Schedules of Expenditures

As a state organization investing public funds, WEDC has a fiduciary responsibility to taxpayers. One of the ways WEDC upholds this responsibility is through transparency regarding the results of its contracts and agreements with award recipients. This transparency is also crucial to WEDC's internal understanding of its program portfolios and provides a means for improving programs over time. It is often also a WEDC statutory requirement, such as under [Wis. Stats sec. 238.03\(2\)](#)

Schedules of Expenditures (SOEs) are periodic submissions made by recipients of WEDC grants and loans, collected on an annual basis per a Wisconsin Statutory requirement under Wis. Stat. §238.03(3)(a). They are required for any grant or loan where \$100,000 or more was awarded. Previously, SOEs were known as Verified Statements under a separate Department of Commerce statute, §560.01(2)(ae)(6).

- SOEs are collected every year until award funds are fully utilized, or fund usage deadlines expire and remaining balances are lapsed by WEDC.
- For any fiscal year in which WEDC award expenditures were made by the awardee, an accounting engagement with a third-party independent certified public accountant (CPA) is required. The CPA must provide an unmodified opinion on expenditures related to the WEDC award, including matching expenses for the period.
 - WEDC requires CPAs to follow Attestation Engagement standards of the American Institute of Certified Public Accountants (AICPA) to conduct the review (AICPA Sec 101, AT Sec. 901).
 - The CPA must provide an Independent Accountant's Report (IAR) letter or stating an unmodified opinion of the client's submission, meaning they agree that stated expenses are materially accurate. In some cases, WEDC will accept alternative engagements such as agreed-upon procedures, depending on the testing criteria used.

SOEs are intended to provide taxpayers with transparency into and protection of their invested funds, while providing an alternative to awardees that is less expensive than a full financial audit and less disruptive than an on-site records audit.

The content of Schedules of Expenditures is specific to each project, but will broadly include reporting on expenditures specified in the recipient's WEDC contract to determine the extent to which expenditures paid for the project were in compliance with that contract. This includes the recipient's preparation of a schedule covering expenditures incurred and paid for a specific period, attachment of an accounting



engagement covering a review of this information, and a review and submission by the recipient's named officer or principal director. These expenditures represent both WEDC's monetary participation in the project and contributions by the recipient in the form of matching funds.

To ensure clarity of the specific requirements, every WEDC agreement contains an accounting of the planned expenditures applicable to a project and the start and end date for the project. These attributes of the contract are the source for schedule periods as well as the notifications sent to recipients when reports come due. To make the reporting process as straightforward and customer-friendly as possible, WEDC collects Performance Reports through its online portal.

SOE Reporting Process

The reporting process comprises two very simple parts: (1) submission of a prepared schedule by the recipient, including certification by a principal director or authorized representative, and (2) review and processing by WEDC's award servicing team.

- The SOE process begins 30 days prior to the awardee's fiscal year end, when WEDC notifies a designated preparer of an upcoming submission deadline. At this point, the client should engage with a CPA for a review if they haven't already.
- The client will complete a short data table outlining expenditures **incurred and paid** by their organization during the fiscal year, with the results transmitted to their CPA to review.
- The CPA must then perform review procedures on expenditures covered by the statement and provide the client with an Independent Accountant's Report (IAR) letter, which the client will attach to their submission.





Assignment of a Report (Financial Preparer)

The reporting process begins 30 days prior to the due date of an upcoming report, with WEDC notifying the recipient of the requirement and providing an emailed link to the recipient's designated financial contact. This link will be active for up to 60 days, at which point the report would be considered past due and would be assigned to the recipient's project director or principally responsible individual, who would then need to complete the report.

Report Preparation (Financial Preparer)

Upon clicking the report link, the reporting designee will be taken to a summary screen on the schedule, providing an overview of the specific steps that they will be guided through in preparing the report. This screen will also include information on the supporting documentation the designee will need to upload during preparation of the report to allow for gathering the documents before starting.

From here, the designee will be taken through a set of web-based interactive forms that collect the report's information and respond based on the designee's entries. At each step of the process, the designee will be shown their progress through this workflow and receive help comments as their information is validated. At any point, the designee can click on a help button for the screen to take them to more specific information about what's required, along with example videos showing entries being made into the portal. During this process, WEDC servicing staff are available to help users who encounter problems or have specific questions not covered by the portal's guidance.

Report Review, Certification and Submission (Principal Director)



When the designee has completed the required entries on the forms covered by the schedule, the schedule will be reassigned to the recipient's designated principal director or authorized representative for review. On clicking their emailed assignment, the principal director will be taken to a summary of the report showing all the designee's entries, and the director can revisit individual sections of the report to complete corrections or revisions.

When the report is ready for submission, the principal director will electronically sign the report and submit it to WEDC for review. For data integrity purposes, once a report is submitted, it cannot be recalled without all information being deleted and the designee starting a new submission. On submission, the director will receive a success confirmation, along with information on when they can expect a response from WEDC.

Submitting an SOE

Completing the Form – Entering Period Expenditures

A submission begins with your statement of the expenditures which were incurred and paid by your organization during a specific period within your contract. This form applies to any project where expenditures have been made within the period.

When the form loads, your contract budget is prepopulated into the form, including all the allowable activities for the project and the amount of planned expenditures for each activity. For all contracts, recipients will be required to attribute the expenditures that they incurred and paid during the period to the sources of funds used to pay for them.

- Use the provided table to enter your expenditures incurred and paid during the period.
 - Note that the table has been prepopulated with your contract's eligible activities.
- For each eligible activity, you must separate expenditures into amounts which you have submitted (or will submit) to WEDC in request(s) for payment, versus matching expenditures for which your organization fully covers the cost.



- Matching sources can include other public and private financiers of your project along with your own funds.
- If you have no matching expenditures during the period, you will need to confirm this as the case.
- If you expended no WEDC funds during the schedule period, a zero-expenditure SOE may be submitted. To do this, zero values should be entered in the table provided, and you will need to confirm this is correct.
- If your organization needs to restate a prior SOE under the same Independent Accountant's Report (IAR), you may specify this as the case.
 - All restatements must cover a continuous period without fiscal year gaps, must end with the current SOE period end date, and must be supported by Independent Accountant's Report(s) covering the entirety of this period. You must provide a reason why the restatement was needed.

Once you have finished entering information onto the schedule, click 'Check My Work.' The portal will help you provide the information you need on your schedule by responding to your entries. Make any corrections requested, then click 'Continue.'

Completing the Form – Independent Accountant’s Report (IAR)

Wisconsin law requires SOEs to be validated through an accounting engagement by an independent CPA who performs attestation procedures acceptable to WEDC. The review format must be an attestation to management's assertion regarding whether the expenditures of WEDC and matching funds were made in accordance with the award contract.

- Acceptable engagements include an Independent Accountant's Report (IAR), Agreed-Upon Procedures, or for units of government, a Single Audit Report.
- The cost of the CPA report is at the awardee's expense.
- If requested, WEDC may grant the awardee a one-time extension of 90 days from the due date. This extension must be requested in writing by the awardee.

Based on your earlier entries, you will be prompted to upload a letter or report from your CPA covering findings of the engagement.



- First, provide your CPA's contact details, all of which must be included before proceeding to submission of your SOE.
- Next, use the provided upload button to attach your CPA's completed engagement report or letter. To be accepted by WEDC, the letter must at a minimum:
 - state the same period as your schedule;
 - specifically identify the award in question (through the five-digit award/contract number on your contract);
 - state that the examination was performed according to AICPA standards;
 - state that grant/loan funds and any matching funds were expended in accordance with the contract; and
 - state an effective date of the opinion.
- Finally, make a selection to indicate the type of engagement used (note that only units of government may submit a single audit).

Once you have finished entering information onto the form, click 'Continue.' The portal will help you provide the information you need on your schedule by responding to your entries.

Completing the Form – Director Review and Submission

Wisconsin statutes require your SOE to be certified to by your project's principal director or an officer of your organization. This individual should have already been identified at the time of contracting by your organization. The principal director reviews the schedule and attached CPA letter, then certifies the schedule and submits it to WEDC for review.

- Your project's designated principal director will attest to the accuracy of the information and complete the submission for WEDC review and processing.
- Following submission, you will receive a confirmation by email with an expected date of processing, and you will receive an additional notification when your submission has been processed.
 - Please note:
 - Once submitted, an SOE cannot be recalled, and any replacement will need to be in the form of a new submission.
 - Any edits to schedule data after the effective date of the Independent Accountant's Report (IAR) letter or subsequent to the letter's attachment will require the letter to be reattached.



Following preparation of the SOE by your assigned preparer, your organization's principal director will be prompted to review, certify and submit the schedule.

- To complete the submission, review all of the information provided, revisiting any sections as necessary using the 'Revisit Expenditures' and 'Revisit Review' links provided.
- Next, provide your certification and electronic signature using the button provided on the form. This will enable you to accept and submit the schedule, as well as to view the applicable disclosures included with your electronic signature.
- Finally, click 'Accept and Submit.'

On making your submission, you will receive a confirmation page indicating that WEDC has received your submission. Once WEDC's review is complete, you will receive a confirmation by email of the results. If your submission is rejected, it will be assigned back to the preparer for your organization.



Cameron Clapper

From: Cathy Anderson <CAnderson@whitewater-wi.gov>
Sent: Thursday, April 21, 2022 3:05 PM
To: Michele Smith; Cameron Clapper
Subject: FW: WEDC Contract for Execution CDI FY22-53170
Attachments: 53170-FY22-Final Contract for Execution-CDI-City of Whitewater-20220421.pdf; FY22 WEDC Grants Decisions Packet.pdf

Importance: High

For Signature 😊 We did it! First time ever Whitewater has been awarded!!

Cordially,

Cathy

Cathy Anderson, Economic Development Director

Office: (262) 473-0148

The Community Development Authority of the City of Whitewater is a separate legal entity within Wisconsin State Statutes led by a Board of Directors to promote housing and community development programs, sustainable development, economic opportunity, and empowerment of its residents to benefit the entire community City of Whitewater.

From: noreply@salesforce.com <noreply@salesforce.com> **On Behalf Of** Contracts
Sent: Thursday, April 21, 2022 2:57 PM
To: Cathy Anderson <CAnderson@whitewater-wi.gov>
Cc: neil.white@wedc.org; mamadou.diarra@wedc.org; david.callender@wedc.org; justin.phillips@wedc.org
Subject: WEDC Contract for Execution CDI FY22-53170

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.



Dear Cathy Anderson,

Congratulations! We are excited to let you know that WEDC has approved your award. Our team is grateful to have worked with you on this project. Most importantly, thank you for choosing Wisconsin. Together, we are building a better future for all Wisconsinites and we are glad to have you be part of it.

Attached please find the final, executable contract documents and supplemental information. Your award approval is contingent on the contract being fully executed by Thursday, May 5, 2022 and there being no changes to the statute or program guidelines that govern the program prior to that date. Please return the signed contract by this date and WEDC will counter-sign. If this date presents an issue for you, please let us know and we will push it back to the following week.

If you have questions regarding your contract or disbursement, reporting and other requirements, please contact your Regional Economic Development Director, Neil White at +1 608.210.6739 or neil.white@wedc.org, or respond to this email.

Again, thank you for choosing Wisconsin!



Melissa H. Hughes
Secretary and CEO



Samuel H. Ridders
Deputy Secretary
and COO

