



CITY OF WHITEWATER
COMMON COUNCIL AGENDA
Common Council Meeting

Tuesday, June 2, 2020 - 6:30 p.m.

**Due to Coronavirus Concerns, this will be 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.**

Common Council Meeting
Tue, Jun 2, 2020 6:30 PM - 9:30 PM (CDT)

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

CONSENT AGENDA:

CA-A	Approval of Council Minutes of 4/21/2020 and 5/19/20.	P. 1
CA-B	Acknowledgement of receipt and filing of the following: * Irvin L. Young Memorial Library Board minutes of 4/20/2020 – P. 14 * Finance Committee minutes of 4/28/20 – P. 18	P. 14 P. 18
CA-C	Expedited Approval of the Following Items, per City Staff Recommendation: O-3; O-4; C-4	n/a

CITY MANAGER REPORT.

STAFF REPORTS: City Manager – Update on water rate increase.

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:

R-1	Amendment #2 to 2020 Salary Resolution. (Finance Director Request).	P. 20
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ORDINANCES – First Reading:

O-1	Amending Chapter 11.16.150, Street Index of Parking Restrictions, with regard to deletion of certain parking limitations on Milwaukee Street and Elkhorn Road, from Esterly Street, thence eastward to the City Limits. (DPW Director Request).	P. 24
O-2	Amending Chapter 11.16.150, Street Index of Parking Restrictions, with regard to addition of certain parking limitations on Milwaukee Street and Elkhorn Road, from Esterly Street, thence eastward to the City Limits. (DPW Director Request).	P. 28
*O-3	Amending Chapter 1.21.010, Schedule of Deposits, as it relates to prohibition of pet store sales of Dogs, Cats and Rabbits. (City Attorney Request).	P. 34

ORDINANCES – Second Reading

*O-4	Creating Chapter 9.22, Prohibiting Pet Stores from Selling Dogs, Cats and Rabbits. (Councilmember Brown Request).	P. 35
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CONSIDERATIONS:

C-1	Report on annual city audit for year 2019. (Finance Director Request).	P. 38
C-2	Approval of Memorandum of Understanding with Whitewater University Technology Park Board (WUTP). (City Manager Request).	P. 167
C-3	Appointment of citizen members to Board and Commission positions. (City Manager Request)	P. 171
*C-4	Approval of renewal of Beer, Alcohol and Wine Licenses. (City Clerk Request).	P. 177
C-5	Councilmember Requests for Future Agenda Items and Requests for future POLCO questions.	n/a
C-6	Adjourn.	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 21, 2020.

The organizational meeting of the Common Council was called to order virtually (via technological device and not in person) at 6:30 p.m. by City Manager Clapper. The Common Council's first virtual meeting was held in response to the Coronavirus ("COVID 19") pandemic. MEMBERS PRESENT: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. MEMBERS ABSENT: None. LEGAL COUNSEL PRESENT: Wallace McDonell.

It was moved by Allen and seconded by Schulgit to acknowledge receipt and filing of the following: Public Works Committee minutes of 2/11/20 and Financial Reports for March, 2020. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None.

SWEARING IN OF NEWLY ELECTED COUNCILMEMBERS. City Clerk Michele Smith administered the oath of office to newly elected council members, Matthew Schulgit – Aldermanic District 2; Lynn Binnie – Aldermanic District 4; and James Allen – Councilmember at Large.

ELECTION OF COUNCIL PRESIDENT. Councilmember Allen nominated Lynn Binnie to serve as Council President. Councilmember Singer seconded the nomination. No other nominations were made. Allen moved and Singer seconded the closure of nominations. AYES: McCormick, Palmer, Brown, Schulgit, Allen, Singer. NOES: None. ABSTAIN: Binnie.

ELECTION OF COUNCIL PRESIDENT PRO TEM. Councilmember McCormick nominated and Councilmember Schulgit seconded the nomination of Jim Allen to serve as Council President Pro Tem. No further nominations were made. It was moved by Allen and seconded by Schulgit to close the nominations. A vote was taken on appointment of Jim Allen as Council President Pro Tem. AYES: McCormick, Palmer, Brown, Schulgit, Binnie, Singer. NOES: None. ABSTAIN: Allen.

APPOINTMENT OF COUNCIL REPRESENTATIVES TO FOLLOWING BOARDS AND COMMISSIONS: Annual appointments for Council representatives was necessary. It was moved by Allen and seconded by Schulgit to make the following one-year appointments to City boards and Commissions: **Alcohol Licensing Committee:** Palmer, Schulgit, McCormick; **Birge Fountain Committee:** Allen; **Community Development Authority:** Allen, Singer; **Community Involvement Commission and Cable Television Commission:** Brown; **Whitewater Fire Department Board:** Binnie; **Finance Committee:** Palmer, Allen, Singer; **Library Board:** Brown; **Landmarks Commission:** Schulgit; **Library Board:** Brown; **Parks & Recreation Board:** McCormick; **Plan & Architectural Review Commission:** Binnie as regular member, Brown as alternate member; **Public Works Committee:** Schulgit, McCormick, Binnie; **Technology Park Board:** Singer. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None.

STAFF REPORTS: City Manager Clapper gave an update on City operations, based on the current mandates in response to COVID- 19. Public Works and the Police Department are each working in teams to limit exposure. Fire/EMS are taking extra precautions when responding to calls. Administrative offices and the Library are currently closed to the public. Finance Director Hatton stated that he is compiling the expenses related to COVID-19. This is required in order to receive any federal aid.

CITIZEN COMMENTS: Councilmember Allen thanked city staff and poll workers for their contributions, especially in light of the continuously changing rules and the pandemic.

RESOLUTION AUTHORIZING OFFICIAL DEPOSITORIES.

RESOLUTION AUTHORIZING OFFICIAL DEPOSITORIES

WHEREAS, it is deemed necessary and expedient to designate official depositories for the City of Whitewater, Walworth and Jefferson Counties, Wisconsin.

NOW THEREFORE, it is hereby resolved by the Common Council of the City of Whitewater that PremierBank, First Citizens State Bank, Associated Bank, American Deposit Management, LLC, be and the same hereby are, designated the official depositories for the City, as well as the State of Wisconsin – Local Government Investment Pool, and Fort Community Credit Union.

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schulgit. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. ADOPTED: April 21, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

RESOLUTION AUTHORIZING OFFICIAL NEWSPAPER.

RESOLUTION ADOPTING OFFICIAL NEWSPAPER

WHEREAS, it is deemed necessary and expedient to designate an official newspaper for the City of Whitewater, Walworth and Jefferson Counties, Wisconsin.

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Whitewater, Wisconsin, Walworth and Jefferson Counties, that THE WHITEWATER REGISTER be, and the same hereby is, designated the official newspaper of said City.

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schulgit. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. ADOPTED: April 21, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

DESIGNATING CITY MANAGER AS CITY'S REPRESENTATIVE FOR WISCONSIN DEPARTMENT OF NATURAL RESOURCES URBAN NONPOINT SOURCE AND STORMWATER GRANT.

RESOLUTION AUTHORIZING SUBMISSION OF GRANT TO WISCONSIN DEPARTMENT OF NATURAL RESOURCES

WHEREAS, the city of Whitewater is interested in acquiring a Grant from the Wisconsin Department of Natural Resources for the purpose of implementing measures to control agricultural or urban storm water runoff pollution sources (as described in the application and pursuant to ss. 281.65 or 281.66, Wis. Stats., and chs. NR 151, 154, and 155); and

WHEREAS, a cost-sharing grant is required to carry out the project;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Whitewater that the Common Council authorizes the City Manager of the City of Whitewater to act on behalf of the City of Whitewater to:

- Sign and submit an application to the State of Wisconsin Department of Natural Resources for any financial aid that may be available;
- Sign a grant agreement between the local government (applicant) and the Department of Natural Resources;
- Sign and submit reimbursement claims along with necessary supporting documentation;
- Sign and submit interim and final reports and other documentation as required by the grant agreement;
- Sign and submit an Environmental Hazards Assessment Form, if required; and
- Take necessary action to undertake, direct and complete the approved project.

BE IT FURTHER RESOLVED that the City of Whitewater shall comply with all state and federal laws, regulations and permit requirements pertaining to implementation of this project and to fulfillment of the grant document provisions.

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schulgit. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. ADOPTED: April 21, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

FINAL READING OF ORDINANCE AMENDING THE ZONING MAP AND THE ZONING CLASSIFICATION IN REGARD TO PROPERTY IN MOUND PARK ACRES FIRST ADDITION (KNOWN AS MOUND MEADOWS – CRAIG POPE, OWNER). Requested was change of the zoning of the Mound Meadows subdivision to R-1 (single family residential). Clapper reported that the Plan and Architectural Review Commission recommended approval with several conditions that were outlined by Clapper. It was moved by Singer and seconded by Allen to approve the ordinance. Plan Commission did place several conditions on the approval. Councilmember Allen inquired whether basements could be constructed when homes are built. He noted that the area has a history of bedrock being very close to the surface. Allen also inquired whether water service had been extended and asked whether sidewalks would be required on both sides of the Street. Neighborhood Services Director Munz-Pritchard stated that construction of a basement could occur, but would be very expensive. Munz-Pritchard indicated that the Department of Natural Resources would have to review utilities, as the current ones were installed twenty years ago. With regard to sidewalks, Munz-Pritchard did not have information, indicating the sidewalk requirement would be reviewed at a later date. The property owner has asked that the Council waive the requirement for a second reading of the ordinance.

AN ORDINANCE AMENDING THE ZONING MAP AND THE ZONING CLASSIFICATION IN REGARD TO CERTAIN PROPERTY IN THE CITY OF WHITEWATER

The Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, do pursuant to Municipal Code Chapter 19.69, hereby amend the zoning classification of the below properties:

Section 1. Pursuant to Whitewater Municipal Code 19.69, the below described property (previously zoned Planned Community Development) is hereby rezoned to R-1 One Family Residence:

Property Address:
Mound Park Acres First
Addition, 21 Lots

Tax ID#:
/MM 0001,
/MM 0002,
/MM 0003,
/MM 0004,
/MM 0005,
/MM 0006,
/MM 0007,
/MM 0008,
/MM 0009,
/MM 0010,
/MM 0011,
/MM 0012,
/MM 0013,
/MM 0014,
/MM 0015,
/MM 0016,
/MM 0017,
/MM 0018,
/MM 0019,
/MM 0020,
/MM 0021

Property Owner:
Craig Pope

Section 2. The official zoning map of the City of Whitewater is hereby amended to show the above action.

Section 3. This ordinance shall take effect upon passage and publication as provided by law.

Ordinance introduced by Council Member Palmer, who moved its adoption. Seconded by Councilmember Allen. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. **It was moved by McCormick and seconded by Allen to waive the second reading of the ordinance. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ADOPTED: April 21, 2020.**

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

2020 PUBLIC WORKS CONSTRUCTION CONTRACT 1-2020. Director of Public Works Marquardt stated that this project included storm sewer work at Walworth Ave./Court Street.; Walworth Ave./Pleasant Street.; and water main replacement on Industrial Drive. The low bid was from RR Walton & Company of Whitewater, Wisconsin in the sum of \$364,062.60. The money for the project will come from budgeted funds as well as from funds that were budgeted for a project at Walworth Ave./Douglas Court. The Walworth Ave./Douglas Court project has been delayed, so the money intended for that would be reassigned to the replacement project. The Public Works Committee is in agreement with the reorganization of projects. Councilmember Allen moved, and Councilmember McCormick seconded, the

award of a contract to RR Walton & Company for a sum not to exceed \$364,062.60. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None.

APPROVAL OF DELTA DENTAL OF WISCONSIN FOUNDATION, INC. FLUORIDATION EQUIPMENT GRANT AGREEMENT. Public Works Director Marquardt indicated that the City has been awarded a grant in the sum of \$10,325. There is a stipulation in the agreement that fluoridation must continue for five years or a prorated amount of the grant will have to be repaid. It was moved by Allen and seconded by Palmer to approve the Grant Agreement between Delta Dental of Wisconsin and the City. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None.

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, per Wisconsin Statutes 19.85(1)(e) "Deliberating or Negotiating the Purchase of Public Properties, the Investing of Public Funds, or Conducting Other Specified Public Business, Whenever Competitive or Bargaining Reasons Require a Closed Session. CLOSED SESSION: Adjournment to Closed Session, to reconvene, per Wisconsin Statutes 19.85 (1) (e): "Deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session and Discussion of terms of sale by the City of Whitewater to KT Real Estate Holdings, LLC (commonly referred to as Kwik Trip) of Vacant land adjacent to the roundabout located on Elkhorn Road in the City of Whitewater (Tax I.D. # /A405400004). Item to be Discussed: Discussion of terms of purchase by the City of Whitewater of approximately 104 acres of vacant land in the area of Highway 12, Highway P and Willis Ray Road, located in the City of Whitewater and Town of Whitewater. The Tax Id #'s for the 5 parcels being considered for purchase are as follows:

1. DW1000007 (16 Ac); DW1000007C (29.71Ac); DW1000008C (20 Ac); DW1000008 (21.16 Ac), (Land Locked); /WUP00275 (18 Ac). (Land Locked). The approximately 104 acres of property is being sold in its current condition "As Is"

AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. The regular portion of the meeting adjourned at 7:58 p.m.

RECONVENE TO OPEN SESSION. (8:45 p.m.)

Possible purchase by the City of Whitewater of approximately 104 acres of vacant land in the area of Highway 12, Highway P and Willis Ray Road, located in the City of Whitewater and Town of Whitewater. The Tax Id #'s for the 5 parcels being considered for purchase are as follows: DW1000007 (16 Ac); DW1000007C (29.71Ac); DW1000008C (20 Ac); DW1000008 (21.16 Ac), (Land Locked); /WUP00275 (18 Ac). (Land Locked). No action was taken by the Council.

Approval of resolution authorizing the sale, by the City of Whitewater, to KT Real Estate Holdings, LLC (commonly reverred to as Kwik Trip) of Vacant land adjacent to the roundabout located on Elkhorn Road in the City of Whitewater (Tax I.D. # /A405400004).

Attorney McDonnell stated that there are two proposals in relation to the sale of property to KT Real Estate Holdings, LLC. There is the agreement to purchase the property for \$229,000 and a proposal to place \$80,000 in an account to be held as payment for a portion of the access road to be installed to access this property and the adjacent property.

**RESOLUTION AUTHORIZING THE SALE OF PROPERTY
TO KT REAL ESTATE HOLDINGS, LLC**

WHEREAS, the City of Whitewater is the owner of the following property:

Lot 4 of Certified Survey Map No. 4054, recorded June 14, 2007 in Volume 25, Page 149-153, as Document No. 711118, being a redivision of Lot 1 of Certified Survey Map No. 2599, being part of the Southeast 1/4 of the Southwest 1/4, the Northeast 1/4 of the Southwest 1/4, the Northwest 1/4 of the Southeast 1/4 and the Southwest 1/4 of the Southeast 1/4 in Section 3, Town 4 North, Range 15 East. Said land being in the City of Whitewater, County of Walworth, State of Wisconsin.

WHEREAS, KT Real Estate Holdings, LLC (commonly referred to as Kwik Trip) seeks to purchase said property for the amount of \$229,000, for the purpose of constructing a commercial development, and

WHEREAS, the sale of said property will promote economic development in the City of Whitewater, and

WHEREAS, it is in the City's and public's best interest to sell said property to KT Real Estate Holdings, LLC, for this purpose,

NOW, THEREFORE, BE IT RESOLVED that the City of Whitewater City Manager, City Clerk and other staff approved by the City Manager, are authorized to sign any documents necessary to close this transaction, including but not limited to the attached:

1. Release of Recorded Easement – Lots 3 and 4
2. Release of Recorded Easement – All Lots
3. Termination Waiver and General Release of Redevelopment Agreement
4. Declaration of Easements, Covenants and Restrictions

and are further authorized to take any other necessary actions to transfer said property to KT Real Estate Holdings, LLC. This approval shall also include authorization to sign various instruments and take actions that are necessary to implement changes required by the revised plans related to Lots 1, 2, 3 and 4 of CSM Map 4054, commonly referred to as the roundabout property, which were completed to facilitate this sale and improve the marketability of Lots 1 and 2 of CSM 4054.

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Palmer. AYES: McCormick, Palmer, Brown, Binnie, Schulgit, Allen, Singer. NOES: None. ABSENT: None. ADOPTED: April 21, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

Approval of a resolution authorizing the creation of a fund to pay the City's share of the construction costs of a project drive for property owned by the City and KT Real Estate Holdings, LLC (commonly referred to as Kwik Trip) adjacent to or in the area of the roundabout.

RESOLUTION AUTHORIZING THE CREATION OF A FUND TO PAY FOR CONSTRUCTION OF A PROJECT DRIVE

WHEREAS, the City of Whitewater is selling Lot 4 of CSM 4054 to KT Real Estate Holdings, LLC, and

WHEREAS, a provision in the sales agreement requires the City to share equally the cost (estimated at \$160,000) of construction of a project drive for the development after it is constructed by KT Real Estate Holdings, LLC, and

WHEREAS, the City intends to hold a portion of the proceeds of the sale for that purpose in a separate account to be created by placing \$80,000 from the proceeds of the sale into the account, and

WHEREAS, it is in the City's and public's best interest to hold said funds, for this purpose, and

NOW, THEREFORE, BE IT RESOLVED that at the time of the closing of the sale of Lot 4 CSM 4054 to KT Real Estate Holdings, LLC, the City of Whitewater shall deposit \$80,000 from the sale proceeds into an account so that funds are available, in the future, to pay the City's contribution to the construction costs for the project drive as provided for in the sales agreement. However, if the City of Whitewater sells Lot 1 to a third party before the payment is due, it shall no longer hold said funds for the purpose of construction of the project drive.

Resolution introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Palmer. AYES: McCormick, Schulgit, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None. ADOPTED: April 21, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

ADJOURNMENT It was moved by Singer and seconded by Brown to adjourn the meeting. Motion carried by unanimous voice vote. The meeting adjourned at _8:50 p.m.

Respectfully submitted,

Michele R. Smith, Clerk

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

May 19, 2020

The regular meeting of the Common Council was called to order at 6:30 p.m. by Council President Lynn Binnie. The meeting was held virtually (via electronic device) due to the Coronavirus pandemic. MEMBERS PRESENT: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. MEMBERS ABSENT: None. LEGAL COUNSEL PRESENT: Wallace McDonell.

It was moved by McCormick and seconded by Singer to approve the Council minutes of 5/5/20 and to acknowledge receipt and filing of the Finance Committee minutes of 2/25/20; the Public Works Committee minutes of 3/11/20; and the Financial Reports for April, 2020. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

CITY MANAGER REPORT City Manager Clapper provided an update on the COVID 19 pandemic data. Wisconsin has not yet experienced a 14-day period of declining cases of COVID. It was noted that over the weekend, Whitewater did see an increase in “night life” in the City. Clapper reminded residents that the State recommendation of avoiding large gatherings and gatherings with those not in our housing unit is still in effect. Clapper indicated that the City of Whitewater buildings are not yet open to the public. The public can access all Departments by phone or e-mail, although many employees are working from home. On June 1st, the City buildings will open in some capacity. Details will be forthcoming. The Library does plan on having a June 1st opening, with specifics to come. Clapper reported that the Milwaukee Street / Elkhorn Road project continues, with most of the storm sewer installed. The Clay Street project is moving along as well. Clapper announced that on May 23, 2020, from 9-1, the City will host an electronic recycling event. Binnie requested an update from City Manager Clapper on the research relating to other meeting software options to hold virtual meetings.

STAFF REPORTS: City Manager Clapper announced that the Whitewater Police Department received a commendation from the Department of Defense, recognizing their support for the Guard and Reserve.

CITIZEN COMMENTS: None. Binnie confirmed today that the American Legion will not be sponsoring the Memorial Day parade or ceremony.

FIRST READING OF CHAPTER 9.22, PROHIBITING PET STORES FROM SELLING DOGS AND CATS. Councilmember Brown had requested adoption of an ordinance prohibiting pet stores located within the municipality to sell “puppy mill” and “kitten mill” pets. In response to questions, City Attorney McDonell indicated the ordinance could be expanded to include other animals. Councilmember Schulgit also supported expansion. Numerous citizens spoke in strong support of adoption of the ordinance. Councilmember Binnie suggested that the definition of “pet store” be clarified. **It was moved by Schulgit and seconded by Allen to amend the proposed ordinance to add rabbits to the ordinance.** AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

ORDINANCE NO. 1998
FIRST READING OF AN ORDINANCE CREATING CHAPTER 9.22 PROHIBITING PET STORES FROM SELLING DOGS, CATS, AND RABBITS

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

CHAPTER 1. Whitewater Municipal Code Chapter 9.22 is hereby created to read as follows:

Chapter 9.22 – LARGE SCALE COMMERCIAL ANIMAL BREEDING PROHIBITED

9.22.010 – Purpose and Intent.

WHEREAS, Most puppies and kittens sold in pet stores come from large-scale, commercial breeding facilities where the health and welfare of the animals is disregarded in order to maximize profits (“puppy mills” and “kitten mills,” respectively). According to The Humane Society of the United States, an estimated 10,000 puppy mills produce more than 2 million puppies per year in the United States.

WHEREAS, The documented abuses endemic to puppy and kitten mills include over-breeding; inbreeding; minimal veterinary care; lack of adequate food, water and shelter; lack of socialization, exercise and enrichment; lack of sanitation.

WHEREAS, Pet store puppies are often sick and have behavioral problems due to the substandard conditions they were likely born into often including that they were taken from their mothers at a very young age; they were transported in trucks filled with other young puppies and they were placed in a pet store cage with or near other puppies who are often sick.

WHEREAS, Pet stores often mislead consumers as to where the puppies and kittens in the stores came from and make false health and behavior guarantees. Many consumers end up paying hundreds or thousands of dollars in veterinary bills and suffer the heartbreak of having their new pet suffer, and in some cases pass away.

WHEREAS, According to the U.S. Centers for Disease Control and Prevention, pet store puppies pose a health risk to consumers, as over one hundred Americans have contracted an antibiotic-resistant *Campylobacter* infection from contact with pet store puppies.

WHEREAS, Current federal and state regulations do not adequately address the animal welfare and consumer protection problems that the sale of puppy and kitten mill dogs and cats in pet stores pose. Federal oversight of the commercial breeding industry is severely lacking.

WHEREAS, Prohibiting pet stores from selling dogs and cats is likely to decrease the demand for puppies and kittens bred in puppy and kitten mills and decrease the burden that pet store puppies and kittens that end up in animal shelters place on local agencies and taxpayers.

WHEREAS, The huge majority of pet stores, both large chains and small and family-owned shops, are already in compliance with the proposed ordinance as they already do not sell dogs and cats but rather profit from selling products, offering services, and in some cases, collaborating with local animal shelters and rescues to host adoption events.

WHEREAS, This ordinance will not affect a consumer’s ability to obtain a dog or cat of his or her choice from an animal rescue, shelter, or breeder who sells directly to the public.

WHEREAS, The council believes it is in the best interest of Whitewater, Wisconsin to adopt reasonable regulations to reduce costs to Whitewater, Wisconsin and its residents, protect citizens who may purchase cats or dogs from a pet store, help prevent inhumane breeding

conditions, promote community awareness of animal welfare, and foster a more humane environment in Whitewater.

9.22.020 - Definitions

Animal care facility - an animal control center or animal shelter, maintained by or under contract with any state, county, or municipality, whose mission and practice is, in whole, or significant part, the rescue and placement of animals in permanent homes or rescue organizations.

Animal rescue organization - any not-for-profit organization which has tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code, whose mission and practice is, in whole or in significant part, the rescue and placement of animals in permanent homes. This term does not include an entity that is a breeder or broker or one that obtains animals from a breeder or broker for profit or compensation.

Breeder - a person that maintains a dog or cat for the purpose of breeding and selling their offspring.

Broker - a person that transfers a dog or cat from a breeder for resale by another person.

Cat - a member of the species of domestic cat, *Felis catus*.

Dog - a member of the species of domestic dog, *Canis familiaris*.

Pet store - a retail establishment where companion animals are sold, exchanged, bartered or offered for sale to the general public. Such definition shall not include an animal care facility or animal rescue organization, as defined.

9.22.030 – Restrictions on the Sale of Animals

No pet store shall sell, deliver, offer for sale, barter, auction, give away, or otherwise transfer or dispose of cats, dogs, or rabbits. Nothing in this section shall prohibit pet stores from collaborating with animal care facilities or animal rescue organizations to offer space for such entities to showcase adoptable dogs, cats, or rabbits provided the pet store shall not have any ownership interest in the animals offered for adoption and shall not receive a fee for providing space for the adoption of any of these animals. Dogs may not be kept overnight.

9.22.040 – Penalty

A pet store that violates this section shall be subject to a civil penalty of \$500, and each dog, cat, or rabbit offered for sale in violation of this section shall constitute a separate violation.

9.22.050 – Severability

If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this Ordinance which shall continue in full force and effect, and to this end the provisions of this Ordinance are hereby declared to be severable.

9.22.060 – Effective Date

This ordinance shall become effective 90 days after passage.

Ordinance introduced by Councilmember Brown, who moved its adoption. Seconded by Councilmember Allen. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None. FIRST READING APPROVED: May 19, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

SECOND READING OF ORDINANCE AMENDING CHAPTER 7.22.020, PENALTIES RELATING TO VIOLATION OF GRASS CUTTING ORDINANCE.

**ORDINANCE No. 1997A
SECOND READING OF AN ORDINANCE AMENDING SUBSECTION 7.22.020
NUISANCE DECLARED – FAILURE TO CUT – COSTS.**

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

SECTION 1. Whitewater Municipal Code Chapter 7.22 Subsection 7.22.020 is hereby amended to read:

The common council further declares in exercise of its police powers that any grass or weeds of whatever nature in excess of seven inches in height on all private premises within the city are a fire hazard, a public nuisance, and a potential health hazard. If any person in the city neglects or fails to cut the same after having been given a five-day written notice (only one such notice need be issued per property per calendar year, thereafter enforcement action may proceed without prior notice) by the city manager or his appointed representative, the City may cut or cause to be cut the grass or weeds and the cost thereof shall be charged at a rate of \$100 per hour with a minimum charge of \$100. Work lasting more than one hour will be billed an additional \$25. Any subsequent cutting of grass or weeds, which takes place within six months of the prior cutting, will be charged at a rate of \$150 per hour, with a minimum charge of \$150. Work lasting more than one hour will be billed an additional \$25. If the City contracts the service out for cutting grass or weeds, the City shall bill back to the property owner the cost of the contracted services, plus a 10% administrative cost fee, or, at the City's discretion, the street department's going rate for the work. The cost of such removal shall be reported to the Finance Division in writing with a description of the premises and, if not paid within 30 days of the date of the invoice being sent to the owner of the premises, shall be and become a special tax and lien against the premises and, if not previously paid, shall be inserted in the next ensuing tax roll as a special tax and lien against such premises; and such costs may, in the discretion of the common council, be collected by suit against the owner or occupant of the premises.

Ordinance introduced by Councilmember Allen, who moved its adoption. Seconded by Councilmember Schulgit. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None. ADOPTED: May 19, 2020.

Cameron L. Clapper, City Manager

Michele R. Smith, City Clerk

APPOINTMENT OF CITIZEN MEMBERS TO BOARDS AND COMMISSIONS. The Nominations Committee met, and made the recommendations for the following appointments:

Patrick Taylor - Board of Zoning Appeals; Lukas Schreiber - Community Involvement and Cable Television Commission; Jon Kachel - Community Development Authority; Joanna Marr Baker - Disability Rights Committee; Pat Blackmer - Landmarks Commission; David Stone - Plan and Architectural Review Commission; and Nicholas Alt - Urban Forestry Commission. It was moved by Allen and seconded by Singer to appoint the nominees as presented. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

STREET CONSTRUCTION CONTRACT WITH PAYNE AND DOLAN. Director of Public

Works Marquardt indicated that three bids were received for the 2020 Street construction contract. Work planned includes pulverizing and paving Wisconsin street, from Milwaukee Street to Coburn Lane, as well as Starin Road, from Park Street to Fremont Street. Also included in the proposal is the paving of the parking lots for the Dog Park and for Moraine View Park. It was moved by Allen and seconded by Schulgit to approve a contract with Payne & Dolan, Inc. in a sum not to exceed \$194,920.75 for the 2020 projects. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

MEMORANDUM OF UNDERSTANDING WITH UW-W FOR UPGRADE OF PRAIRIE STREET STREET LIGHTS. DPW Director Marquardt informed Council that the University has requested the upgrade of the lights on Prairie Street, from Starin Road, thence north approximately 935 feet. The replacement is requested based on a Whitewater Student Government safety study. There are seven poles, each with two light fixtures. The 250-watt HPS fixtures would be replaced with 165-watt LED fixtures. The upfront cost to We-Energies is approximately \$11,620. The total monthly charge per light fixture would be reduced from \$17.65 per month to \$14.12 per month. For the fourteen fixtures, this results in a savings of close to \$50 per month. After 84 months, there is a further reduction of \$1.03 per fixture. The University would pay the upfront cost, with the City reimbursing the University for half of the cost in January of 2021. The reimbursement amount would be \$5,810. It was moved by Schulgit and seconded by McCormick to approve the MOU with UWW for the upgrade to Prairie Street street lights. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

AUTHORIZATION TO SELL UNUSED CITY-OWNED PROPERTY AT AUCTION. DPW Director Brad Marquardt presented a list of items that the City no longer uses or needs, and requested approval to sell the property. Items included a portable stick welder that had not been used in over 10 years, overhead garage doors removed from the Fire Department, a Dodge Caravan; a 1988 Chevrolet pickup and a 2009 Crown Victoria. Other miscellaneous items were listed as well. It was moved by McCormick and seconded by Singer to authorize the disposal of the listed items, and to sell them at auction. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

CANCELLATION OF JULY 7, 2020 COUNCIL MEETING. It was moved by McCormick and seconded by Singer to cancel the July 7, 2020 Council meeting. AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None.

REQUESTS FOR FUTURE AGENDA ITEMS AND POLCO QUESTIONS. None.

EXECUTIVE SESSION. It was moved by Binnie and seconded by Brown to adjourn to Closed Session, **not to reconvene**, per Wisconsin Statutes 19.85(1)(e) "Deliberating or negotiating the purchase 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: Potential purchase by the City of Whitewater of approximately 104 acres of vacant land in the area of Highway 12, Highway P and Willis Ray Road, located in the City of Whitewater and Town of Whitewater. The Tax Id #'s for the 5 parcels being considered for purchase are as follows: DW1000007 (16 Ac); DW1000007C (29.71Ac); DW1000008C (20 Ac); DW1000008 (21.16 Ac), (Land Locked; /WUP00275 (18 Ac). (Land Locked). AYES: Schulgit, McCormick, Brown, Binnie, Palmer, Singer, Allen. NOES: None. ABSENT: None. The regular portion of the meeting adjourned at 8:05 p.m.

Respectfully submitted,

5/29/2020

12 of 180

Michele R. Smith, Clerk

Irvin L. Young Memorial Library
431 W Center St
Whitewater WI 53190
Board of Trustees Regular Meeting
Online Virtual Meeting
Monday, April 20, 2020, 6:30 pm

MINUTES

Mission Statement:

We will have the space and the stuff to do the things that you want.

Our Values: Safe & welcoming; Trust; Diversity; Fun; Lifelong learning and creativity; Making connections; Service excellence

1. Call to Order at 6:42 p.m.

Present: Julie Caldwell, Brienne Diebolt-Brown, Anne Hartwick, Richard Helmick, Kathy Retzke, Jaime Weigel, Jim Winship

Absent: none

Staff: Stacey Lunsford, Diane Jaroch, Torrie Thomas, Deana Rolfsmeyer

Guests: none

2. Consent Agenda

- a) Approval of Minutes of the February 17, 2020 regular meeting*
- b) Acknowledgment of Receipt of Financial Reports*
- c) Approval of Payment of Invoices for February and March 2020*
- d) Acknowledgment of Receipt of Statistical Reports for February and March 2020*
- e) Acknowledgment of Receipt of Treasurer's Reports for February and March 2020*

MSC Jim Winship/Kathy Retzke to approve Consent Agenda

Ayes: Julie Caldwell, Brienne Diebolt-Brown, Anne Hartwick, Richard Helmick, Kathy Retzke, Jaime Weigel, Jim Winship

Nays: None

3. Hearing of Citizen Comments

- a. No formal Library Board 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 Library Board discusses that particular item.

4. Old Business

- 4.1. Purchase of Chromebooks For Library Board Meetings

- As per library board request, Stacey Lunsford calculated the approximate annual cost for printing and mailing board packets. The costs came to a little over \$1000 per year.
 - Stacey reported that Chromebooks cost approximately \$150 each.
 - The Parks & Rec Department uses Chromebooks for their Board meetings that could theoretically be used by the Library Board but it would be difficult for the Library to access them.
 - It was discussed if the Chromebooks could be used by patrons or during special programs when extra devices are needed.
 - The City Council has Chromebooks but don't utilize them. Brienne asked City Council members and it was shared that their packets are very large and it's easier to mark up paper copies. The Chromebooks were too cumbersome for their purposes.
 - Jim Winship & Jaime Weigel shared the links to documents on the PDF Agenda could not be opened using MacBooks.
 - The Board reached consensus to send out an electronic Agenda with attachments and Trustees will use their own devices rather than purchase Chromebooks for Board Meetings.

5. New Business

5.I. Review and Approval of Home Delivery Service Policy with Revisions

- Stacey Lunsford pared down some of the extraneous verbiage as part of making our policies more accessible to our patrons.

MSC Brienne Diebolt-Brown/Jim Winship to approve the Home Delivery Service Policy with Revisions

Ayes: Julie Caldwell, Brienne Diebolt-Brown, Anne Hartwick, Richard Helmick, Kathy Retzke, Jaime Weigel, Jim Winship

Nays: None

5.II. Approval of A One-Year Trial of CreativeBug

- CreativeBug is sponsored by Jo-Ann Stores and is a database of video courses on crafting. The assistant director/adult services librarian tried out some of the courses and thought they were very well done. For a one-year subscription, the cost is \$1,000. They are waiving the \$750 installation fee as shown in the attached contract. They are a WiLS-approved vendor. The funds would come out of the library's fund balance for the first year. If we decided to continue offering the product, the cost would be part of our operating budget for 2021.

MSC Julie Caldwell/Jim Winship to approve a One-Year Trial of CreativeBug

Ayes: Julie Caldwell, Brienne Diebolt-Brown, Anne Hartwick, Richard Helmick, Kathy Retzke, Jaime Weigel, Jim Winship

Nays: None

5.III. Discussion of Library Procedures Relating to Public Health Issues

- Information will be shared on the Bridges Library System member libraries plans for how we will handle reopening when that becomes possible.
 - Curbside pick-up will now be offered beginning April 27th.
 - Due dates on materials have been extended to June 1, 2020.
 - The library will not be collecting fines during this time and will not prohibit patrons from checking out books due to fines.
 - Two staff members will work during a shift and patrons will pick up books from bins outside the library.
 - Patrons will be able to schedule a 15-minute window to pick up materials. Four patrons will be scheduled for each time slot.

5.IV. Discussion and Possible Action on A Fine-Free Policy

- Due to the disruption in services caused by the pandemic response, this would be a good time to discuss if we want to move forward with expanding a fine-free policy from children's materials to the collection as a whole and for how long.
 - The Board discussed not wanting to deny patrons library services due to fines during this unprecedented economic hardship and into the future.
 - Patrons are still responsible for materials that are not returned or damaged.
 - The Board reached consensus to expand a fine-free policy to the entire collection.
 - Stacey Lunsford will craft a new fine-free policy to share at the May meeting.

6. Staff & Board Reports

a) Director's Report ~ see attached

b) Adult Services Report ~ see attached

- Continue to email book titles to Diane for the Whitewater Reads program.

c) Youth Educational Services Report ~ see attached

- The Bridges website lists all of the virtual programs being offered at all libraries during this time. Jim Winship requested that a link to this page be added to our library website.
- Torrie Thomas participated in a Webinar training for the Listening Station. She is planning a program to collect local covid-19 stories once the library has opened back up. Jim Winship asked if it would

be possible to collect stories now while people are living through this moment. Torrie said she will look into this possibility.

7. Board Reports
8. Board member requests for future agenda items
9. Confirmation of the next meeting on May 18, 2020, 6:30 p.m.

Meeting ending 7:39 p.m.

Minutes respectfully submitted by Jaime Weigel on April 20, 2020



Finance Committee Meeting Minutes of April 28, 2020

ABSTRACT/SYNOPSIS OF THE ESSENTIAL ELEMENTS OF THE OFFICIAL ACTIONS OF THE FINANCE COMMITTEE OF THE CITY OF WHITEWATER, WALWORTH AND JEFFERSON COUNTIES, WISCONSIN.

1. Call to Order and Roll Call – As Lynn Binnie, the existing Chair of the Committee was appointed to another committee at the last Council meeting, Steve Hatton called the meeting to order at 5:30 pm. Jim Allen was named as a new Finance Committee member. Present at the meeting were Committee Members Jim Allen, Patrick Singer and McKinley Palmer. Also present, City Manager Cameron Clapper and Finance Director Steve Hatton.
2. Nomination and Selection of Finance Committee Chairperson
Palmer nominated Jim Allen as Chairperson. Nomination was seconded by Singer. Motion passed by roll-call vote.
Ayes: Singer, Palmer
Noes: None
Abstained: Jim Allen
Absent: None
Jim Allen then assumed control of meeting.
3. Review and Approval of Committee Minutes from February 25, 2020
Singer made a motion to approve minutes of February 25, 2020 with a second by Palmer. The motion was passed by unanimous voice vote.
Ayes: Allen, Singer, Palmer
Noes: None
Abstained: None
Absent: None
4. Hearing of Citizen Comments – None
5. Staff Updates.
 - a. 2019 Audit Status. Hatton reported that the draft audit report has been received and a couple of items remain to be updated. The report is expected to be finalized in time for the May 26, Finance Committee meeting. Based on action at that meeting, would then be brought to the full Common Council on June 2nd.
 - b. Ride Share Program Update. Hatton reported that CARES funding provided to the State of Wisconsin by the Federal Government to help address COVID-19 impact has been earmarked, in part, to local transit programs. WisDOT, who manages these transit programs, has indicated that they will use this funding to cover any operating shortfall for local transit programs. Given the declines in ridership taking place, our budgeted \$25,000 local funding need would likely be much higher, absent this CARES funding.
6. Discussion/Direction on the Following:
 - a. 2020 Borrowing to Fund Capital Projects. Hatton reviewed the Preliminary Financing Plan prepared by Ehlers that details the planned borrowing in 2020 that:

Finance Committee Minutes – April 28, 2020

- i. Refinances the temporary borrowing completed in 2019 for bond-eligible 2019 Capital Projects;
- ii. Refinances the Levy supported portion of the 2010 BAB to realize savings and simplification of administration;
- iii. Finances 2020 Capital Projects as approved in the 2020 Budget.

This material was included in the meeting material and addressed the impact of this proposed borrowing on taxes and covenants of existing debt.

Allen moved to recommend Council approval of resolution authorizing the issuance of bonds totaling \$5,420,000 to refinance the 2019 borrowing and finance approved 2020 Capital Projects. approval adjourn with a second from Singer. Motion was approved by roll-call vote.

Ayes: Allen, Singer, Palmer

Noes: None

Abstained: None

Absent: None

7. Future Agenda Items. Palmer raised what impact UWW fall closure would have on City finances. Singer requested COVID updates from the State, League of Wisconsin Municipalities and others.
8. Discussion of Next Meeting Date. Next meeting scheduled for May 26 at 4:30 pm.
9. Adjournment – Singer moved to adjourn with a second from Palmer. Motion passed by voice vote.
Ayes: Allen, Singer, Palmer
Noes: None
Abstained: None
Absent: None

The finance committee adjourned at 5:23 pm.

Respectfully submitted,

Kathy Boyd

Executive Assistant



Common Council Agenda Item

Meeting Date:	June 2, 2020
Agenda Item:	2020 Salary Resolution Amendment #2
Staff Contact (name, email, phone):	Steve Hatton, shatton@whitewater-wi.gov , 262-473-1380

BACKGROUND

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

Annually, the Common Council establishes wage ranges that are approved for staff compensation by means of a Salary Resolution. This resolution requires periodic updates, based on changes in staffing plans and conclusion of contract negotiations.

The following amendments to the 2020 Salary Resolution have been identified for approval and are highlighted on the attached schedule:

1. **Police Union contract:** The Common Council approved the 2020-2022 Whitewater Professional Police Supervisors Union on May 5, 2020. This proposed amendment incorporates the agreed contractual wages into the Resolution.
2. **GIS Technician:** FLSA status corrected to Non-Exempt.
3. **Communications Coordinator hourly rate** was updated to reflect results of wage analysis. This change works in concert with the wage progression as highlighted in #4. Organizational Planning.
4. **Organizational Planning:** Positions within departments are being reviewed for efficiency and to ensure career path and succession planning aspects are considered. This proposed amendment incorporates changes to the following positions:
 - a. **Dispatcher /Records Communication Aid I and Dispatcher/Records Communication Aid II:** These positions are being established to provide a career path for this essential role: Dispatcher/Records Communication Aid II is an entry level position to the profession and the benefits of the Dispatcher/Communications Aid I is two-fold: it allows a career path to the Dispatcher/Records Communication Aid II and allows Command Staff the ability to offer a competitive wage to those who have direct experience in the field as a recruitment tool.

No change to total staffing levels is planned.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

12/17/2019: Common Council approved the 2020 Salary Resolution

02/04/2020: Common Council approved 2020 Salary Resolution Amendment #1

05/26/2020: Finance Committee recommended 2020 Salary Resolution #2 for approval

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

Move approval of 2020 Salary Resolution Amendment #2 per attached exhibit

ATTACHMENT(S) INCLUDED
(If none, state N/A)

1. 2020 Salary Resolution Amendment #2.pdf
-

City of Whitewater
2020 Salary Resolution
Amendment #2

WHEREAS, the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, set forth the wage and salary schedule in which wages are established for employees during 2020

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Whitewater, Walworth and Jefferson Counties, Wisconsin, that the following ranges and numbers of employees in the 2020 Wage and Salary Schedule are hereby adopted pursuant to Wisconsin Statutes: and

BE IT FURTHER RESOLVED that the contents of this resolution shall supersede such previously adopted schedules where the subject matter between the two shall be in conflict, and the changes contained herein shall be effective beginning January 1, 2020 Amendment #2 dated June 2, 2020.

Position	Department	FTE	2020 Grade	Effective	FLSA Status	Minimum Hourly	Maximum Hourly	Minimum Annual	Maximum Annual
Accountant	Finance and Administrative Services	1.0	G	1/1/2020	Non-Exempt	\$19.33	\$24.58		
Accounting Technician II - Payroll & Accounts Payable	Finance and Administrative Services	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Accounting Technician II- Utilities	Finance and Administrative Services	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Activity Instructors	Parks and Recreation		A	1/1/2020	Non-Exempt	\$7.75	\$9.19		
Activity Leaders / Lifeguards & WSI Aide	Parks and Recreation		B	1/1/2020	Non-Exempt	\$9.25	\$12.07		
Administrative Assistant I - Utilities	Department of Public Works	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Administrative Assistant I- Neighborhood Services	Neighborhood Services	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Administrative Assistant I - Records Technician	Police	2.5	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Aquatic & Fitness Programmer	Parks and Recreation	1.0	H	1/1/2020	Exempt			\$45,036.56	\$57,269.63
Assistant Library Director	Library	1.0	T	1/1/2020	Exempt			\$48,556.79	\$61,744.18
Building Maintenance	Parks and Recreation	2.0	H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Camera Operators	Public Relations and Communications	0.62	A	1/1/2020	Non-Exempt	\$7.25	\$10.23		
Captain	Police	1.0	N	1/1/2020	Exempt			\$84,308.98	\$89,817.04
CDA Administrative Assistant	Administration	0.5	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Certified Instructors	Parks and Recreation		E	1/1/2020	Non-Exempt	\$15.00	\$20.99		
Chief Election Inspectors	Administration		B	1/1/2020	Non-Exempt	\$12.00	\$12.00		
City Clerk	Administration	1.0	I	1/1/2020	Exempt			\$48,556.79	\$61,744.18
Clerk of Court (Part-time)	Administration	0.75	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Communications Coordinator	Police	1.0	G	1/1/2020	Non-Exempt	\$20.37	\$27.57		
Community Service Officer	Police	1.0	B	1/1/2020	Non-Exempt	\$10.75	\$10.98		
Comptroller	Finance and Administrative Services	1.0	J	1/1/2020	Exempt			\$55,596.99	\$70,697.74
Custodian/Groundskeeper	Wastewater		E	1/1/2020	Non-Exempt	\$15.72	\$20.08		
Customer Service Specialist	Library	3.15	D	1/1/2020	Non-Exempt	\$13.60	\$17.31		
Deputy Clerk	Administration	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
Deputy Chief	Police	1.0	O	1/1/2020	Exempt			\$88,004.80	\$95,463.50
Desk Staff	Parks and Recreation		C	1/1/2020	Non-Exempt	\$10.00	\$15.74		
Detective Lieutenant	Police	1.0	M	1/1/2020	Non-Exempt	\$37.89			
Detective	Police	2.0	L	1/1/2020	Non-Exempt	\$34.16			
Director of Public Works/City Engineer	Administration	1.0	N	1/1/2020	Exempt			\$77,345.90	\$97,705.39
Dispatcher / Records Communications Aide II	Police	6.5	F	1/1/2020	Non-Exempt	\$17.63	\$21.22		
Dispatcher / Records Communications Aide I	Police	6.5	G	1/1/2020	Non-Exempt	\$18.52	\$25.06		
Economic Development Director	Administration	1.0	K	1/1/2020	Exempt			\$52,924.89	\$79,648.20
Election Inspectors	Administration		B	1/1/2020	Non-Exempt	\$10.00	\$10.00		
Engineering Technician	DPW		H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Executive Assistant	Administration	1.0	F	1/1/2020	Non-Exempt	\$16.81	\$21.97		
Foreman	DPW	1.0	J	1/1/2020	Non-Exempt	\$26.24	\$31.54		
Finance & Administrative Services Director	Finance and Administrative Services	1.0	N	1/1/2020	Exempt			\$77,345.90	\$97,705.39
Fire Inspector / Code Enforcement Officer	Neighborhood Services	1.0	D	1/1/2020	Non-Exempt	\$13.60	\$17.31		
Fitness and Member Services Coordinator	Parks and Recreation	1.0	E	1/1/2020	Exempt			\$35,568.00	\$43,641.93
GIS Technician	Neighborhood Services	1.0	F	1/1/2020	Non-Exempt	\$18.26	\$23.23		
Head Lifeguard	Parks and Recreation		C	1/1/2020	Non-Exempt	\$12.00	\$15.74		
Human Resources Manager	Administration	1.0	J	1/1/2020	Exempt			\$51,048.00	\$69,065.00
Chief Information Officer	Finance and Administrative Services	1.0	K	1/1/2020	Exempt			\$59,115.92	\$75,172.27
Lab Assistant	Wastewater	0.25	B	1/1/2020	Non-Exempt	\$10.20	\$12.20		
Laborer I	Streets/Parks/Forestry	8.0	H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Laborer II	Streets/Parks/Forestry		F	1/1/2020	Non-Exempt	\$18.37	\$22.92		
Library Director	Library	1.0	L	1/1/2020	Exempt			\$62,634.59	\$79,648.20
Lieutenant	Police	4.0	M	1/1/2020	Non-Exempt	\$37.89			
Laborer I - Mechanic	Streets/Parks/Forestry	1.0	H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Neighborhood Services Director	Neighborhood Services	1.0	J	1/1/2020	Exempt			\$55,596.99	\$70,697.74
Outreach Services Specialist	Library	1.16	E	1/1/2020	Non-Exempt	\$15.45	\$19.65		
Parks & Recreation Director	Parks and Recreation	1.0	L	1/1/2020	Exempt			\$62,634.59	\$79,648.20
Patrol Officer	Police	14	J	1/1/2020	Non-Exempt	\$27.73	\$32.54		
Patrol Officer In Training	Police		F	1/1/2020	Non-Exempt	\$20.80			
Program Attendants	Parks and Recreation		A	1/1/2020	Non-Exempt	\$7.25	\$8.66		
Programming and Makerspace Librarian	Library	0.75	E	1/1/2020	Non-Exempt	\$15.45	\$19.65		
Public Relations / Communications Manager	Finance and Administrative Services	1.0	H	1/1/2020	Exempt			\$45,036.56	\$57,269.63
Recreation & Community Events Programmer	Parks and Recreation	1.0	H	1/1/2020	Exempt			\$45,036.56	\$57,269.63
Recreation Program Coordinator	Parks and Recreation	1.0	E	1/1/2020	Non-Exempt	\$16.81	\$21.37		
School Resource Officer (SRO)	Police	1.0	L	1/1/2020	Non-Exempt	\$34.16			
Seasonal Laborer	Streets/Parks/Forestry		C	1/1/2020	Non-Exempt	\$10.00	\$15.32		

City of Whitewater
2020 Salary Resolution
Amendment #2

Position	Department	FTE	2020 Grade	Effective	FLSA Status	Minimum Hourly	Maximum Hourly	Minimum Annual	Maximum Annual
Senior Coordinator (Part time)	Parks and Recreation	0.88	E	1/1/2020	Non-Exempt	\$15.69	\$19.65		
Sports Officials	Parks and Recreation		G	1/1/2020	Non-Exempt	\$20.00	\$25.00		
Streets, Parks & Forestry Superintendent	Streets/Parks/Forestry	1.0	L	1/1/2020	Exempt			\$62,634.59	\$79,648.20
Support Services Manager	Police	1.0	H	1/1/2020	Exempt			\$45,036.56	\$57,269.63
Technical Services Specialist	Library	1.61	E	1/1/2020	Non-Exempt	\$15.45	\$19.65		
Tournament Manager	Parks and Recreation	0.14	D	1/1/2020	Non-Exempt	\$13.60	\$17.31		
Vacant Grade			M	1/1/2020	Exempt			\$69,675.06	\$88,601.73
Vacant Grade			N	1/1/2020	Exempt			\$73,313.65	\$92,611.74
Vacant Grade			O	1/1/2020	Exempt			\$81,599.92	\$103,079.18
Wastewater Specialist II	Wastewater		F	1/1/2020	Non-Exempt	\$18.37	\$22.92		
Wastewater Specialist I	Wastewater		H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Wastewater Operator / Lab Technician	Wastewater	4.0	H	1/1/2020	Non-Exempt	\$23.01	\$29.10		
Wastewater Lead Operator	Wastewater	1.0	J	1/1/2020	Non-Exempt	\$26.24	\$31.54		
Wastewater Plant Superintendent	Wastewater	1.0	L	1/1/2020	Exempt			\$62,634.59	\$79,648.20
Water Laborer II	Water		F	1/1/2020	Non-Exempt	\$18.37	\$22.92		
Water Laborer I	Water		H	1/1/2020	Non-Exempt	\$23.01	\$27.54		
Water Operator	Water	3.0	H	1/1/2020	Non-Exempt	\$23.01	\$29.20		
Water Superintendent	Water	1.0	L	1/1/2020	Exempt			\$62,634.59	\$79,648.20
WIAA Sports Officials	Parks and Recreation		L	1/1/2020	Non-Exempt	\$35.00	\$35.00		
Youth Educational Services Librarian	Library	1.0	F	1/1/2020	Exempt			\$37,997.67	\$48,317.52

100.3

¹ Annual Minimum and Maximum are estimated based on a full time schedule of 2080 hours. These amounts do not reflect a guaranteed annual sum for hourly employees.

² Benefit eligible staff hired prior to 11/20/2017 will be guaranteed a minimum wage adjustment based upon the schedule published in the 2017 Salary Resolution. All wage adjustments are contingent upon an acceptable performance evaluation.

Resolution introduced by Councilmember, _____, who moved its adoption. Seconded by Councilmember, _____

AYES: _____

NOES: _____

ABSENT: _____

ADOPTED: _____

Signatures:

City Manager

Michele R Smith, City Clerk



Council Agenda Item

Meeting Date:	June 2, 2020
Agenda Item:	No Parking – Milwaukee Street and Elkhorn Road
Staff Contact (name, email, phone):	Brad Marquardt, bmarquardt@whitewater-wi.gov , 262-473-0139

BACKGROUND

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

With the recent reconstruction on E. Milwaukee Street and Elkhorn Road, the Whitewater Municipal Code, reflecting areas of No Parking, needs to be updated.

Delete

Milwaukee Street

1. South side; from the east curbline of S Newcomb, east to a point 175 feet east
2. North side; from the east edge of the west driveway at 960 E Milwaukee, east to a point 180 feet east
3. North side; from the west curbline of Newcomb St west to a point 250 feet

Elkhorn Road

1. On round a bout
2. West side; from a point 138 feet north of the north curbline of E Clay, northerly and thence westerly along the curve onto E Milwaukee to a point 219 feet

Add

E. Milwaukee Street

1. South side; from the west property line of 617 Milwaukee Street to S. Newcomb Street
2. North side; from S. Newcomb Street west to the east property line of 624 Milwaukee Street
3. South side; from the east curbline of S Newcomb, east to a point 260 feet east
4. North side; from the east side stopbar at S. Newcomb for westbound traffic, east to a point 165 feet east
5. South side around Taft Street; from 20 feet east of the west property line of 757 Milwaukee Street to 90 feet west of the east property line of 803 Milwaukee Street
6. North side around Taft Street; from 20 feet east of the west property line of 757 Milwaukee Street, east to a point 140 east
7. South side around S. Rice Street; from 170 feet east of the west property line of 841 Milwaukee Street, east to a point 285 feet east
8. North side around Willard Street; from 45 feet west of the west property line of 844 Milwaukee Street, east to a point 310 feet east
9. Both sides; from the center of the round a bout, north to a point 330 feet north

Elkhorn Road

1. Both sides; from the center of the round a bout, south to the City Limits at Sunrise Lane
2. West side; from the north property line of W8239 Elkhorn Road, north to the City Limits south of Sunrise Lane

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS

(Dates, committees, action taken)

Public Works Committee approved updating the Municipal Code as noted above at their May 12, 2020 meeting.

FINANCIAL IMPACT

(If none, state N/A)

N/A

STAFF RECOMMENDATION

Staff recommends updating the Municipal Code to reflect the No Parking changes as stated above.

ATTACHMENT(S) INCLUDED

(If none, state N/A)

1. Ordinance Deletions and New
2. No Parking Maps

ORDINANCE No. _____

AN ORDINANCE AMENDING SUBSECTION 11.16.150
STREET INDEX OF PARKING RESTRICTIONS

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

SECTION 1. Whitewater Municipal Code Chapter 11.16 Subsection 11.16.150 is hereby amended by deleting the following from the Street Index of Parking Restrictions:

Table 11.16.150
Street Index of Parking Restrictions

Elkhorn Rd (Old Hwy 12)	On roundabout	11.16.080	No parking
Elkhorn Rd (Old Hwy 12)	West side; from a point 138 feet north of the north curblin of E Clay, northerly and thence westerly along the curve onto E Milwaukee to a point 219 feet	11.16.080	No parking
E Milwaukee St	South side; from the east curblin of S Newcomb, east to a point 175 feet east	11.16.080	No parking
E Milwaukee St	North side; from the east edge of the west driveway at 960 E Milwaukee, east to a point 180 feet east	11.16.080	No parking
E Milwaukee St	North side; from the west curblin of Newcomb St west to a point 250 feet	11.16.080	No parking

Ordinance introduced by Council Member _____, who moved its adoption.

Seconded by Council Member _____.

AYES:

NOES:

ABSENT:

ADOPTED:

Cameron Clapper, City Manager

Michele R. Smith, City Clerk

ORDINANCE No. _____
 AN ORDINANCE AMENDING SUBSECTION 11.16.150
 STREET INDEX OF PARKING RESTRICTIONS

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

SECTION 1. Whitewater Municipal Code Chapter 11.16 Subsection 11.16.150 is hereby amended by adding the following to the Street Index of Parking Restrictions:

Table 11.16.150
Street Index of Parking Restrictions

	Elkhorn Rd	<u>Both sides; from the center of the round a bout, south to the City Limits at Sunrise Lane On roundabout</u>	11.16.080	No parking
	Elkhorn Rd	<u>West side; from the north property line of W8239 Elkhorn Road, north to the City Limits south of Sunrise Lane West side; from a point 138 feet north of the north curbline of E Clay, northerly and thence westerly along the curve onto E Milwaukee to a point 219 feet</u>	11.16.080	No parking
E	Milwaukee St	<u>South side; from the west property line of 617 E. Milwaukee Street to S. Newcomb Street South side; from the east curbline of S Newcomb, east to a point 175 feet east</u>	11.16.080	No parking
E	Milwaukee St	<u>North side; from S. Newcomb Street west to the east property line of 624 E. Milwaukee Street North side; from the east edge of the west driveway at 960 E Milwaukee, east to a point 180 feet east</u>	11.16.080	No parking
E	Milwaukee St	<u>South side; from the east curbline of S. Newcomb Street, east to a point 260 feet east North side; from the west curbline of Newcomb St west to a point 250 feet</u>	11.16.080	No parking
E	<u>Milwaukee St</u>	<u>North side; from the east side stopbar at S. Newcomb Street for westbound traffic, east to a point 165 feet east</u>	<u>11.16.080</u>	<u>No parking</u>
E	<u>Milwaukee St</u>	<u>South side around S. Taft Street; from 20 feet east of the west property line of 757 E. Milwaukee Street to 90 feet west of the east property line of 803 E. Milwaukee Street,</u>	<u>11.16.080</u>	<u>No parking</u>
E	<u>Milwaukee St</u>	<u>North side around S. Taft Street; from 20 feet east of the west property line of 757 E. Milwaukee Street, east to a point 140 east</u>	<u>11.16.080</u>	<u>No parking</u>

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E	<u>Milwaukee St</u>	<u>South side around S. Rice Street; from 170 feet east of the west property line of 841 E. Milwaukee Street, east to a point 285 feet east</u>	<u>11.16.080</u>	<u>No parking</u>
E	<u>Milwaukee St</u>	<u>North side around S. Willard Street; from 45 feet west of the west property line of 844 E. Milwaukee Street, east to a point 310 feet east</u>	<u>11.16.080</u>	<u>No parking</u>
E	<u>Milwaukee St</u>	<u>Both sides; from the center of the round a bout, north to a point 330 feet north</u>	<u>11.16.080</u>	<u>No parking</u>

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Ordinance introduced by Council Member _____, who moved its adoption.

Seconded by Council Member _____.

AYES:

NOES:

ABSENT:

ADOPTED:

Cameron Clapper, City Manager

Michele R. Smith, City Clerk

5/29/2020

WILROAD

STREET

COMPANY

EAST

WISCONSIN

TO THE

CSM 4753

CSM 4753

CSM 4753

STREET

MILWAUKEE

CSM 2881

CSM 1274

CSM 4005

ADDITION

CSM 2881

CSM 2881

CSM 1274

CSM 4005

30 of 180

STREET

CLAY

No Parking Map 1

WALWORTH COUNTY, WISCONSIN



Author:
Map Produced on: 5/8/2020

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



Walworth County Information Technology Department
Land Information Division
1993 County Trunk 1N
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THE INFORMATION. THE INFORMATION IS NOT TO BE USED FOR ANY PURPOSES
OTHER THAN THOSE FOR WHICH IT WAS PROVIDED.



No Parking Map 2

WALWORTH COUNTY, WISCONSIN

Map Produced on: 05/20/20
 Wisconsin State Plane Coordinate System, South Zone
 Horizontal Datum: NAD83-2011

Author:
 Walworth County Information Technology Department
 Land Information Division

1890 County Truss 98
 1910 County Truss 101
 1920 County Truss 102
 1930 County Truss 103
 1940 County Truss 104
 1950 County Truss 105
 1960 County Truss 106
 1970 County Truss 107
 1980 County Truss 108
 1990 County Truss 109
 2000 County Truss 110

Scale: 0 20 40 80 120 160 200 Feet



VILLAGE

BLUFF ROAD

ROAD

CENTURY ROAD

CSM 4054

CSM 4054

CSM 4054

CSM 919

CSM 4054

CSM 1557

CSM 3186

TOWN OF WHITEWATER

CSM 1292

SUNRISE LANE

No Parking Map 3

WALWORTH COUNTY, WISCONSIN



Author:

Map Produced on: 5/6/2020

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

Walworth County Information Technology Department
Land Information Division

1800 County Trunk NW
Elkhorn, Wisconsin 53121-1001

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5/29/2020

32 of 480



5/29/2020

No Parking Map 4

WALWORTH COUNTY, WISCONSIN

0 15 30 60 90 120 150
Feet

Graphic: Grid North

Author:
Map Produced on: 5/6/2020
Wisconsin State Plane Coordinate System, South Zone
Horizontal Datum: NAD83-2011

Walworth County Information Technology Department
Land Information Division
1805 County Trunk NN
Elkhorn, Wisconsin 53121-1001

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ORDINANCE NO. _____
 AN ORDINANCE AMENDING SECTION 1.21.010 SCHEDULE OF DEPOSITS
 ESTABLISHING A FINE FOR VIOLATION OF CHAPTER 9.22 PROHIBITING PET
 STORES FROM SELLING DOGS, CATS, AND RABBITS.

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

SECTION 1: Whitewater Municipal Code Section 1.21.010 is hereby amended by adding the following:

<u>CHAPTER OR SECTION NUMBER</u>	<u>OFFENSE</u>	<u>DEPOSITS AND COSTS</u>
9.22	Sale of Dogs, Cats, and Rabbits by Pet Stores	\$500.00 per animal sold in violation of this ordinance plus statutory penalty assessment, jail assessment, court costs and crime lab assessment

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

Ordinance introduced by Councilmember _____, who moved its adoption. Seconded by Councilmember _____.

AYES:

NOES:

Cameron Clapper, City Manager

ABSENT:

Michele R. Smith, City Clerk

ADOPTED:

ORDINANCE No. _____
AN ORDINANCE CREATING CHAPTER 9.22 PROHIBITING PET STORES FROM SELLING
DOGS, CATS, AND RABBITS

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

CHAPTER 1. Whitewater Municipal Code Chapter 9.22 is hereby created to read as follows:

Chapter 9.22 – LARGE SCALE COMMERCIAL ANIMAL BREEDING PROHIBITED

9.22.010 – Purpose and Intent.

WHEREAS, Most puppies and kittens sold in pet stores come from large-scale, commercial breeding facilities where the health and welfare of the animals is disregarded in order to maximize profits (“puppy mills” and “kitten mills,” respectively). According to The Humane Society of the United States, an estimated 10,000 puppy mills produce more than 2 million puppies per year in the United States.

WHEREAS, The documented abuses endemic to puppy and kitten mills include overbreeding; inbreeding; minimal veterinary care; lack of adequate food, water and shelter; lack of socialization, exercise and enrichment; lack of sanitation.

WHEREAS, Pet store puppies are often sick and have behavioral problems due to the substandard conditions they were likely born into often including that they were taken from their mothers at a very young age; they were transported in trucks filled with other young puppies and they were placed in a pet store cage with or near other puppies who are often sick.

WHEREAS, Pet stores often mislead consumers as to where the puppies and kittens in the stores came from and make false health and behavior guarantees. Many consumers end up paying hundreds or thousands of dollars in veterinary bills and suffer the heartbreak of having their new pet suffer, and in some cases pass away.

WHEREAS, According to the U.S. Centers for Disease Control and Prevention, pet store puppies pose a health risk to consumers, as over one hundred Americans have contracted an antibiotic-resistant *Campylobacter* infection from contact with pet store puppies.

WHEREAS, Current federal and state regulations do not adequately address the animal welfare and consumer protection problems that the sale of puppy and kitten mill dogs and cats in pet stores pose. Federal oversight of the commercial breeding industry is severely lacking.

WHEREAS, Prohibiting pet stores from selling dogs and cats is likely to decrease the demand for puppies and kittens bred in puppy and kitten mills and decrease the burden that pet store puppies and kittens that end up in animal shelters place on local agencies and taxpayers.

WHEREAS, The huge majority of pet stores, both large chains and small and family-owned shops, are already in compliance with the proposed ordinance as they already do not sell

dogs and cats but rather profit from selling products, offering services, and in some cases, collaborating with local animal shelters and rescues to host adoption events.

WHEREAS, This ordinance will not affect a consumer's ability to obtain a dog or cat of his or her choice from an animal rescue, shelter, or breeder who sells directly to the public.

WHEREAS, The council believes it is in the best interest of Whitewater, Wisconsin to adopt reasonable regulations to reduce costs to Whitewater, Wisconsin and its residents, protect citizens who may purchase cats or dogs from a pet store, help prevent inhumane breeding conditions, promote community awareness of animal welfare, and foster a more humane environment in Whitewater.

9.22.020 - Definitions

Animal care facility - an animal control center or animal shelter, maintained by or under contract with any state, county, or municipality, whose mission and practice is, in whole, or significant part, the rescue and placement of animals in permanent homes or rescue organizations.

Animal rescue organization - any not-for-profit organization which has tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code, whose mission and practice is, in whole or in significant part, the rescue and placement of animals in permanent homes. This term does not include an entity that is a breeder or broker or one that obtains animals from a breeder or broker for profit or compensation.

Breeder - a person that maintains a dog or cat for the purpose of breeding and selling their offspring.

Broker - a person that transfers a dog or cat from a breeder for resale by another person.

Cat - a member of the species of domestic cat, *Felis catus*.

Dog - a member of the species of domestic dog, *Canis familiaris*.

Pet store - a retail establishment where companion animals are sold, exchanged, bartered or offered for sale to the general public. Such definition shall not include an animal care facility or animal rescue organization, as defined.

9.22.030 – Restrictions on the Sale of Animals

No pet store shall sell, deliver, offer for sale, barter, auction, give away, or otherwise transfer or dispose of cats, dogs, or rabbits. Nothing in this section shall prohibit pet stores from collaborating with animal care facilities or animal rescue organizations to offer space for such entities to showcase adoptable dogs, cats, or rabbits provided the pet store shall not have any ownership interest in the animals offered for adoption and shall not receive a fee for providing space for the adoption of any of these animals. Dogs may not be kept overnight.

9.22.040 – Penalty

A pet store that violates this section shall be subject to a civil penalty of \$500, and each dog, cat, or rabbit offered for sale in violation of this section shall constitute a separate violation.

9.22.050 – Severability

If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance shall be declared invalid for any reason whatsoever, such decision shall not affect the remaining portions of this Ordinance which shall continue in full force and effect, and to this end the provisions of this Ordinance are hereby declared to be severable.

9.22.060 – Effective Date

This ordinance shall become effective 90 days after passage.

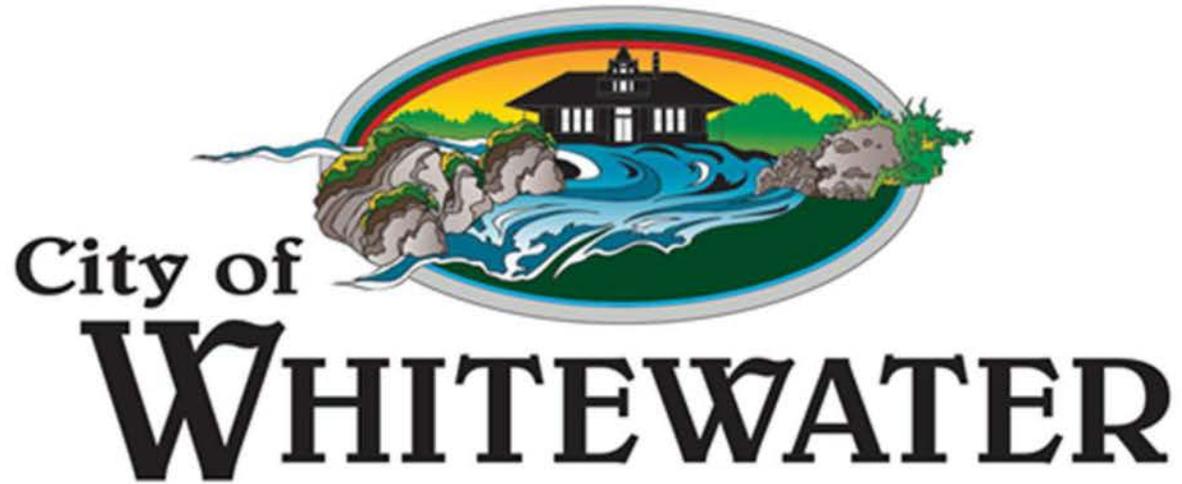
Ordinance introduced by Council Member _____, who moved its adoption.

Seconded by Council Member _____.

AYES:
NOES:
ABSENT:
ADOPTED:

Cameron Clapper, City Manager

Michele R. Smith, City Clerk



City Financial Update
Presentation to Common Council
June 2, 2020

Steve Hatton; Director, Finance and Administrative Services



Financial Update

- **2019 Financial Audit**
 - Audit Overview
 - Significant Financial Events
 - Revenues, Expenses, Net Position
 - Actual vs. Budget
 - Debt Profile
 - Debt Capacity
- **2020 Year-to-Date**
 - General Fund Actual vs. Budget



2019 Audit Overview

- **Audit firm: Johnson Block and Company, Inc., Certified Public Accountants**
- **Audit Scope**
 - Government Activities
 - Business Type Activities (Utilities)
 - Component Unit (CDA)
- **Audit Opinion: Unqualified (or ‘Clean’)**

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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of December 31, 2018, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.



2019 Overview: Year in Review

Significant Financial Events

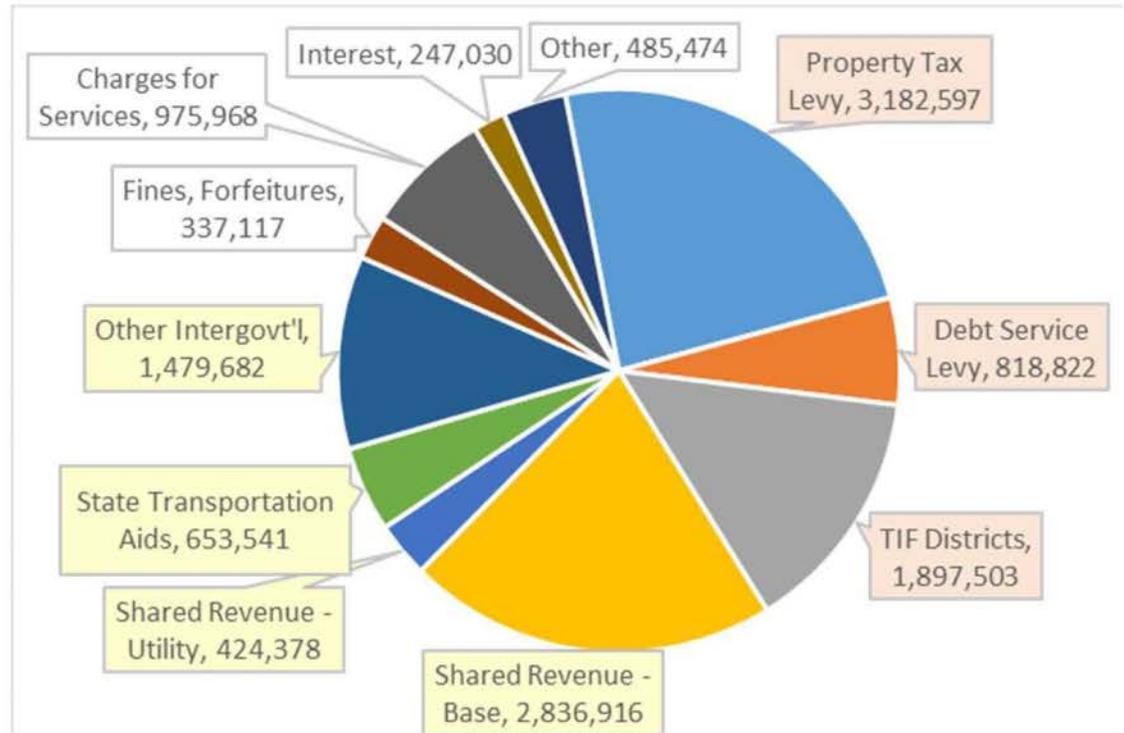
- **April: Utility Rate Study completed by Ehlers**
- **May: Water Rate Caste filed with Public Service Commission**
- **June: Wastewater rate increase approved**
- **July: \$3.4 MM borrowing for 2016-2019 capital projects**
- **November: 2020 Budget Adopted**
- **December: Wastewater Treatment Plant Project Completed**
 - **\$24.3 MM Project funded by:**
 - **\$2.00 MM Wastewater Fund Cash**
 - **\$0.73 MM Grant**
 - **\$21.6MM Clean Water fund loan; \$19.78 MM drawn at 12/31/2019**



2019 Overview: Governmental Funds

Source of Funds

	2019	
Property Tax Levy	3,182,597	24%
Debt Service Levy	818,822	6%
TIF Districts	1,897,503	14%
Total Property Tax	5,898,922	44%
Shared Revenue - Base	2,836,916	21%
Shared Revenue - Utility	424,378	3%
State Transportation Aids	653,541	5%
Other Intergov't'l	1,479,682	11%
Intergovernmental	5,394,517	40%
Fines, Forfeitures	337,117	3%
Charges for Services	975,968	7%
Interest	247,030	2%
Other	485,474	4%
Total City Revenue	13,339,028	100%



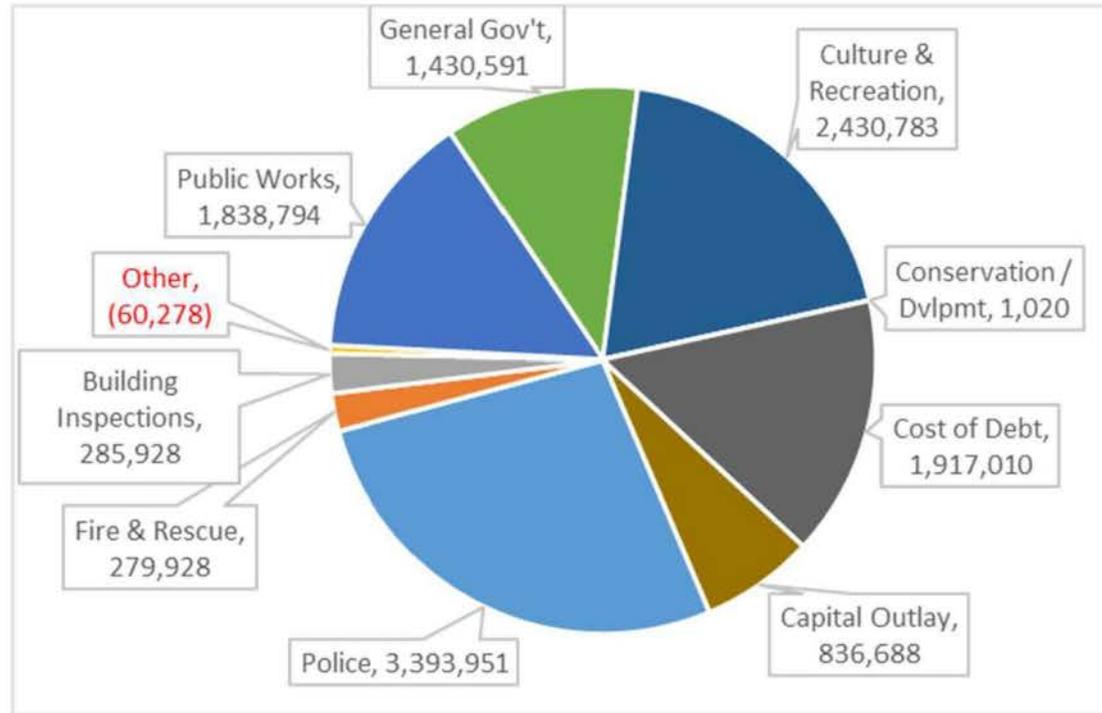
Reliant on Tax Levy (Constrained) and Shared Revenue



2019 Overview: Governmental Funds

Use of Funds

	2019
Police	3,393,951
Fire & Rescue	279,928
Building Inspections	285,928
Other	(60,278)
Total Public Safety	<u>3,899,528</u>
Public Works	1,838,794
General Gov't	1,430,591
Culture & Recreation	2,430,783
Conservation / Dvlpmt	1,020
Cost of Debt	1,917,010
Capital Outlay	836,688
Total Expenditures	<u>12,354,414</u>





2019 Overview: Fund Balance

Governmental Funds	2019	2018
Revenue	13,339,028	12,948,231
Expenditures	(12,354,414)	(15,226,899)
Transfers / Debt Proceeds	1,452,048	2,842,117
Net Surplus (Deficit)	2,436,662	563,449
Beginning Balance	3,787,683	3,224,234
Ending Balance	6,224,345	3,787,683

Fund Balance Detail	2019	2018
Non-spendable	341,990	357,975
Restricted	2,802,016	1,302,084
Assigned	1,383,167	838,352
Unassigned	1,697,162	1,289,270
Net Position	6,224,335	3,787,681
YOY Change	2,436,654	563,449

	Non Spendable	Restricted	Assigned	Un-assigned	Total
General Fund	341,990		1,383,167	1,968,082	3,693,239
Debt Service Fund		43,298			43,298
TID 4 Fund		981,972			981,972
Aquatic Center Fund				(261,151)	(261,151)
Non-Major Funds		1,298,485		468,492	1,766,977
	341,990	2,323,755	1,383,167	2,175,423	6,224,335

	Audited 2019	Audited 2018	Audited 2017	Audited 2016
General Fund Balance	3,693,239	2,795,867	2,388,274	2,327,625
Unassigned	1,968,082	1,599,540	1,545,272	1,441,006
Current Yr Fund 100 Expenditures/Transfers	8,763,623	8,538,630	8,425,341	9,151,171
Reserve Ratio	22.5%	18.7%	18.3%	15.7%
Reserve Policy Target	20.0%	20.0%	20.0%	20.0%
+/- Target	215,357	(108,186)	(139,796)	(389,228)

2019 Overview: Actual vs. Budget

Budgetary Basis



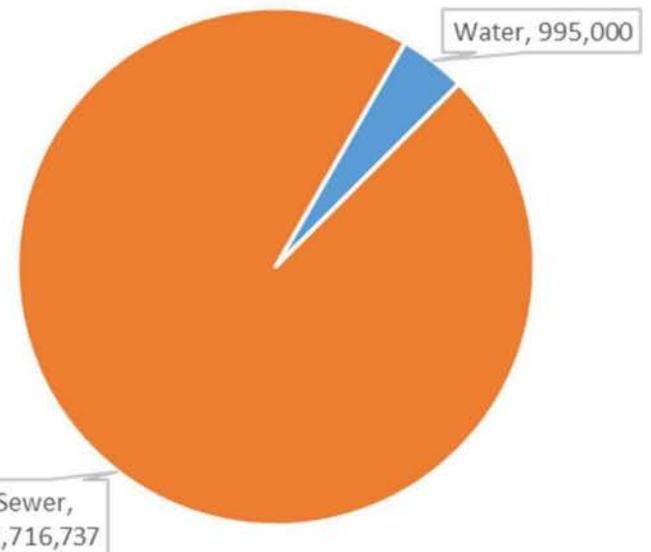
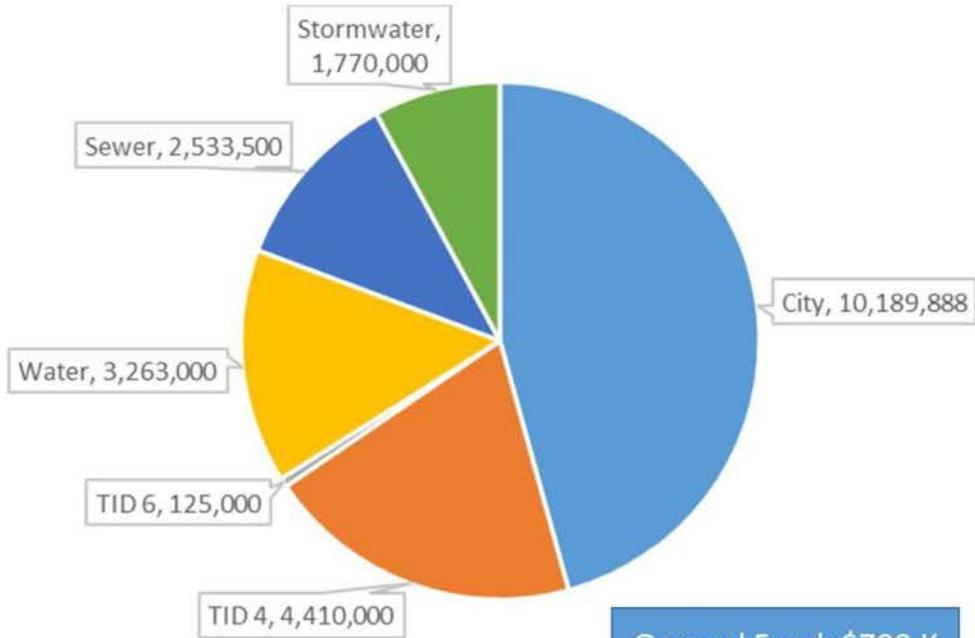
General Fund Budgetary Basis	2019 Budget	2019 Actual	Better / (Worse)
Total Revenues	9,259,907	9,514,072	254,165
Gen'l Gov't Exp	1,539,469	1,405,279	134,190
Public Safety Exp	4,005,270	3,822,497	182,773
Public Works Exp	984,853	1,142,040	(157,187)
Culture & Recreation Exp	697,457	617,300	80,157
Total Expenditures	7,227,048	6,987,116	239,932
Net Revenue / (Expense)	2,032,859	2,526,956	494,097
Transfers In / (Out)	(2,032,859)	(2,291,471)	(258,612)
Net Change in Fund Balance	0	235,485	235,485
Beginning	2,043,815	2,043,815	
Ending	2,043,815	2,279,300	

Revenues Favorable: Interest,
Municipal Services Pmt,

- Expenditures favorable to Budget
- Improvement in Fund Balance



2019 Overview: Total Debt at 12/31/2019



Gen. Oblig. Debt: \$22.291 MM
 2019 Debt Service: \$2.563 MM
 2020 Debt Service: \$2.828 MM

General Fund: \$798 K
 TIDs: \$1.366 MM
 Utilities: \$399 K

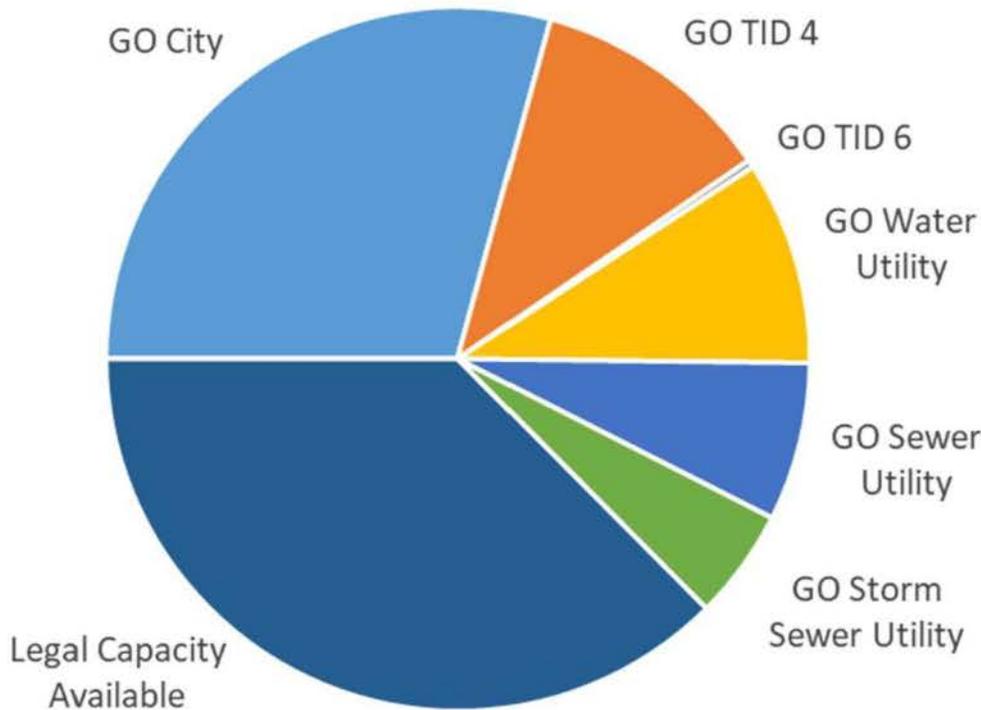
Total Debt: \$46.003 MM
2019 Debt Service \$4.789 MM

Revenue Debt: \$23.712 MM
 2019 Debt Service \$1.935 MM
 2020 Debt Service \$1.961 MM

Financial Update to Common Council

6/2/2020

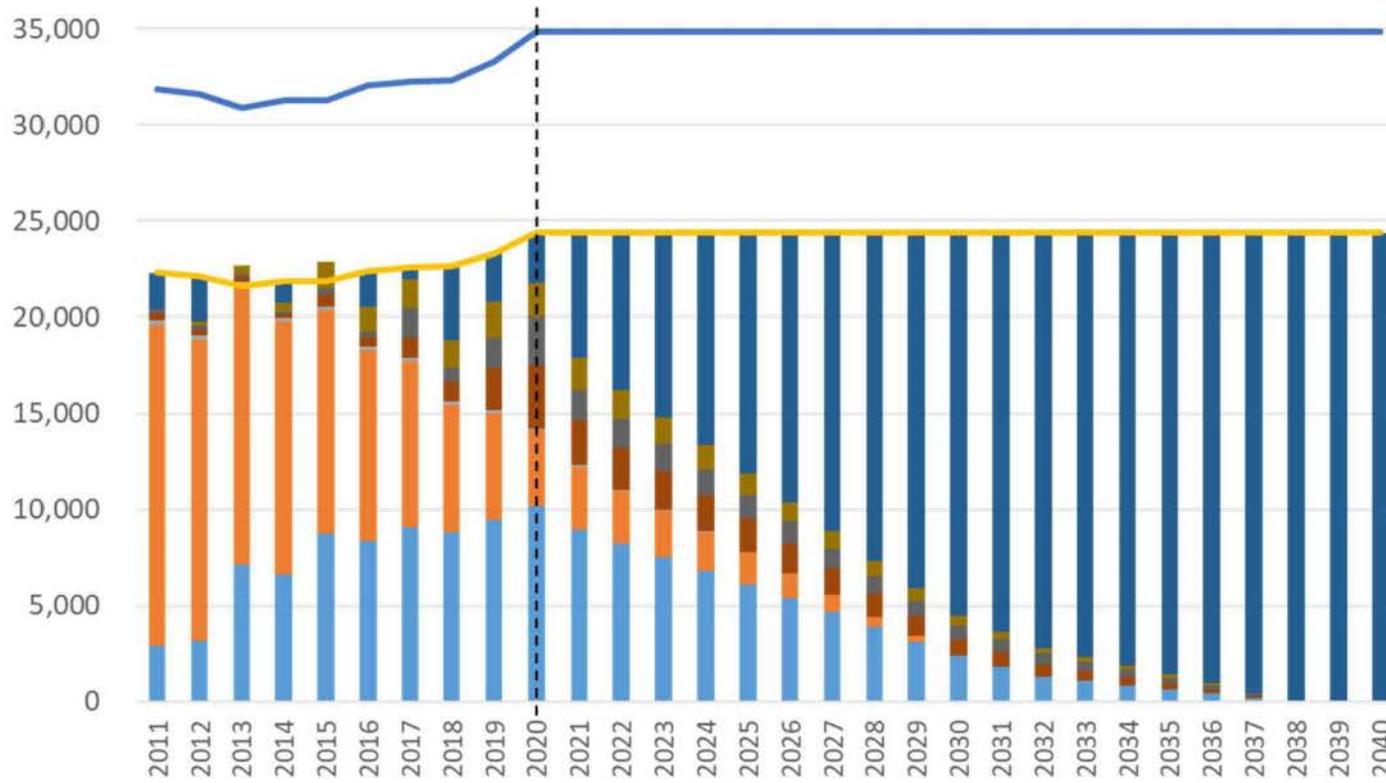
2020 Overview: General Obligation Debt at 12/31/2019



2019 Equalized Value (TID-in)	696,905,800
Legal GO Debt Limit (5% of EV)	34,845,290
GO City	(10,189,888) 29.2%
GO TID 4	(3,910,000) 11.2%
GO TID 6	(125,000) 0.4%
GO Water Utility	(3,263,000) 9.4%
GO Sewer Utility	(2,533,500) 7.3%
GO Storm Sewer Utility	(1,770,000) 5.1%
Total GO Debt	(21,791,388) 62.5%
Legal Capacity Available	13,053,902 37.5%
Guideline Limitation: Credit Rating	70%
70% of Legal GO Limit	24,391,703
Total GO Debt Outstanding	(21,791,388) 89.3%
Available Capacity vs. 70% Guideline	2,600,315 10.7%

Debt Profile (000's)

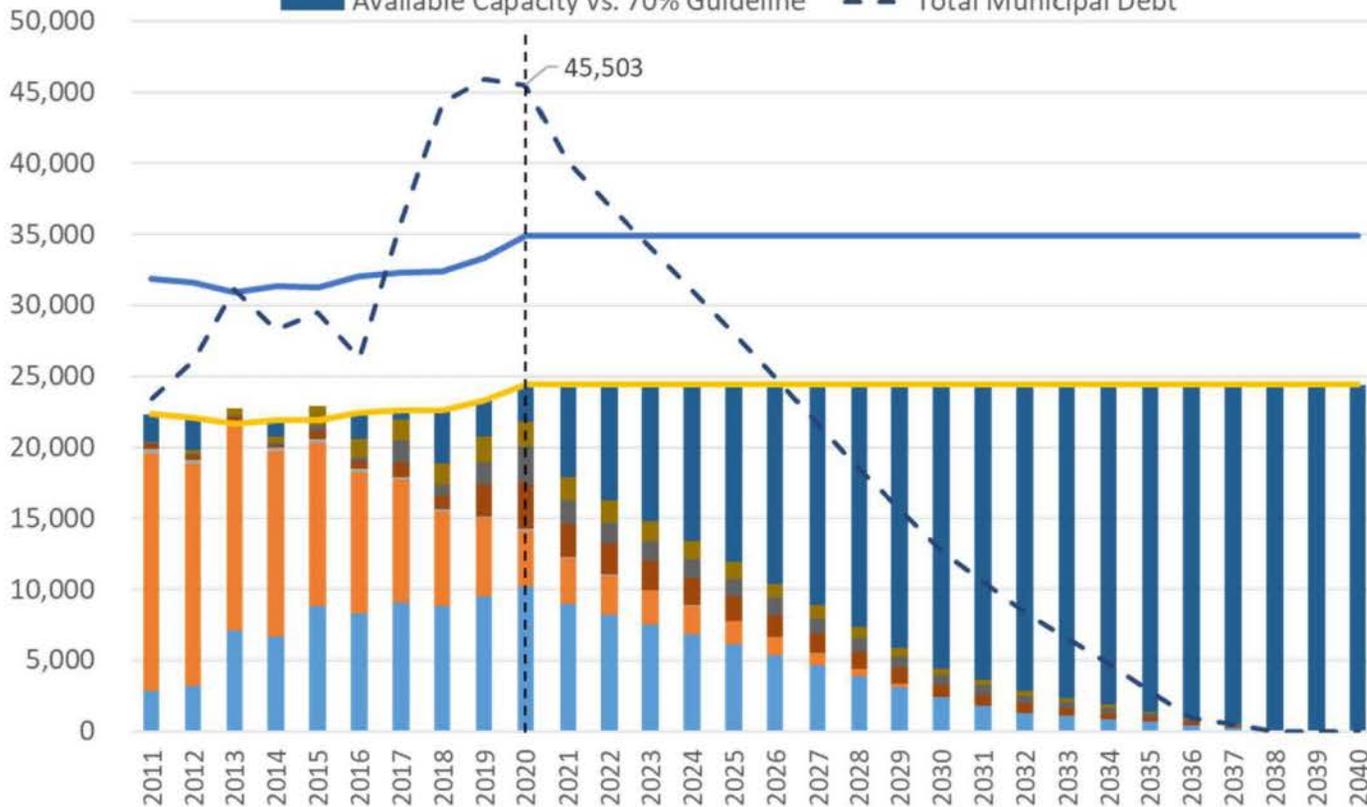
- GO City
- GO TID 6
- GO Sewer Utility
- Available Capacity vs. 70% Guideline
- GO TID 4
- GO Water Utility
- GO Storm Sewer Utility



- Illustration of existing **General Obligation** debt amortization
- Utility Debt issued as GO is serviced by Utility Revenue
- Equalized value assumed flat after 2018
- Does not factor increased borrowing beyond 2018



Debt Profile
(000's)



6/2/2020

Financial Update to Common Council

Illustration of existing:

- **General Obligation** debt amortization
- PLUS**
- Utility **Revenue Obligation** debt
- WWTP Loan shown fully drawn.
- Does not factor increased borrowing beyond 2019

2020 Overview: General Fund

Actual vs. Budget



	2020 Budget	2020 YTD April	% of Budget	YTD Change 2020 v 2019	2019 Budget	2019 YTD April	% of Budget
Total Revenues	\$9,882,543.46	\$4,244,304.34	42.9%	3,947	\$9,629,179.00	\$4,240,357.81	44.0%
Administration	(\$1,538,377.51)	(\$472,648.69)	30.7%	(1,294)	(\$1,496,979.00)	(\$471,354.99)	31.5%
Public Safety	(\$3,541,693.51)	(\$981,685.56)	27.7%	(46,270)	(\$3,431,290.00)	(\$935,416.06)	27.3%
Public Works	(\$1,012,706.51)	(\$318,921.55)	31.5%	38,074	(\$992,594.00)	(\$356,995.13)	36.0%
Parks and Recreation	(\$754,495.93)	(\$256,823.21)	34.0%	(8,205)	(\$741,631.00)	(\$248,618.31)	33.5%
Neighborhood Services	(\$306,404.00)	(\$55,851.71)	18.2%	19,922	(\$301,375.02)	(\$75,773.60)	25.1%
Transfers	(\$2,496,275.00)	(\$556,547.24)	22.3%	130,571	(\$2,494,254.49)	(\$687,118.07)	27.5%
Contingencies	(\$232,591.00)	(\$41,705.52)	17.9%	(29,411)	(\$171,055.49)	(\$12,294.56)	7.2%
Total Expenditures	(\$9,882,543.46)	(\$2,684,183.48)	27.2%	103,387	(\$9,629,179.00)	(\$2,787,570.72)	28.9%
Net Surplus (Deficit)	\$0.00	\$1,560,120.86		\$107,333.77	\$0.00	\$1,452,787.09	

- Timing of revenue/expenditures is not level over the course of the year
- Estimates of COVID impact under development



City of
WHITEWATER

END



JOHNSON BLOCK
CPAs



AUDITED FINANCIAL STATEMENTS

For the Year Ended December 31, 2019

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City of Whitewater

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December 31, 2019

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City of Whitewater

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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Whitewater
Whitewater, Wisconsin

We have audited the accompanying financial statements of the governmental activities, 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, 2019, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Whitewater, Wisconsin, as of December 31, 2019, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.



Emphasis of Matter

As discussed in Note 1 to the financial statements, effective January 1, 2019, the City of Whitewater adopted the provisions of GASB Statement No. 84, *Fiduciary Activities*. Our opinions are not modified with respect to this matter.

Other Matters

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, 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 financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the financial statements.

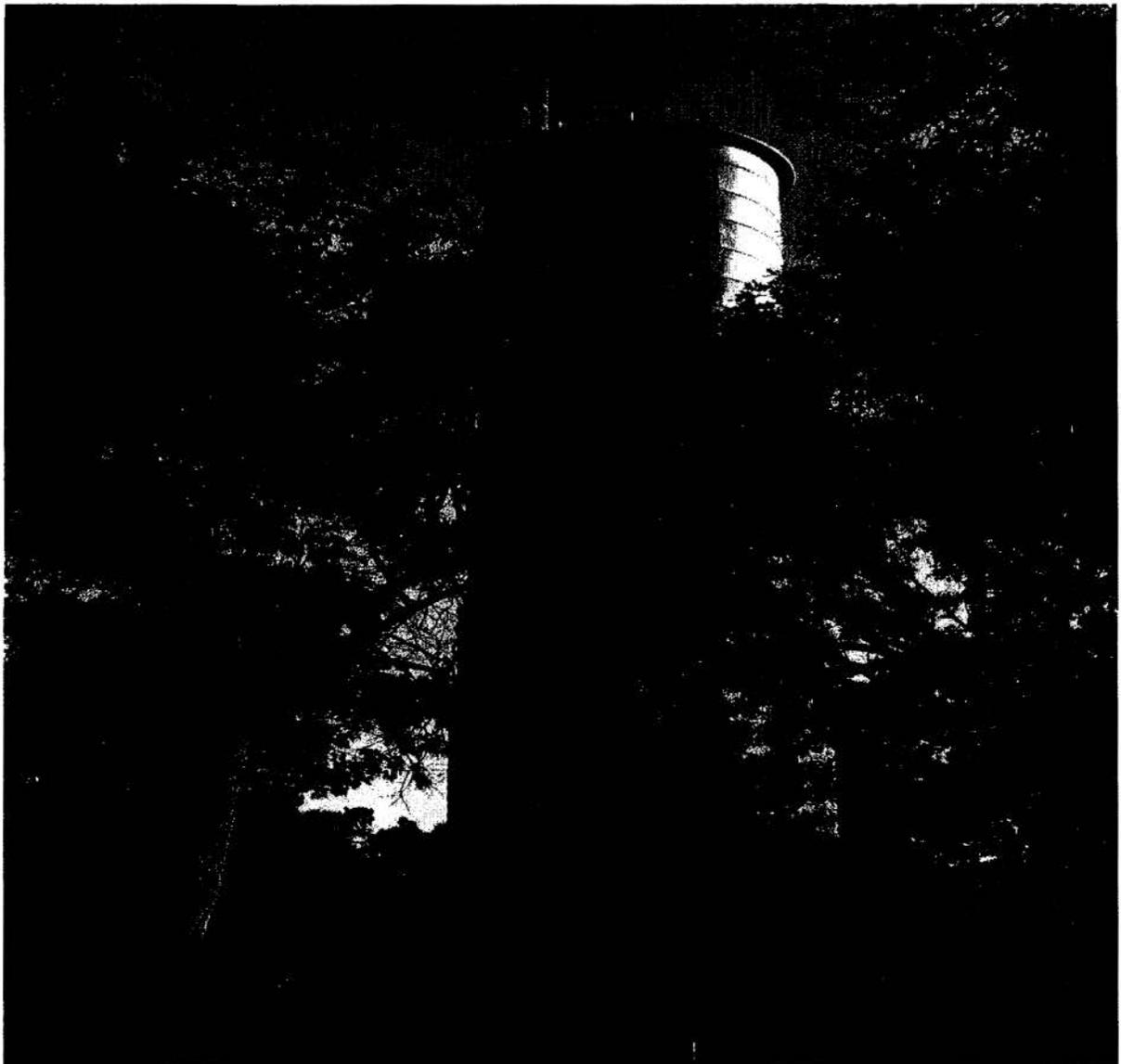
The combining and individual fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The schedules of long-term debt payments have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Johnson Block & Company, Inc.

Johnson Block & Company, Inc.
May 26, 2020

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
FOR THE YEAR ENDED DECEMBER 31, 2019**



CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended December 31, 2019

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, 2019. 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 \$2,046,258, or 3.30% from the prior year. The net position for governmental activities increased \$1,339,230, while net position of the business-type activities increased by \$707,028. The Community Development Authority ("CDA") a component unit of the city, net position decreased by \$20,005.

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources as of December 31, 2019, by \$63,997,361 (net position). Of this amount, \$7,334,530 (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 \$2,752,683 and \$4,581,847 for governmental and business-type activities, respectively.

As of December 31, 2019, the City's governmental funds reported combined ending fund balances of \$6,224,335, an increase of \$2,436,654 in comparison with the prior year. Approximately 27.3% of this total, or \$1,697,162 (unassigned fund balance), is available for spending at the government's discretion.

The City's Water Utility had an operating income in 2019 of \$427,671. Unrestricted net position increased by \$1,059,706. The Water Utility's total net position increased by \$40,799 to \$11,229,266. The approved Rate of Return is 6%. For 2019, the Rate of Return equaled 3.60%. 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. A public hearing is scheduled for May 26, 2020 where the PSC will review the results of their review and take public comment.

The Wastewater Utility had an operating income of \$1,089,486 in 2019. The Utility's total net position increased by \$581,858. The Wastewater Utility increased rates by 3% effective March 1, 2004; by 7% on December 1, 2004; by 5% effective December 1, 2005; by 7% effective December 1, 2006; by 7% effective on September 1, 2007; by 7% on September 1, 2008 and by 5.0% on December 1, 2009; by 7% on December 31, 2010 and by 13.65% on July 1, 2011. No rate adjustment was made in 2012. Rates were increased by 3% on March 1, 2013; by 3% on June 26, 2014. A Clean Water Fund project of approximately \$24.358 million in plant improvements was started in 2016. Of this, \$21.628 million is to be financed with a Clean Water Fund loan. In addition, there will be \$2.0 million in utility cash applied and \$730 thousand in a principal forgiveness grant. Rates were adjusted on December 29, 2015, in anticipation of this project. The rate increase for the average residential user equaled 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. The rate for the average residential user increased 17.96% or \$9.09 per month.

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended December 31, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS

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.

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 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 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,

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

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.

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 21 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, 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. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Proprietary Enterprise 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 of Revenues, Expenses, and Changes in Net Position. 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 79.5%) 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

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

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'S NET POSITION

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 13,617,459	\$ 12,755,104	\$ 9,082,784	\$ 9,197,891	\$ 22,700,243	\$ 21,952,995
Capital Assets	<u>39,496,127</u>	<u>40,161,668</u>	<u>56,125,748</u>	<u>54,717,004</u>	<u>95,621,875</u>	<u>94,878,672</u>
Total Assets	<u>\$ 53,113,586</u>	<u>\$ 52,916,772</u>	<u>\$ 65,208,532</u>	<u>\$ 63,914,895</u>	<u>\$ 118,322,118</u>	<u>\$ 116,831,667</u>
Deferred Outflows of Resources	<u>\$ 3,251,876</u>	<u>\$ 1,860,012</u>	<u>\$ 711,900</u>	<u>\$ 377,313</u>	<u>\$ 3,963,776</u>	<u>\$ 2,237,325</u>
Non-Current Liabilities	\$ 14,612,044	\$ 14,646,272	\$ 28,404,934	\$ 29,160,776	\$ 43,016,978	\$ 43,807,048
Other Liabilities	<u>3,101,441</u>	<u>2,883,102</u>	<u>3,952,076</u>	<u>2,233,038</u>	<u>7,053,517</u>	<u>5,116,140</u>
Total Liabilities	<u>\$ 17,713,485</u>	<u>\$ 17,529,374</u>	<u>\$ 32,357,010</u>	<u>\$ 31,393,814</u>	<u>\$ 50,070,495</u>	<u>\$ 48,923,188</u>
Deferred Inflows of Resources	<u>\$ 7,857,119</u>	<u>\$ 7,791,782</u>	<u>\$ 360,919</u>	<u>\$ 402,923</u>	<u>\$ 8,218,038</u>	<u>\$ 8,194,705</u>
Net Position:						
Net Investment in Capital Assets	\$ 25,728,189	\$ 26,109,389	\$ 25,165,677	\$ 25,645,925	\$ 50,893,866	\$ 51,755,314
Restricted	2,313,986	1,251,501	3,454,979	3,533,239	5,768,965	4,784,740
Unrestricted	<u>2,752,683</u>	<u>2,094,738</u>	<u>4,581,847</u>	<u>3,316,307</u>	<u>7,334,530</u>	<u>5,411,045</u>
TOTAL NET POSITION	<u>\$ 30,794,858</u>	<u>\$ 29,455,628</u>	<u>\$ 33,202,503</u>	<u>\$ 32,495,471</u>	<u>\$ 63,997,361</u>	<u>\$ 61,951,099</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, & NET POSITION	<u>\$ 56,365,462</u>	<u>\$ 54,776,784</u>	<u>\$ 65,920,432</u>	<u>\$ 64,292,208</u>	<u>\$ 122,285,894</u>	<u>\$ 119,068,992</u>

NET POSITION: The City's combined net position increased 3.30% between fiscal years 2018 and 2019 to \$63,997,361. 51.88% of the 2019 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 \$1,339,230 for the year, while the business-type activities experienced an increase of \$707,028.

ASSETS: Governmental Activities: Taxes Receivable decreased by \$1,737,827. Special Assessment Receivable, Accounts Receivables, and Other Receivables decreased by \$38,937. Due from Other Governmental Units decreased by \$199,583. Net Capital Assets decreased by \$665,561 to a total of \$39,496,127. Deferred outflows of resources increased by \$1,391,864 between years due to the reporting for employee pensions and other postemployment benefits.

LIABILITIES: Governmental Activities: Non-Current Liabilities decreased by \$34,228. Deferred inflows of resources increased by \$65,337. Due to Component Unit equals \$500,000 which represents the advance from the CDA Fund 910 for the building of the Innovation Center. The Innovation Center is an asset of the CDA. The net book value of the Innovation Center as of 12/31/19 was \$4,992,155.

CITY OF WHITEWATER
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

CITY OF WHITEWATER
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Combined-Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 1,613,427	\$ 1,712,584	\$ 6,089,042	\$ 5,645,848	\$ 7,702,469	\$ 7,358,432
Operating grants and contributions	1,514,503	1,613,022	25,000	610,597	1,539,503	2,223,619
Capital grants and contributions	54,898	51,816	39,018	35,564	93,916	87,380
General Revenues:						
Property Taxes	5,728,805	5,387,761	-	-	5,728,805	5,387,761
Other Taxes	151,518	141,857	-	-	151,518	141,857
Intergovernmental	3,767,725	3,633,671	-	-	3,767,725	3,633,671
Investment Income	267,612	176,648	95,933	89,234	363,545	265,882
Miscellaneous	162,099	283,025	3,387	19,177	165,486	302,202
Total Revenues	\$ 13,260,587	\$ 13,000,384	\$ 6,252,380	\$ 6,400,420	\$ 19,512,967	\$ 19,400,804
Expenses:						
General government	\$ 1,690,965	\$ 1,810,463	-	-	\$ 1,690,965	\$ 1,810,463
Public Safety	4,444,652	4,435,193	-	-	4,444,652	4,435,193
Public Works	2,835,242	2,749,527	-	-	2,835,242	2,749,527
Leisure activities	2,652,794	2,727,932	-	-	2,652,794	2,727,932
Conservation and Development	4,677	7,182	-	-	4,677	7,182
Interest and fiscal charges	476,613	526,631	741,607	683,785	1,218,220	1,210,416
Water Utility	-	-	1,466,324	1,485,584	1,466,324	1,485,584
Sewer Utility	-	-	2,583,035	2,638,308	2,583,035	2,638,308
Stormwater Utility	-	-	392,506	394,213	392,506	394,213
Total Expenses	\$ 12,104,943	\$ 12,256,928	\$ 5,183,472	\$ 5,201,890	\$ 17,288,415	\$ 17,458,818
Increases in net position before transfers	\$ 1,155,644	\$ 743,456	\$ 1,068,908	\$ 1,198,530	\$ 2,224,552	\$ 1,941,986
Transfers	183,586	260,196	(361,880)	(347,488)	(178,294)	(87,292)
Increase in net position	\$ 1,339,230	\$ 1,003,652	\$ 707,028	\$ 851,042	\$ 2,046,258	\$ 1,854,694
NET Position-January 1	\$ 29,455,628	\$ 28,451,976	\$ 32,495,475	\$ 31,644,433	\$ 61,951,103	\$ 60,096,409
Net Position-December 31	\$ 30,794,858	\$ 29,455,628	\$ 33,202,503	\$ 32,495,475	\$ 63,997,361	\$ 61,951,103

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS

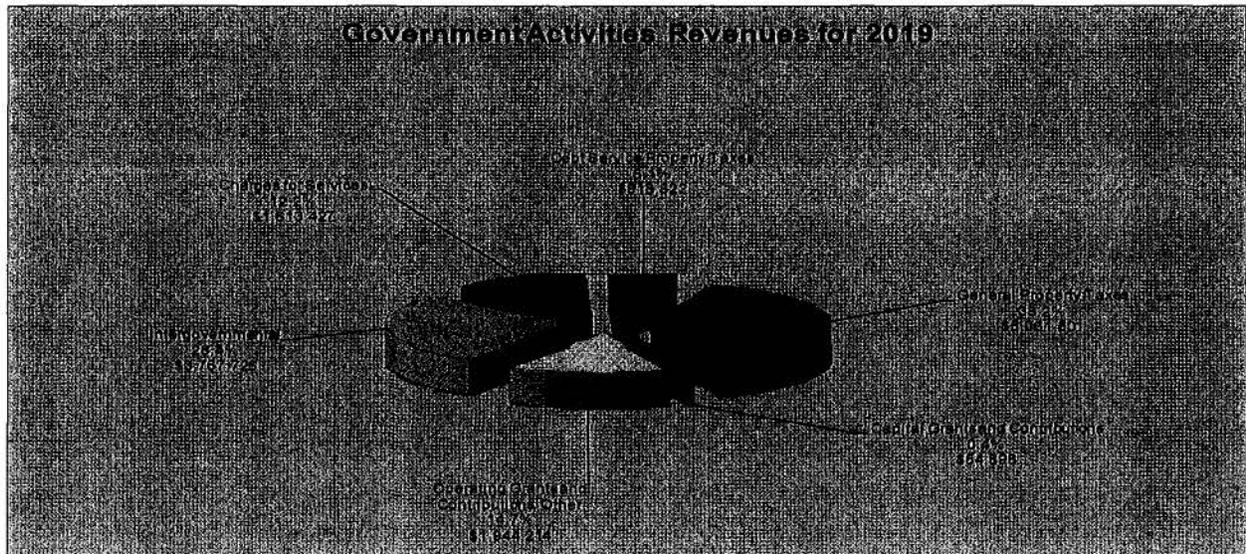
For the Year Ended December 31, 2019

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities

Change in Net Position: The City's 2019 revenues for both governmental and business-type activities total \$19,512,967 and expenses total \$17,288,415. These totals plus transfers resulted in an increase in net position of \$2,046,258. Net position increased by \$1,339,230 for **governmental activities**. One cause of the increase was due to general revenues increasing by \$454,797. This is due to an increase in property tax revenue. Program revenues decreased by \$194,594, while total expenses decreased by \$151,985.

Revenues for the City's governmental activities total \$13,260,587 with intergovernmental revenues (largely state shared-revenues) accounting for 28.4% (\$3,767,725) 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 6.1% (\$818,822) of total revenues, were collected to pay for the principal and interest due in 2019. General property taxes accounted for 38.2% (\$5,061,501) of governmental revenues in 2019. Charges for services contributed 12.2% (\$1,613,427); operating/capital grants, other taxes, interest income, contributed 14.7% (\$1,944,214) of the total revenues. Capital grants were \$54,898 of revenues.



Total Revenues = \$13,260,587

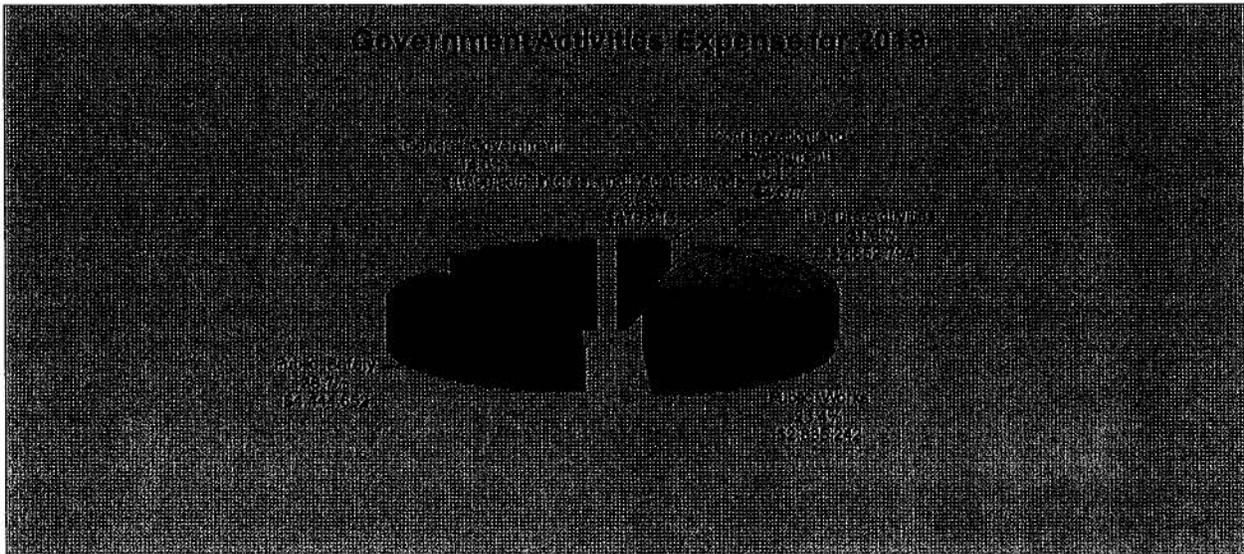
CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE (Continued)

Governmental Activities (Continued)

Governmental activities expenditures total \$12,104,943. Public Safety activities amount for 36.7% (\$4,444,652), 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 23.4% (\$2,835,242), 14.0% (\$1,690,965), and 21.9% (\$2,652,794), respectively, of total expenditures for 2019. Conservation/Development—0.1% (\$4,677); Interest/Fiscal Charges—3.9% (\$476,613).



Total Expenses = \$12,104,943

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS

For the Year Ended December 31, 2019

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 2019 was \$12,104,943. However, the amount paid through the City's property tax was only \$5,728,805. The breakout of property taxes is \$3,012,480 (General Properties); \$818,822 (Debt Service); \$1,897,503 (TIF Districts). Some of the costs were paid by:

- Those directly benefiting from the programs - Charges for Service/Fees/Permits - (\$1,613,427)
- State of Wisconsin Shared Revenue-Aidable - (\$2,836,916)
- Utility Shared Revenues-State of Wisconsin - (\$424,378)
- State Aids-Roads/Highways - (\$653,541)

	<u>Cost of Services</u>	<u>Charges for Services, Operating & Capital Grants, Contributions</u>	<u>Net Cost of Services</u>
General Government	\$ 1,690,965	\$ 231,801	\$ 1,459,164
Public Safety	4,444,652	646,078	3,798,574
Public Works	2,835,242	869,664	1,965,578
Culture and Recreation	2,652,794	1,235,978	1,416,816
Conservation and Development	4,677	199,307	(194,630)
Interest and Fiscal Charges	476,613	-	476,613
Total	\$ 12,104,943	\$ 3,182,828	\$ 8,922,115

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Fund – Is the primary operating fund of the City. The General Fund's fund balance increased \$897,375 to \$3,693,239, which represents 22.5% of the expenditures for calendar/budget year 2020 expenses. Of that amount, \$1,968,082, or 53.3%, is unassigned.

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 - Capital Projects – This fund's purpose is to generate a tax increment to be used to cover the project plan expenditures. The expenditure period for TID # 4 closed on September 12, 2012. Projected final closure of the TID is projected to be in 2022.

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, 2019**

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

WATER, WASTEWATER, AND STORMWATER UTILITY

The **Water Utility** earned a 3.60% return on its rate base in 2019 compared to 3.31% in 2018. The Water Utility's (GAAP Basis) operating revenues increased by \$43,575 to \$1,893,995 and the operating expenses decreased by \$19,260 to \$1,466,324.

The **Wastewater Utility** operating revenue increased by \$403,028 in 2019 to \$3,672,521. Operating expenses decreased by \$55,273 to \$2,583,035. 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 \$3,409 to \$522,526. The operating income was \$130,020 in 2019. 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)	
	2019	2018	2019	2018	2019	2018
Water Utility	\$ 1,893,995	1,850,420	\$ 1,466,324	\$ 1,485,584	\$ 427,671	\$ 364,836
Wastewater Utility	3,672,521	3,269,493	2,583,035	2,638,308	1,089,486	631,185
Stormwater Utility	522,526	525,935	392,506	381,581	130,020	144,354

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Governmental Activities			
	2019	2018	Total Change
Land/Right of Way/Improvements	\$ 9,775,494	\$ 9,745,195	\$ 30,299
Construction in Progress	346,163	1,426,503	(1,080,340)
Traffic and street lights	791,042	725,106	65,936
Buildings and Improvements	7,639,847	7,617,348	22,499
Machinery & Equipment	2,312,117	2,555,362	(243,245)
Streets/Sidewalks/Curb & Gutter	18,631,464	18,092,154	539,310
Capital Assets, Net of Depreciation	\$ 39,496,127	\$ 40,161,668	\$ (665,541)

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, 2019

CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)

The City (Primary Government) had capital assets of \$39,496,127 in the governmental activities and \$56,125,748 in the business-like activities for a total of \$95,621,875 at the end of 2019. 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 41.30% and the business-type activities total 58.70%. The business-type activities represent the Water Utility with 22.97%, the Wastewater Utility having 66.65%, and the Stormwater Utility 10.38% of the capital assets.

BUSINESS-TYPE ACTIVITIES			
	2019	2018	Change
Water			
Land and Land Rights	\$ 6,727	6,727	\$ -
Source of Supply	705,364	705,364	-
Pumping	1,212,857	1,212,857	-
Water Treatment	1,458,742	1,458,742	-
Transmission and Distribution	16,905,580	14,804,776	2,100,804
General	552,083	497,420	54,663
Construction in Progress	3,827	725,285	(721,458)
Less: Accumulated Depreciation	<u>(7,953,794)</u>	<u>(7,438,020)</u>	<u>(515,774)</u>
Net Assets-Water Utility Plant	<u>12,891,386</u>	<u>11,973,151</u>	<u>918,235</u>
Wastewater			
Land and Land Rights	4,498,925	185,636	4,313,289
Collection System	15,789,851	13,701,885	2,087,966
Treatment and Disposal	37,785,171	26,725,189	11,059,982
General	863,936	697,241	166,695
Construction in Progress	57,206	20,280,593	(20,223,387)
Less: Accumulated Depreciation	<u>(21,585,039)</u>	<u>(24,682,265)</u>	<u>3,097,226</u>
Net Assets-Wastewater Utility Plant	<u>37,410,050</u>	<u>36,908,279</u>	<u>501,771</u>
Stormwater			
Capital Assets	6,384,840	5,216,120	1,168,720
Construction in Progress	67,866	1,177,249	(1,109,383)
Less: Accumulated Depreciation	<u>(628,394)</u>	<u>(557,795)</u>	<u>(70,599)</u>
Net Assets-Stormwater Utility Plant	<u>5,824,312</u>	<u>5,835,574</u>	<u>(11,262)</u>
Total Utility's Capital Assets	<u>\$ 56,125,748</u>	<u>\$ 54,717,004</u>	<u>\$ 1,408,744</u>

CITY OF WHITEWATER

**MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended December 31, 2019**

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, 2019, was \$34,845,290. Total general obligation debt outstanding at year end was \$21,791,388, which represents 62.5% of the allowable debt limit.

	Comparison of Outstanding Debt by Activity					
	Governmental Activities		Business-type Activities		TOTAL	
	2019	2018	2019	2018	2019	2018
General Obligation						
Bonds and Notes	\$ 14,224,888	\$ 14,387,370	\$ 7,566,500	\$ 5,644,998	\$ 21,791,388	\$ 20,032,368
Revenue Bond/Notes	-	-	23,711,735	24,815,058	23,711,735	24,815,058
Total Outstanding	\$ 14,224,888	\$ 14,387,370	\$ 31,278,235	\$ 30,460,056	\$ 45,503,123	\$ 44,847,426

The total outstanding **general obligation debt** of \$21,791,388 is distributed:

City-CIP	\$ 10,189,888
TID'S (#4 & #6)	4,035,000
Utility (Water/Sewer/Storm)	7,566,500

	AMOUNTS DUE WITHIN ONE YEAR		
	Governmental Activities	Business-type Activities	Amounts Due Within One Year
General Obligation			
Bonds and Notes	\$ 2,170,041	\$ 2,000,500	\$ 4,170,541
Revenue Bonds	-	1,450,198	1,450,198
Totals	\$ 2,170,041	\$ 3,450,698	\$ 5,620,739

CITY OF WHITEWATER

MANAGEMENT'S DISCUSSION AND ANALYSIS For the Year Ended December 31, 2019

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 \$235,485. Expenses, including transfers, were \$239,933 lower than the final budget of \$8,841,917. General Government was under by \$134,190; Public Safety was under by \$182,773; Culture, Recreation and Education was under by \$80,157. Public Works was over by \$157,187. Fund Balance was budgeted with a net change in fund balance of a decrease of \$271,493. The actual change in Fund Balance was an increase of \$235,485 to a balance of \$2,279,300.

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 \$697 million, has shown steady growth over the past two decades. For 2019, the equalized value increased by \$30,514,700.

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 2019, the monthly cost for one household is \$13.54. The distribution of this cost is \$9.95 for Solid Waste and \$3.59 for Recycling. The Solid Waste increased \$0.22 per month and recycling increased \$0.06 per month in 2019. Recycling rates increased by \$1.00 per month effective January 2020.

Additionally, in 2019, the City incurred \$3,400,000 in general obligation notes to help fund street reconstruction projects including Water/Sewer utility replacement. The breakdown was 560K Street, 800K Water, 890K Sewer. The balance was a 10-year note to pay for CIP projects that were not bond-eligible.

On May 5, 2020, Moody's:

1. downgraded the City's GO credit rating from AA3 to A1
2. upgraded the Sewer Utility's credit rating on outstanding Revenue Debt from A2 to A1
3. held unchanged the Water Utility's credit rating on outstanding Revenue Debt at A1.

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

City of Whitewater
Whitewater, WI

Statement of Net Position
December 31, 2019

	Governmental Activities	Business-type Activities	Primary Government	Component Unit
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 8,896,704	\$ 4,133,636	\$ 13,030,340	\$ 1,510,378
Receivables				
Taxes	3,993,712	-	3,993,712	-
Accounts	-	590,302	590,302	-
Other	89,900	6,039	95,939	-
Due from Other Governments	16,855	-	16,855	-
Internal Balances	22,880	(22,880)	-	-
Due From Agency Fund	2,280	-	2,280	-
Inventories	-	22,500	22,500	-
Prepaid Expenses	93,156	-	93,156	-
Total Current Assets	<u>13,115,487</u>	<u>4,729,597</u>	<u>17,845,084</u>	<u>1,510,378</u>
Noncurrent Assets:				
Restricted Assets				
Cash and Cash Equivalents	456,951	4,112,818	4,569,769	-
Other Assets				
Special Assessment Receivable	45,021	-	45,021	-
Loans Receivable	-	-	-	1,275,845
Due From City	-	-	-	500,000
Property Held for Resale	-	240,369	240,369	-
Capital Assets				
Land, Improvements, and Construction in Progress	10,121,657	4,634,551	14,756,208	275,172
Other Capital Assets, net of depreciation	29,374,470	51,491,197	80,865,667	4,992,303
Net Capital Assets	<u>39,496,127</u>	<u>56,125,748</u>	<u>95,621,875</u>	<u>5,267,475</u>
Total Noncurrent Assets	<u>39,998,099</u>	<u>60,478,935</u>	<u>100,477,034</u>	<u>7,043,320</u>
Total Assets	<u>53,113,586</u>	<u>65,208,532</u>	<u>118,322,118</u>	<u>8,553,698</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	3,218,319	711,900	3,930,219	19,743
Deferred OPEB Outflows	33,557	-	33,557	-
Total Deferred Outflows of Resources	<u>3,251,876</u>	<u>711,900</u>	<u>3,963,776</u>	<u>19,743</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 56,365,462</u>	<u>\$ 65,920,432</u>	<u>\$ 122,285,894</u>	<u>\$ 8,573,441</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 669,984	\$ 314,759	\$ 984,743	\$ 18,468
Payable to Other Governments	56,290	-	56,290	-
Accrued Interest	126,116	166,849	292,965	-
Current Portion of Long-Term Liabilities	2,249,051	3,470,468	5,719,519	-
Total Current Liabilities	<u>3,101,441</u>	<u>3,952,076</u>	<u>7,053,517</u>	<u>18,468</u>
Noncurrent Liabilities:				
Due to Component Unit	500,000	-	500,000	-
Unamortized Debt Premium	136,795	188,464	325,259	-
Net OPEB Liability	238,418	-	238,418	-
Net Pension Liability	1,182,595	261,593	1,444,188	7,255
Long-Term Liabilities				
Due in More Than One Year				
Bonds and Direct Borrowings	12,054,847	27,827,536	39,882,383	-
Compensated Absences	499,389	127,341	626,730	-
Total Noncurrent Liabilities	<u>14,612,044</u>	<u>28,404,934</u>	<u>43,016,978</u>	<u>7,255</u>
Total Liabilities	<u>17,713,485</u>	<u>32,357,010</u>	<u>50,070,495</u>	<u>25,723</u>
DEFERRED INFLOWS OF RESOURCES				
2019 Tax Apportionment	6,146,086	-	6,146,086	-
Deferred Pension Inflows	1,631,628	360,919	1,992,547	10,010
Deferred OPEB Inflows	79,405	-	79,405	-
Total Deferred Inflows of Resources	<u>7,857,119</u>	<u>360,919</u>	<u>8,218,038</u>	<u>10,010</u>
NET POSITION				
Net Investment in Capital Assets	25,728,189	25,165,677	50,893,866	5,267,475
Restricted				
CDA Programs	-	-	-	3,121,274
Debt Service	43,298	1,304,665	1,347,963	-
Capital	-	2,150,314	2,150,314	-
TIF	1,079,766	-	1,079,766	-
Special Revenue Activity	1,190,922	-	1,190,922	-
Unrestricted	2,752,683	4,581,847	7,334,530	148,959
Total Net Position	<u>30,794,858</u>	<u>33,202,503</u>	<u>63,997,361</u>	<u>8,537,708</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 56,365,462</u>	<u>\$ 65,920,432</u>	<u>\$ 122,285,894</u>	<u>\$ 8,573,441</u>

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI
Statement of Activities
For the Year Ended December 31, 2019

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	\$ 1,690,965	\$ 186,801	\$ 45,000	\$ -	\$ (1,459,164)		\$ (1,459,164)	
Public Safety	4,444,652	540,929	105,149	-	(3,798,574)		(3,798,574)	
Public Works	2,835,242	30	867,252	2,382	(1,965,578)		(1,965,578)	
Culture and Recreation	2,652,794	885,667	297,795	52,516	(1,416,816)		(1,416,816)	
Conservation and Development	4,677	-	199,307	-	194,630		194,630	
Interest on Long-Term Debt	476,613	-	-	-	(476,613)		(476,613)	
Total Governmental Activities	<u>12,104,943</u>	<u>1,613,427</u>	<u>1,514,503</u>	<u>54,898</u>	<u>(8,922,115)</u>		<u>(8,922,115)</u>	
Business-Type Activities								
Water	1,584,756	1,893,995	-	13,407	-	\$ 322,646	322,646	
Wastewater	3,152,640	3,672,521	-	25,611	-	545,492	545,492	
Storm Sewer	446,076	522,526	25,000	-	-	101,450	101,450	
Total Business-Type Activities	<u>5,183,472</u>	<u>6,089,042</u>	<u>25,000</u>	<u>39,018</u>	<u>-</u>	<u>969,588</u>	<u>969,588</u>	
Total Primary Government	<u>17,288,415</u>	<u>7,702,469</u>	<u>1,539,503</u>	<u>93,916</u>	<u>(8,922,115)</u>	<u>969,588</u>	<u>(7,952,527)</u>	
Component Unit								
Community Development Authority	508,584	162,007	-	-				\$ (346,577)
Total Component Units	<u>\$ 508,584</u>	<u>\$ 162,007</u>	<u>\$ -</u>	<u>\$ -</u>				<u>(346,577)</u>
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes					4,909,983	-	4,909,983	-
Property Taxes, Levied for Debt Service					818,822	-	818,822	-
Other Taxes					151,518	-	151,518	-
Grants and Contributions Not Restricted to Specific Programs					3,767,725	-	3,767,725	-
Unrestricted Investment Earnings					267,612	95,933	363,545	58,965
Public Gifts and Grants					52,520	-	52,520	-
Miscellaneous					76,323	57,322	133,645	89,313
Special Item - Gain (Loss) on Retirement of Asset(s)					33,256	(53,935)	(20,679)	-
Transfers to/from CDA					(178,294)	-	(178,294)	178,294
Transfers					361,880	(361,880)	-	-
Total General Revenues, Transfers, and Special Items					<u>10,261,345</u>	<u>(262,560)</u>	<u>9,998,785</u>	<u>326,572</u>
Change in Net Position					<u>1,339,230</u>	<u>707,028</u>	<u>2,046,258</u>	<u>(20,005)</u>
Net Position - Beginning					<u>29,455,628</u>	<u>32,495,475</u>	<u>61,951,103</u>	<u>8,557,713</u>
Net Position - Ending					<u>\$ 30,794,858</u>	<u>\$ 33,202,503</u>	<u>\$ 63,997,361</u>	<u>\$ 8,537,708</u>

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Balance Sheet
Governmental Funds
December 31, 2019

	General Fund	Debt Service	TIF 4	Other Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 5,303,650	\$ 43,298	\$ 2,144,094	\$ -	\$ 1,405,663	\$ 8,896,705
Receivables:						
Taxes	2,550,616	-	1,379,389	-	58,853	3,988,858
Delinquent Personal Property Taxes	4,854	-	-	-	-	4,854
Special Assessments	45,021	-	-	-	-	45,021
Other	47,506	-	18,750	23,644	-	89,900
Due from Other Governments	4,075	-	-	-	11,855	15,930
Due from Other Funds	42,363	-	-	-	144	42,507
Prepaid Expenses	93,156	-	-	-	-	93,156
Restricted Cash	-	-	-	456,951	-	456,951
Advances Receivable	243,980	-	-	-	-	243,980
Total Assets	<u>\$ 8,335,221</u>	<u>\$ 43,298</u>	<u>\$ 3,542,233</u>	<u>\$ 480,595</u>	<u>\$ 1,476,515</u>	<u>\$ 13,877,862</u>
LIABILITIES						
Accounts Payable	\$ 180,828	\$ -	\$ 13,470	\$ 2,334	\$ 54,597	\$ 251,229
Accrued Liabilities	389,465	-	-	-	29,289	418,754
Due to Other Funds	-	-	-	-	17,347	17,347
Due to Other Governments	55,365	-	-	-	-	55,365
Advance Payable to CDA	-	-	500,000	-	-	500,000
Advances Payable	-	-	-	-	243,980	243,980
Total Liabilities	<u>625,658</u>	<u>-</u>	<u>513,470</u>	<u>2,334</u>	<u>345,213</u>	<u>1,486,675</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,016,324</u>	<u>-</u>	<u>2,046,791</u>	<u>-</u>	<u>103,737</u>	<u>6,166,852</u>
FUND BALANCE						
Nonspendable	341,990	-	-	-	-	341,990
Restricted	-	43,298	981,972	478,261	1,298,485	2,802,016
Assigned	1,383,167	-	-	-	-	1,383,167
Unassigned (Deficit)	1,968,082	-	-	-	(270,920)	1,697,162
Total Fund Balance	<u>3,693,239</u>	<u>43,298</u>	<u>981,972</u>	<u>-478,261</u>	<u>1,027,565</u>	<u>6,224,335</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 8,335,221</u>	<u>\$ 43,298</u>	<u>\$ 3,542,233</u>	<u>\$ 480,595</u>	<u>\$ 1,476,515</u>	<u>\$ 13,877,862</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2019**

Total fund balance, governmental funds	\$	6,224,335
<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>		39,496,127
<p>The net pension asset (liability) is not a current financial resource and is, therefore, not reported in the fund statements.</p>		(1,182,595)
<p>The net OPEB asset (liability) is not a current financial obligation and is, therefore, not reported in the fund statements.</p>		(238,418)
<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>		1,540,841
<p>Deferred inflows of resources are reported in the fund financial statement, but are already recognized as earned in the Statement of Position.</p>		20,766
<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>		
Long-term debt current portion	\$	2,170,041
Long-term debt non-current portion		12,054,847
Unamortized premium on debt		136,795
Compensated absences current portion		79,010
Compensated absences long-term portion		499,389
Accrued interest		126,116
Net Position of Governmental Activities in the Statement of Net Position		<u>(15,066,198)</u> <u>\$ 30,794,858</u>

See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2019

	General Fund	Debt Service	TIF 4	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES						
Property Taxes	\$ 3,182,597	\$ 818,822	\$ 1,819,613	\$ -	\$ 77,890	\$ 5,898,922
Other Taxes	-	-	164,841	-	-	164,841
Special Assessment Revenue	1,660	-	-	-	-	1,660
Intergovernmental	4,698,839	-	112,380	47,317	535,980	5,394,516
License and Permits	72,418	-	-	-	-	72,418
Fines, Forfeits and Penalties	328,694	-	-	-	8,423	337,117
Public Charges for Services	143,299	-	-	-	832,669	975,968
Intergovernmental Charges for Services	-	-	-	-	1,072	1,072
Interest Income	228,984	-	-	9,233	8,809	247,026
Miscellaneous Income	111,794	7,593	-	-	133,689	253,076
Total Revenues	8,768,285	826,415	2,096,834	56,550	1,598,532	13,346,616
EXPENDITURES						
Current:						
General Government	1,430,393	-	-	-	198	1,430,591
Public Safety	3,859,325	-	-	-	40,203	3,899,528
Public Works	1,625,936	-	-	-	212,861	1,838,797
Culture, Recreation and Education	617,300	-	-	-	1,813,483	2,430,783
Conservation and Development	-	-	150	-	870	1,020
Capital Outlay	50,626	-	-	767,022	19,040	836,688
Debt Service:						
Principal Repayment	-	1,425,981	-	-	-	1,425,981
Interest Expense	-	491,029	-	-	-	491,029
Total Expenditures	7,583,580	1,917,010	150	767,022	2,086,655	12,354,417
Excess (Deficiency) of Revenues Over Expenditures	1,184,705	(1,090,595)	2,096,684	(710,472)	(488,123)	992,199
OTHER FINANCING SOURCES (USES)						
Proceeds from Long-Term Debt	-	-	-	1,263,500	-	1,263,500
Transfer from CDA	(78,294)	-	-	-	-	(78,294)
Transfers In	588,277	1,116,233	-	151,132	643,553	2,499,195
Transfers Out	(797,316)	-	(1,090,295)	(184,625)	(67,710)	(2,139,946)
Transfers Out to CDA	-	-	(75,000)	-	(25,000)	(100,000)
Total Other Financing Sources and Uses	(287,333)	1,116,233	(1,165,295)	1,230,007	550,843	1,444,455
Net Change in Fund Balances	897,372	25,638	931,389	519,535	62,720	2,436,654
Fund Balances (Deficits) - Beginning	2,795,867	17,660	50,583	(41,274)	964,845	3,787,681
Fund Balances - Ending	\$ 3,693,239	\$ 43,298	\$ 981,972	\$ 478,261	\$ 1,027,565	\$ 6,224,335

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**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, 2019**

Net change in fund balances - total governmental funds: \$ 2,436,654

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 outlays \$889,063 were greater than depreciation \$1,584,903 in the current period. (695,840)

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 fund financial statements in the current year but previously accrued in the government-wide statements. (83,363)

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.

Proceeds of general obligation debt	(1,263,500)
Debt repayment - general obligation	1,425,981

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	4,189
Adjustment for increase in compensated absences	(17,034)
Adjustment for amortization expense not reflected on Governmental Funds	10,227

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. (478,084)

Change in net position of governmental activities	\$ 1,339,230
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See accompanying notes to the basic financial statements

City of Whitewater
Whitewater, WI

Statement of Net Position
Proprietary Funds
December 31, 2019

	Enterprise Funds			
	Water	Wastewater	Stormwater	Total
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 2,413,848	\$ 1,248,661	\$ 471,127	\$ 4,133,636
Receivables				
Accounts	157,764	384,226	48,312	590,302
Interest	4,480	1,559	-	6,039
Inventories	22,500	-	-	22,500
Total Current Assets	<u>2,598,592</u>	<u>1,634,446</u>	<u>519,439</u>	<u>4,752,477</u>
Restricted Assets:				
Restricted Cash	333,672	3,779,146	-	4,112,818
Total Restricted Assets	<u>333,672</u>	<u>3,779,146</u>	<u>-</u>	<u>4,112,818</u>
Capital Assets:				
Construction Work-In-Progress	3,827	57,206	67,866	128,899
Land	6,727	4,498,925	-	4,505,652
Utility Plant	20,834,626	54,438,958	6,384,840	81,658,424
Less Accumulated Depreciation	(7,953,794)	(21,585,039)	(628,394)	(30,167,227)
Net Capital Assets	<u>12,891,386</u>	<u>37,410,050</u>	<u>5,824,312</u>	<u>56,125,748</u>
Noncurrent Assets:				
Property Held for Resale	-	240,369	-	240,369
Total Noncurrent Assets	<u>-</u>	<u>240,369</u>	<u>-</u>	<u>240,369</u>
Total Assets	<u>15,823,650</u>	<u>43,064,011</u>	<u>6,343,751</u>	<u>65,231,412</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	268,195	354,799	88,906	711,900
Total Deferred Outflows of Resources	<u>268,195</u>	<u>354,799</u>	<u>88,906</u>	<u>711,900</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 16,091,845</u>	<u>\$ 43,418,810</u>	<u>\$ 6,432,657</u>	<u>\$ 65,943,312</u>

See accompanying notes to the basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Net Position
Proprietary Funds
December 31, 2019**

Enterprise Funds

	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Total</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 125,551	\$ 139,553	\$ 11,841	\$ 276,945
Accrued Liabilities	14,400	18,552	4,862	37,814
Accrued Interest Payable	42,095	107,367	17,387	166,849
Due to Other Funds	22,880	-	-	22,880
Compensated Absences	8,968	7,290	3,512	19,770
Current Portion of Long-Term Debt	1,061,300	2,274,398	115,000	3,450,698
Total Current Liabilities	<u>1,275,194</u>	<u>2,547,160</u>	<u>152,602</u>	<u>3,974,956</u>
Non-Current Liabilities:				
Long-Term Debt				
Notes Payable	281,700	119,300	330,000	731,000
Bonds and Loans Payable	2,915,000	22,856,539	1,324,997	27,096,536
Unamortized Debt Premium	94,154	63,956	30,354	188,464
Total Long-Term Debt	<u>3,290,854</u>	<u>23,039,795</u>	<u>1,685,351</u>	<u>28,016,000</u>
Other Liabilities:				
Compensated Absences	62,012	45,081	20,248	127,341
Net Pension Liability	98,550	130,374	32,669	261,593
Total Other Liabilities	<u>160,562</u>	<u>175,455</u>	<u>52,917</u>	<u>388,934</u>
Total Non-Current Liabilities	<u>3,451,416</u>	<u>23,215,250</u>	<u>1,738,268</u>	<u>28,404,934</u>
Total Liabilities	<u>4,726,610</u>	<u>25,762,410</u>	<u>1,890,870</u>	<u>32,379,890</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	135,969	179,876	45,074	360,919
Total Deferred Inflows of Resources	<u>135,969</u>	<u>179,876</u>	<u>45,074</u>	<u>360,919</u>
NET POSITION				
Net Investment in Capital Assets	8,815,510	12,326,206	4,023,961	25,165,677
Restricted				
Debt	15,299	1,289,366	-	1,304,665
Capital	-	2,150,314	-	2,150,314
Unrestricted	2,398,457	1,710,638	472,752	4,581,847
Total Net Position	<u>11,229,266</u>	<u>17,476,524</u>	<u>4,496,713</u>	<u>33,202,503</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 16,091,845</u>	<u>\$ 43,418,810</u>	<u>\$ 6,432,657</u>	<u>\$ 65,943,312</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, 2019**

	Enterprise Funds			
	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Total</u>
OPERATING REVENUES				
Charges for Services	\$ 1,893,995	\$ 3,672,521	\$ 522,526	\$ 6,089,042
Total Operating Revenues	<u>1,893,995</u>	<u>3,672,521</u>	<u>522,526</u>	<u>6,089,042</u>
OPERATING EXPENSES				
Operation and Maintenance	1,125,707	1,572,872	321,907	3,020,486
Depreciation	340,617	1,010,163	70,599	1,421,379
Total Operating Expenses	<u>1,466,324</u>	<u>2,583,035</u>	<u>392,506</u>	<u>4,441,865</u>
Operating Income (Loss)	<u>427,671</u>	<u>1,089,486</u>	<u>130,020</u>	<u>1,647,177</u>
NON-OPERATING REVENUES (EXPENSES)				
Interest and Investment Revenue	23,722	69,476	2,735	95,933
Miscellaneous Non-Operating Revenues	34,811	20,825	1,686	57,322
Operating Grants and Contributions	-	-	25,000	25,000
Interest Expense	(118,432)	(569,605)	(53,570)	(741,607)
Total Non-Operating Revenue (Expenses)	<u>(59,899)</u>	<u>(479,304)</u>	<u>(24,149)</u>	<u>(563,352)</u>
Income (Loss) Before Contributions and Transfers	<u>367,772</u>	<u>610,182</u>	<u>105,871</u>	<u>1,083,825</u>
Capital Contributions	13,407	25,611	-	39,018
Transfers Out	(340,380)	-	(21,500)	(361,880)
Special Item - Gain (Loss) on Retirement of Assets	-	(53,935)	-	(53,935)
Change in Net Position	<u>40,799</u>	<u>581,858</u>	<u>84,371</u>	<u>707,028</u>
Total Net Position - Beginning	11,188,467	16,894,666	4,412,342	32,495,475
Total Net Position - Ending	<u>\$ 11,229,266</u>	<u>\$ 17,476,524</u>	<u>\$ 4,496,713</u>	<u>\$ 33,202,503</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, 2019**

	<u>Water</u>	<u>Wastewater</u>	<u>Stormwater</u>	<u>Totals 2019</u>
<u>Cash Flows From Operating Activities:</u>				
Receipts from customers	\$ 1,881,087	\$ 3,596,913	\$ 493,711	\$ 5,971,711
Payments to suppliers	(225,025)	(648,553)	(136,884)	(1,010,462)
Payments to employees	(689,820)	(856,189)	(200,875)	(1,746,884)
Taxes paid	(340,380)	-	-	(340,380)
Net cash provided (used) by operating activities	<u>625,862</u>	<u>2,092,171</u>	<u>155,952</u>	<u>2,873,985</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>				
Acquisition and construction of plant assets	(1,270,151)	(1,765,260)	(59,337)	(3,094,748)
Proceeds of debt	1,113,000	1,316,722	-	2,429,722
Principal payments on long-term debt	(210,000)	(1,296,544)	(105,000)	(1,611,544)
Interest paid	(115,450)	(560,817)	(55,962)	(732,229)
Contributions	-	-	152,350	152,350
Net cash provided (used) by capital and related financing activities	<u>(482,601)</u>	<u>(2,305,899)</u>	<u>(67,949)</u>	<u>(2,856,449)</u>
<u>Cash Flows From Investing Activities:</u>				
Interest on investments	23,722	69,476	2,735	95,933
Sale of non-cash equivalents	32,289	295,476	-	327,765
Net cash provided (used) by investing activities	<u>56,011</u>	<u>364,952</u>	<u>2,735</u>	<u>423,698</u>
Net increase (decrease) in cash and equivalents	199,272	151,224	90,738	441,234
Cash and equivalents - beginning of year	<u>2,548,248</u>	<u>4,876,583</u>	<u>380,389</u>	<u>7,805,220</u>
Cash and equivalents - end of year	<u>\$ 2,747,520</u>	<u>\$ 5,027,807</u>	<u>\$ 471,127</u>	<u>\$ 8,246,454</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, 2019**

	Water	Wastewater	Stormwater	Totals 2019
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	\$ 427,671	\$ 1,089,486	\$ 130,020	\$ 1,647,177
Adjustments to Reconcile Operating Income (Loss):				
Other	-	-	1,686	1,686
Joint meter	24,706	(24,706)	-	-
Cash Provided (Used) by Operating Activities:				
Tax equivalent	(340,380)	-	-	(340,380)
Amortization	34,811	20,825	-	55,636
Depreciation	340,617	1,010,163	70,599	1,421,379
Transfer out	-	-	(21,500)	(21,500)
Pension expense	35,165	42,930	11,073	89,168
Changes in Assets and Liabilities:				
Customer accounts receivable	(12,908)	(75,608)	(28,815)	(117,331)
Due from/to other funds	14,391	-	-	14,391
Accounts payable	93,977	22,586	(8,028)	108,535
Accrued liabilities	7,812	6,495	917	15,224
Net cash provided (used) by operating activities	\$ 625,862	\$ 2,092,171	\$ 155,952	\$ 2,873,985
Reconciliation of cash and cash equivalents to statement of net position accounts				
Cash and cash equivalents	\$2,413,848	\$ 1,248,661	\$ 471,127	\$ 4,133,636
Restricted Cash	333,672	3,779,146	-	4,112,818
Total cash and investments	\$2,747,520	\$ 5,027,807	\$ 471,127	\$ 8,246,454

See accompanying notes to basic financial statements

**City of Whitewater
Whitewater, WI**

**Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2019**

	<u>Tax Custodial Fund</u>
ASSETS	
Cash and Cash Equivalents	\$ 3,500,694
Receivables:	
Taxes Receivable	<u>6,222,707</u>
Total Assets	<u><u>\$ 9,723,401</u></u>
LIABILITIES	
Due to Other Funds	\$ 2,280
Due to Other Governments	<u>9,721,121</u>
Total Liabilities	<u><u>\$ 9,723,401</u></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, 2019**

	Tax Custodial Fund
ADDITIONS	
Property tax collections for other governments	\$ 6,551,560
Total additions	6,551,560
DEDUCTIONS	
Payments of taxes to other governments	6,551,560
Total deductions	6,551,560
Net increase (decrease) in fiduciary net position	-
Net position - Beginning	-
Net position - Ending	\$ -

See accompanying notes to the basic financial statements

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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 2019. 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, 2019

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, 2019

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 (TID No. 4) – Transactions of the City’s tax incremental districts are accounted for in capital projects funds along with capital outlay projects for which the City borrowed money.

Other Capital Projects Fund – Accounts for the acquisition and construction of major capital facilities other than those financed by proprietary funds and those that are not associated with tax incremental financing districts.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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

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, 6, 7, 8 and 9 (TID 5, TID 6, TID 7, TID 8 and TID 9)

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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.

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

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.

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements (Continued)

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.
- (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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

Cash and Cash Equivalents/Investments (Continued)

- (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.
- (11) 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.
- (12) 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.
- (13) Bonds or securities of any county, drainage district, VTAE district, village, city, town, district or school district of this State.
- (14) 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.
- (15) Bonds or securities issued under the authority of the municipality.
- (16) The local government pooled-investment fund as established under Section 25.50 of the Wisconsin Statutes.
- (17) 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.
- (18) Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- (19) Repurchase agreements with public depositories, with certain conditions.
- (20) Bonds issued by the University of Wisconsin Hospital and Clinics 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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

Cash and Cash Equivalents/Investments (Continued)

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.

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 – 2019 tax roll

Lien date and levy date	December, 2019
Tax Bills mailed	December, 2019
Payment in full, or	January 31, 2019
First installment due	January 31, 2019
Second installment due	July 31, 2019
Personal property taxes in full	January 31, 2019
Tax sale – 2019 delinquent real estate taxes	October, 2021

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

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.

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 so 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, 2019

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 2019.

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, 2019

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 assets. 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, 2019 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.

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 has 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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

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.

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

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

Equity Classifications (Continued)

Fund Financial Statements(Continued)

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.

E. Utility Rates

Current water rates were approved by the City effective June 28, 2018. 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, 2019, the following individual funds held a deficit balance:

Fund	Amount	Reason
TID 5	\$(8,357)	Project costs in excess of revenues
TID 7	(1,412)	Project costs in excess of revenues
Aquatic Center Fund	(261,151)	Project costs in excess of revenues

The TID 5 and TID 7 deficits are anticipated to be replenished with future increments. The Aquatic Center Fund deficit is financed internally and will be monitored over the next few years.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

H. Tax Incremental Financing District

The City has 6 Tax Incremental Districts (TID's). The transactions of TID 4 are shown as a major fund. TIDs 5, 6, 7, 8 and 9 are shown as non-major funds. TID'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.

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.

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, 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 for 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, and information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

1. Summary of Significant Accounting Policies (Continued)

M. Deferred Outflows of Resources and Inflows of Resources

In addition to assets, the statement of financial 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 financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statements 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 2019, along with the WRS pension system and the LRLIF.

N. Change in Accounting Principle

Effective January 1, 2019, the City adopted provisions of GASB statement No. 84, Fiduciary Activities. GASB No. 84 on Fiduciary Funds, establishes general criteria for determining what activities should be reported in the fiduciary funds and requires the recognition of a liability when an event has occurred that requires the disbursement of fiduciary resources. Implementation of GASB No. 84 Fiduciary Funds replaces Agency Fund types with Custodial Funds for the accumulation of assets for entities outside the government's reporting entity. Unlike Agency Funds, custodial funds present a statement of net position and a statement of changes in net position. The statement of changes in fiduciary net position report additions and deductions for taxes collected and distributed on behalf of or to other governments.

2. Cash and Investments

As previously discussed, cash for all City funds is pooled for investment purposes. At December 31, 2019, the cash and investments consist of the following:

	Carrying Value	Bank Balance	Associated Risk
Deposits in financial institutions - City	\$ 17,393,300	\$ 17,651,684	Custodial credit risk, interest rate risk
Deposits in financial institutions - CDA	1,345,429	1,345,429	Custodial credit risk, interest rate risk
LGIP	3,872,452	3,822,452	Credit risk, interest rate risk
Total Cash and Investments	\$ 22,611,181	\$ 22,819,565	

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

2. Cash and Investments (Continued)

Reconciliation to financial statements	
Per statement of net position	
Primary government	
Cash and Cash Equivalents	\$ 13,030,340
Restricted Cash and Cash Equivalents	4,569,769
Component unit	1,510,378
Per statement of net position -	
Fiduciary Funds	
Agency	<u>3,500,694</u>
Total Cash and Investments	<u><u>\$ 22,611,181</u></u>

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, 2019, the Local Government Investment Pool (“LGIP”) investments have an average maturity of 19 days and a fair value of \$3,872,452.

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, 2019, 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, 2019, was: 88.05% in U.S. Government Securities, 2.70% in Certificates of Deposit and Bankers’ Acceptances and 9.25% in Commercial Paper and Corporate Notes. The Wisconsin State Treasurer updates the investment allocations on a monthly basis.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

2. Cash and Investments (Continued)

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.

As of December 31, 2019, 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	\$ <u>4,528,727</u>
Uninsured and collateral held by the pledging financial institution's trust department or agent not in the City's name	\$ <u>12,236,450</u>
Uninsured and uncollateralized	\$ <u>18,263</u>

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

3. Receivables

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

	<u>General</u>
Delinquent personal property taxes	\$ 4,854
Special assessments	7,195
Total	\$ 12,049

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:

	<u>Unavailable</u>	<u>Unearned</u>	<u>Total</u>
Property taxes receivable for subsequent year	\$ -	\$6,100,554	\$6,100,554
Special assessments not yet due	810	-	810
Developer agreement PILOT payments	18,750	-	18,750
Taxi-cab grant	-	-	-
Other items	-	29,529	29,529
Tournament fees	-	17,209	17,209
Aquatic center school revenue	-	-	-
Total Deferred Inflows of Resources	-	-	-
For Governmental Funds	\$ 19,560	\$6,147,292	\$6,166,852

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.

Depreciation – Used to report resources set aside to fund plant renewals and replacement or make up potential future deficiencies in the redemption account.

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

4. Restricted Assets (Continued)

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, 2019:

	Other Capital Projects Fund	Water Utility	Wastewater Utility	Totals
Restricted Assets				
Redemption account	\$ -	\$ 57,394	\$ 1,370,761	\$ 1,428,155
Depreciation account	-	-	25,972	25,972
Reserve account	-	276,278	232,099	508,377
Connection account	-	-	320,599	320,599
DNR Replacement account	-	-	1,829,715	1,829,715
Unspent bond proceeds	456,951	-	-	456,951
Total Restricted Assets	\$ 456,951	\$ 333,672	\$ 3,779,146	\$ 4,569,769

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

5. Capital Assets

Capital asset activity in the governmental activities for the year ended December 31, 2019, was as follows:

	1/1/2019 Beginning Balance	Additions	Deletions	12/31/2019 Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated				
Construction in Progress	\$ 1,426,503	\$ 135,228	\$ 1,215,568	\$ 346,163
Land	3,024,621	30,299	-	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>11,171,698</u>	<u>165,527</u>	<u>1,215,568</u>	<u>10,121,657</u>
Capital Assets Being Depreciated				
Land Improvements	782,189	154,998	-	937,187
Buildings	12,503,169	193,090	-	12,696,259
Traffic and Street Lights	1,087,898	86,916	-	1,174,814
Machinery and Equipment	10,118,200	215,220	311,295	10,022,125
Streets	26,350,838	1,047,973	-	27,398,811
Sidewalks	973,567	136,487	-	1,110,054
Curb and Gutter	691,467	134,752	-	826,219
Total Capital Assets Being Depreciated	<u>52,507,328</u>	<u>1,969,436</u>	<u>311,295</u>	<u>54,165,469</u>
Accumulated Depreciation				
Land improvements	408,331	28,909	-	437,240
Buildings	5,259,679	296,680	-	5,556,359
Traffic and street lights	362,792	20,980	-	383,772
Machinery and equipment	7,562,838	458,432	311,262	7,710,008
Streets	9,477,727	738,110	-	10,215,837
Sidewalks	258,366	22,945	-	281,311
Curb and gutter	187,625	18,847	-	206,472
Total Accumulated Depreciation	<u>23,517,358</u>	<u>1,584,903</u>	<u>311,262</u>	<u>24,790,999</u>
Capital Assets, Net of Depreciation	<u>\$ 40,161,668</u>	<u>\$ 550,060</u>	<u>\$ 1,215,601</u>	<u>\$ 39,496,127</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

5. Capital Assets (Continued)

Depreciation expense for the governmental activities is as follows:

Government Activities		
General Government	\$	147,047
Public Safety		262,899
Public Works, which includes the depreciation of streets (including curb and gutter) and sidewalks		959,620
Culture, Recreation and Education		215,337
Total Governmental Activities Depreciation Expense	\$	<u>1,584,903</u>

Capital asset activity in the business-type activities for the year ended December 31, 2019, 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	\$ 725,285	\$ 3,827	\$ 725,285	\$ 3,827
Land and land rights	6,727	-	-	6,727
Total Capital Assets Not Being Depreciated	<u>732,012</u>	<u>3,827</u>	<u>725,285</u>	<u>10,554</u>
Capital Assets Being Depreciated				
Source of supply	705,364	-	-	705,364
Pumping	1,212,857	-	-	1,212,857
Water treatment	1,458,742	-	-	1,458,742
Transmission and distribution	14,804,776	2,141,802	40,998	16,905,580
Administrative and general assets	497,420	54,663	-	552,083
Total Capital Assets Being Depreciated	<u>18,679,159</u>	<u>2,196,465</u>	<u>40,998</u>	<u>20,834,626</u>
Total Capital Assets	<u>19,411,171</u>	<u>2,200,292</u>	<u>766,283</u>	<u>20,845,180</u>
Less: Accumulated depreciation	<u>7,438,020</u>	<u>556,772</u>	<u>40,998</u>	<u>7,953,794</u>
Net Capital Assets	<u>\$ 11,973,151</u>	<u>\$ 1,643,520</u>	<u>\$ 725,285</u>	<u>\$ 12,891,386</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

5. Capital Assets (Continued)

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Wastewater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ 20,280,593	\$ 92,237	\$ 20,315,624	\$ 57,206
Land and land rights	185,636	4,313,289	-	4,498,925
Total Capital Assets Not Being Depreciated	<u>20,466,229</u>	<u>4,405,526</u>	<u>20,315,624</u>	<u>4,556,131</u>
Capital Assets Being Depreciated				
Collection system	13,701,885	2,148,499	60,533	15,789,851
Treatment and disposal	26,725,189	15,136,067	4,076,085	37,785,171
General	697,241	166,695	-	863,936
Total Capital Assets Being Depreciated	<u>41,124,315</u>	<u>17,451,261</u>	<u>4,136,618</u>	<u>54,438,958</u>
Total Capital Assets	<u>61,590,544</u>	<u>21,856,787</u>	<u>24,452,242</u>	<u>58,995,089</u>
Less: Accumulated depreciation	<u>24,682,265</u>	<u>987,002</u>	<u>4,084,228</u>	<u>21,585,039</u>
Net Capital Assets	<u>\$ 36,908,279</u>	<u>\$ 20,869,785</u>	<u>\$ 20,368,014</u>	<u>\$ 37,410,050</u>
	Beginning Balance	Additions	Deletions	Ending Balance
<u>Stormwater</u>				
Capital Assets Not Being Depreciated				
Construction in progress	\$ 1,177,249	\$ 15,929	\$ 1,125,312	\$ 67,866
Total Capital Assets Not Being Depreciated	<u>1,177,249</u>	<u>15,929</u>	<u>1,125,312</u>	<u>67,866</u>
Capital Assets Being Depreciated				
Infrastructure	5,216,120	1,168,720	-	6,384,840
Less: Accumulated depreciation	<u>557,795</u>	<u>70,599</u>	<u>-</u>	<u>628,394</u>
Net Capital Assets	<u>\$ 5,835,574</u>	<u>\$ 1,114,050</u>	<u>\$ 1,125,312</u>	<u>\$ 5,824,312</u>

Listed below is the depreciation expense for the utilities.

Business Type Activities	
Water Utility	\$ 556,772
Wastewater Utility	987,002
Stormwater Utility	70,599
Total Business-Type Activities Depreciation Expense	<u>\$ 1,614,373</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Police Department Trust Fund	\$ 695
General Fund	TID 5	16,440
General Fund	TID 7	68
General Fund	Water Utility	22,880
General Fund	Tax Collection Fund	2,280
Subtotal - General Fund		<u>42,363</u>
TID 8	TID 6	144
Subtotal - Other Funds		<u>144</u>
Subtotal - Fund Financial Statements		42,507
Less: Fund Eliminations		<u>(19,627)</u>
Total - Government-Wide Statements		<u>\$ 22,880</u>
<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Activity	Business-type Activity	\$ (22,880)
Business-type Activity	Governmental Activity	22,880
	Total	<u>\$ -</u>

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, business-type activities, and component unit are netted and eliminated.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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

Advances

In 2010, the CDA Fund advanced \$750,000 to TID 4 Fund to be used for construction costs for an innovation center. The advance to the TID 4 Fund from the CDA Fund is being repaid. The TIF repaid \$250,000 in 2019. An additional \$250,000 is scheduled to be repaid in 2020.

The following is a schedule of interfund advances:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>	<u>Amount Due Within One Year</u>
CDA Fund	TID 4	\$ 500,000	\$ -
General Fund	Aquatic Center	225,780	-
General Fund	TID 5	17,000	-
General Fund	TID 7	1,200	-
Total - Advances receivable		<u>\$ 743,980</u>	<u>\$ -</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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

Transfers

The following is a schedule of interfund transfers:

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>	<u>Principal Purpose</u>
General Fund	Parking Permit Fund	\$ 2,250	Administrative
General Fund	Field of Dreams	5,000	Administrative
General Fund	Parks and Recreation	34,522	Administrative
General Fund	Water Utility	340,380	Tax equivalent
Fire Dept. Equipment	Other Capital Projects	184,625	Capital equipment
DPW Equipment	Stormwater Utility	<u>21,500</u>	Capital equipment
Subtotal - General Fund		<u>588,277</u>	
Debt Service Fund	TID 4	1,090,295	Debt service payment
Debt Service Fund	TID 6	<u>25,938</u>	Debt service payment
Subtotal - Debt Service Fund		<u>1,116,233</u>	
Capital Projects	General Fund	<u>151,132</u>	Appropriation
Cable TV Fund	General Fund	20,000	Appropriation
Aquatic Center Fund	Other Capital Projects	50,000	Capital improvements
Aquatic Center Fund	General Fund	78,000	Appropriation
Library Special Revenue Fund	General Fund	469,657	Operations
Taxicab Grant Program	General Fund	<u>25,896</u>	City portion
Subtotal - Non-Major Funds		<u>643,553</u>	
Sub-Total – Fund Financial Statements		2,499,195	
Less: Fund Eliminations		<u>(2,137,315)</u>	
Total – Government-Wide Statement of Activities - Primary Government		<u>\$ 361,880</u>	
CDA	General	\$ 78,294	Economic development
CDA	TIF 4	75,000	Economic development
CDA	TIF 6	<u>25,000</u>	Economic development
Total – Government-Wide Statement of Activities - Component Unit		<u>\$ 178,294</u>	

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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

Transfers (Continued)

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.

7. Long-Term Obligations

The following is a summary of long-term debt transactions of the City for the year ended December 31, 2019.

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
GOVERNMENTAL ACTIVITIES					
Bonds and Notes Payable					
General Obligation Bonds	\$ 14,155,000	\$ -	\$ 1,370,000	\$ 12,785,000	\$ 1,465,000
Notes from Direct Borrowings	232,370	1,263,500	55,982	1,439,888	705,041
Sub-Total	<u>14,387,370</u>	<u>1,263,500</u>	<u>1,425,982</u>	<u>14,224,888</u>	<u>2,170,041</u>
Other Liabilities					
Vested Compensated Absences	561,365	17,034	-	578,399	79,010
Total Other Liabilities	<u>561,365</u>	<u>17,034</u>	<u>-</u>	<u>578,399</u>	<u>79,010</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 14,948,735</u>	<u>\$ 1,280,534</u>	<u>\$ 1,425,982</u>	<u>\$ 14,803,287</u>	<u>\$ 2,249,051</u>
BUSINESS-TYPE ACTIVITIES					
Bonds and Notes Payable					
General Obligation Bonds	\$ 5,645,000	\$ -	\$ 215,000	\$ 5,430,000	\$ 310,500
Bonds from Direct Borrowings	22,765,058	2,431,472	1,188,295	24,008,235	2,920,198
Revenue Bonds	2,050,000	-	210,000	1,840,000	220,000
Total Long-Term Debt	<u>30,460,058</u>	<u>2,431,472</u>	<u>1,613,295</u>	<u>31,278,235</u>	<u>3,450,698</u>
Other Liabilities					
Vested Compensated Absences	138,055	9,055	-	147,110	19,770
Total Other Liabilities	<u>138,055</u>	<u>9,055</u>	<u>-</u>	<u>147,110</u>	<u>19,770</u>
Total Business-type Activities Long-Term Liabilities	<u>\$ 30,598,113</u>	<u>\$ 2,440,527</u>	<u>\$ 1,613,295</u>	<u>\$ 31,425,345</u>	<u>\$ 3,470,468</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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, 2019, is \$34,845,290. Debt subject to the limit is \$21,791,388.

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 12/31/19</u>	<u>Current Portion</u>
Governmental Activities						
2010 Taxable GO Bonds	2/9/2010	12/1/2029	2.8-6.05	\$ 3,290,000	\$ 2,250,000	\$ 190,000
2010 GO Refunding Bonds	9/1/2010	9/1/2020	2.3-3.0	\$ 5,000,000	710,000	710,000
2010 Taxable GO Bonds	10/12/2010	9/1/2027	.75-5.0	\$ 2,110,000	1,560,000	95,000
2012 GO Refunding Bonds	5/17/2012	9/1/2031	.85-3.25	\$ 5,020,000	3,600,000	265,000
2014 Taxable GO Bonds	6/10/2014	9/1/2029	.5-3.0	\$ 2,645,000	2,130,000	140,000
2017 Taxable GO Notes	2/15/2017	2/15/2022	2.45-2.46	\$ 287,000	176,388	57,366
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0	\$ 2,535,000	2,535,000	65,000
2019 Bank Note GO	7/23/2019	7/23/2019	1.79	\$ 560,000	560,000	560,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49	\$ 703,500	703,500	87,675
Total Governmental Activities -- General Obligation Debt					<u>\$ 14,224,888</u>	<u>\$ 2,170,041</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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>
2020	\$ 1,465,000	\$ 416,849	\$ 705,041	31,951
2021	895,000	385,300	146,459	18,277
2022	915,000	357,614	147,913	14,641
2023	995,000	328,156	87,675	10,968
2024	1,015,000	293,819	64,050	8,809
2025-2029	5,125,000	903,572	288,750	21,578
2030-2034	1,740,000	240,338	-	-
2035-2037	635,000	41,275	-	-
Totals	<u>\$ 12,785,000</u>	<u>\$ 2,966,923</u>	<u>\$ 1,439,888</u>	<u>\$ 106,223</u>

The debt service requirements include provisions for short-term debt to be refinanced. The City borrowed \$2,250,000 in debt on July 23, 2019. The debt matures July 23, 2020 with interest of 1.79%. The City allocated the debt to the Capital Projects Fund (\$560,000), Water Utility (\$800,000), and Sewer (\$890,000). This debt met the conditions of long-term debt since the City's intention was to refinance and the City has a financing plan. The City's plan is to borrow a total of \$5,420,000 in 2020 over 20 years and pay off this debt plus finance additional capital projects. An initial borrowing resolution was passed at the May 5, 2020 Council meeting for this amount.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

7. Long-Term Obligations (Continued)

B. Business-Type Debt

The following is business-type debt outstanding:

Business-type Activities Debt

	Date of Issuance	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/19	Current Portion
<u>Water Utility</u>						
2011 Mortgage Revenue Bonds	6/7/2011	10/1/2026	1.6-4.0%	\$ 940,000	\$ 505,000	\$ 65,000
2012 Mortgage Revenue Bonds	5/17/2012	10/1/2027	.85-2.85%	\$ 855,000	490,000	55,000
			Total Water Utility Revenue Bonds		<u>995,000</u>	<u>120,000</u>
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 510,000	365,000	30,000
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,850,000	1,785,000	80,000
2019 GO Bank Note	7/23/2019	7/23/2020	1.79	\$ 800,000	800,000	800,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 313,000	313,000	31,300
			Total Water Utility G.O. Debt		<u>3,263,000</u>	<u>941,300</u>
			Total Water Utility Long-Term Debt		<u>4,258,000</u>	<u>1,061,300</u>
<u>Wastewater Utility</u>						
2009 Clean Water Fund Loan	12/9/2009	5/1/2029	2.91%	\$ 50,000	1,677,856	146,968
2011 Clean Water Fund Loan	7/27/2011	5/1/2031	2.40%	\$ 115,954	417,652	30,446
2012 Mortgage Revenue Bonds	5/17/2012	11/1/2027	.85-2.85%	\$ 1,485,000	845,000	100,000
2016 Clean Water Fund Loan	4/13/2016	5/1/2035	2.10%	\$ 8,829,926	19,776,228	1,052,784
			Total Wastewater Utility Revenue Bonds		<u>22,716,735</u>	<u>1,330,198</u>
2014 Taxable GO Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 220,000	155,000	15,000
2018 Taxable GO Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 1,355,000	1,355,000	25,000
2019 GO Bank Note	7/23/2019	7/23/2020	1.79	\$ 890,000	890,000	890,000
2019 GO Promissory Notes	7/23/2019	7/23/2029	2.49%	\$ 133,500	133,500	14,200
			Total Wastewater Utility G.O. Debt		<u>2,533,500</u>	<u>944,200</u>
			Total Wastewater Utility Long-Term Debt		<u>25,250,235</u>	<u>2,274,398</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

7. Long-Term Obligations (Continued)

B. Business-Type Debt (Continued)

Stormwater Utility

2012 GO Refunding

Bonds	5/17/2012	9/1/2031	.85-3.25%	\$ 455,000	355,000	25,000
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2014 Taxable GO

Bonds	6/10/2014	9/1/2029	0.5-3.0%	\$ 905,000	645,000	55,000
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2018 Taxable GO

Bonds	4/11/2018	9/1/2037	2.0-5.0%	\$ 800,000	770,000	35,000
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Total Stormwater Utility G.O. Debt	1,770,000	115,000
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Total Business-type Activities Long-Term Debt	\$ 31,278,235	\$ 3,450,698
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Debt service requirements on business-type debt to maturity are as follows:

<u>Years</u>	<u>Business-Type Activities</u>					
	<u>General Obligation Bonds and</u>		<u>Bonds from Direct Borrowings</u>		<u>Revenue Bonds</u>	
	<u>Notes</u>					
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 265,000	\$ 180,308	\$ 2,965,698	\$ 501,816	\$ 220,000	\$ 50,334
2021	310,000	173,967	1,302,814	443,158	225,000	44,948
2022	315,000	164,558	1,330,536	413,993	230,000	39,123
2023	320,000	152,968	1,358,878	384,201	240,000	32,941
2024	340,000	140,943	1,387,855	353,785	240,000	26,285
2025-2029	1,825,000	513,686	7,388,644	1,289,268	685,000	34,566
2030-2034	1,285,000	249,987	6,835,922	513,547	-	-
2035-2037	770,000	50,213	1,437,888	15,098	-	-
Totals	\$ 5,430,000	\$ 1,626,630	\$24,008,235	\$ 3,914,865	\$ 1,840,000	\$ 228,196

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.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

7. Long-Term Obligations (Continued)

C. Other Debt (Continued)

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.

8. Commitments and Contingencies

Federal Grant Programs

The City participates in several federal and state grant programs, which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required, and the collectability of any related receivable at December 31, 2019, may be impaired. In the opinion of management, no material adjustments will result from any such audits.

9. Net Position/Fund Balances

Governmental Activities

Net position reported on the government-wide statement of net position at December 31, 2019, includes the following:

Capital Assets net of depreciation	\$ 39,496,127
Less: long-term debt outstanding	(14,224,889)
Plus: unspent bond proceeds	<u>456,951</u>
Total Net Investment in Capital Assets	<u><u>\$ 25,728,189</u></u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

9. Net Position/Fund Balances (Continued)

Governmental Activities (Continued)

Fund balances as of December 31, 2019, include the items in the following tables:

Major Funds

<u>General Fund</u>	<u>Nonspendable</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>
Delinquent personal property tax	\$ 4,854	\$ -	\$ -	\$ -
Prepaid expenses	93,156	-	-	-
Advances	243,980	-	-	-
27th Payroll	-	-	-	30,772
Fire Department Equipment	-	-	371,975	-
DPW Equipment Revolving Fund	-	-	181,314	-
Police Vehicle Revolving Fund (deficit)	-	-	25,613	-
Building Repair Fund	-	-	12,579	-
Skate Park Fund	-	-	7,433	-
Solid Waste/Recycling Fund	-	-	29,371	-
Sick Leave Severance Fund (deficit)	-	-	39,342	-
Lakes Improvements Fund	-	-	475	-
Street Repair Revolving Fund	-	-	593,106	-
Insurance Fund	-	-	101,975	-
Elections Fund	-	-	19,984	-
Unassigned	-	-	-	1,937,310
Total General Fund	<u>\$ 341,990</u>	<u>\$ -</u>	<u>\$ 1,383,167</u>	<u>\$ 1,968,082</u>

Debt Service Fund

 Restricted for other debt \$ 43,298

TID 4 Capital Projects Fund

 TIF fund \$ 981,972

Other Capital Projects Fund

 Excess expenses over revenues (deficit) \$ 478,261

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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	\$ -	\$ 38,091	\$ -	\$ -
Library Special Revenue Fund	-	671,717	-	-
Taxicab Grant Program Fund	-	72,939	-	-
Parkland Acquisition Fund	-	48,689	-	-
Parkland Development Fund	-	21,141	-	-
Forestry Fund	-	12,350	-	-
Rescue Squad Equipment/Education Fund	-	151,048	-	-
Parking Permit Fund	-	59,425	-	-
Police Dept. Trust Fund	-	55,555	-	-
Field of Dreams Fund	-	59,967	-	-
Aquatic Center (deficit)	-	-	-	(261,151)
Capital Projects Funds				
TID 5 (deficit)	-	-	-	(8,357)
TID 6	-	83,131	-	-
TID 7 (deficit)	-	-	-	(1,412)
TID 8	-	21,089	-	-
TID 9	-	3,343	-	-
Total Non-Major Funds	<u>\$ -</u>	<u>\$ 1,298,485</u>	<u>\$ -</u>	<u>\$ (270,920)</u>

The Aquatic Center deficit is currently financed by a long-term advance from the General Fund.

Business-Type Activities

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

	<u>2019</u>
Water Utility	
Capital Assets net of depreciation	\$ 12,891,386
Less: related long-term debt outstanding	<u>(4,352,154)</u>
Total Invested in Capital Assets	<u>8,539,232</u>
Reserve from borrowing	<u>276,278</u>
Total Net Position - Net Investment in Capital Assets	<u>\$ 8,815,510</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

9. Net Position/Fund Balances (Continued)

Business-Type Activities (Continued)

	2019
Wastewater Utility	
Capital Assets net of depreciation	\$ 37,410,050
Less: related long-term debt outstanding	(25,315,943)
Total Invested in Capital Assets	12,094,107
Reserve from borrowing	232,099
Total Net Position - Net Investment in Capital Assets	\$ 12,326,206
	2019
Stormwater Utility	
Capital Assets net of depreciation	\$ 5,824,312
Less: related long-term debt outstanding	(1,800,351)
Total Invested in Capital Assets	4,023,961
Total Net Position - Net Investment in Capital Assets	\$ 4,023,961

The following calculation supports the Water, Wastewater, and Stormwater Utilities' balance of restricted net position as of December 31, 2019:

	Water	Wastewater
Restricted Assets		
Redemption account	\$ 57,394	\$ 1,370,761
Reserve account	276,278	232,099
Depreciation account	-	25,972
Connection account	-	320,599
Replacement account	-	1,829,715
Total Restricted Assets	333,672	3,779,146
Less: Restricted Assets Not Funded by Revenues		
Reserve from borrowing	(276,278)	(232,099)
Less: Current Liabilities Payable From Restricted Assets	(42,095)	(107,367)
Total Restricted Net Position as Calculated	\$ 15,299	\$ 3,439,680

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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 Comprehensive Annual Financial Report (“CAFR”), 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, 2019

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:

<u>Year</u>	<u>Core Fund Adjustment</u>	<u>Variable Fund Adjustment</u>
2009	(2.1%)	(42%)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17

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, and executives and elected officials. Starting on January 1, 2016, the executives and elected officials category was merged into the general employee category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the reporting period, the WRS recognized \$431,632 in contributions from the municipality.

Contribution rates as of December 31, 2019, are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General	6.55%	6.55%
Protective with Social Security	6.55%	10.55%
Protective without Social Security	6.55%	14.95%

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

10. Defined Benefit Pension Plan (Continued)

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

At December 31, 2019, the City reported a liability (asset) of \$1,451,440 for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2017, rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net pension liability (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, 2018, the City's proportion was 0.04079730%, which was an increase of 0.00029576% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized pension expense of \$989,936.

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between projected and actual experience	\$ 1,130,460	\$ (1,998,236)
Changes of assumptions	244,659	-
Net difference between projected and actual earnings on pension plan investments	2,119,728	-
Changes in proportion and difference between Employer contributions and proportionate share of contributions	14,162	(4,321)
Employer contributions subsequent to the measurement date	440,953	-
Total	<u>\$ 3,949,962</u>	<u>\$ (2,002,557)</u>

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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)

\$440,953 reported as deferred outflows of resources related to pension resulting from the WRS Employer'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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year Ended December 31:	Net Deferred Outflows (Inflows) of Resources
2020	\$ 548,169
2021	138,095
2022	237,918
2023	582,265
2024	-

G. Actuarial Assumptions

The total pension liability in the December 31, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2017
Measurement Date of Net Pension Liability (Asset):	December 31, 2018
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market 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. Based on this experience study, actuarial assumptions used to measure the Total Pension Liability changed from prior year, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, mortality and separation rates. The Total Pension Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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 arithmetic 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, 2018

<u>Core Fund Asset Class</u>	<u>Asset Allocation</u> %	<u>Long-Term</u> <u>Expected Nominal</u> <u>Rate of Return %</u>	<u>Long-Term Expected</u> <u>Real Rate of Return %</u>
Global Equities	49	8.1	5.5
Fixed Income	24.5	4	1.5
Inflation Sensitive Assets	15.5	3.8	1.3
Real Estate	9	6.5	3.9
Private Equity/Debt	8	9.4	6.7
Multi-Asset	4	6.7	4.1
Total Core Fund	<u>110</u>	7.3	4.7
<u>Variable Fund Asset Class</u>			
U.S. Equities	70	7.6	5
International Equities	30	8.5	5.9
Total Variable Fund	<u>100</u>	8	5.4

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.5%

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

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

10. Defined Benefit Pension Plan (Continued)

I. Single Discount Rate

A single discount rate of 7.00% was used to measure the Total Pension Liability, as opposed to a discount rate of 7.20% for the prior year. This single discount rate is based on the expected rate of return on pension plan investments of 7.00% and a municipal bond rate of 3.71%. Because of the unique structure of WRS, the 7.00% expected rate of return implies that a dividend of approximately 1.9% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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.

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)	\$ 5,768,174	\$ 1,451,440	\$ (1,758,387)

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 <http://etf.wi.gov/publications/cafr.htm>

11. Other Post-Employment Benefits Plan

A. Plan Description

The LRLIF is a multiple-employer defined benefit OPEB plan. LRLIF benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. The ETF and the Group Insurance Board have statutory authority for program administration and oversight. The plan provides post-employment life insurance benefits for all eligible employees.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

11. Other Post-Employment Benefits Plan (Continued)

B. OPEB Plan Fiduciary Net Position

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

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, 2019, are:

Coverage Type	Employer Contribution
25% Post Retirement Coverage	20% of employee contribution

Employee contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating employees must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The employee contribution rates in effect for the year ended December 31, 2018 are as listed below:

Life Insurance Employee Contribution Rates For the year ended December 31, 2018	
Attained Age	Basic
Under 30	\$0.05
30-34	0.06
35-39	0.07
40-44	0.08
45-49	0.12
50-54	0.22
55-59	0.39
60-64	0.49
65-69	0.57

During the reporting period, the LRLIF recognized \$1,780 in contributions from the employer.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

11. Other Post-Employment Benefits Plan (Continued)

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

At December 31, 2019, the LRLIF Employer reported a liability (asset) of \$238,418 for its proportionate share of the net OPEB liability (asset). The net OPEB liability (asset) was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of December 31, 2017, rolled forward to December 31, 2018. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net 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, 2018, the City's proportion was 0.09239800%, which was a decrease of 0.006667% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the City recognized OPEB expense of \$21,735.

At December 31, 2019, 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	\$ -	\$ (12,095)
Changes of assumptions	22,749	(51,680)
Net differences between projected and actual earnings on OPEB plan investments	5,698	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	3,266	(15,630)
Employer contributions subsequent to the measurement date	1,844	-
Totals	\$ 33,557	\$ (79,405)

\$1,844 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	Net Outflows (Inflows) of Resources
Year ended December 31:	
2020	\$ (6,643)
2021	(6,643)
2022	(6,643)
2023	(7,443)
2024	(8,267)
Thereafter	(12,053)
Total	\$ (47,692)

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

11. Other Post-Employment Benefits Plan (Continued)

F. Actuarial Assumptions

The total OPEB liability in the January 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	January 1, 2018
Measurement Date of Net OPEB Liability (Asset)	December 31, 2018
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield:	4.10%
Long-Term Expected Rate of Return:	5.00%
Discount Rate:	4.22%
Salary Increases	
Inflation:	3.20%
Seniority/Merit:	0.1% - 5.6%
Mortality:	Wisconsin 2018 Mortality Table

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2015 to December 31, 2017. Based on this experience study, actuarial assumptions used to measure the Total OPEB Liability changed from prior year, including the discount rate, wage inflation rate, mortality and separation rates. The Total OPEB Liability for December 31, 2018 is based upon a roll-forward of the liability calculated from the December 31, 2017 actuarial valuation.

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, 2019

11. Other Post-Employment Benefits Plan (Continued)

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

Local OPEB Life Insurance
Asset Allocation Targets and Expected Returns
As of December 31, 2018

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Government Bonds	Barclays Government	1%	1.44%
US Credit Bonds	Barclays Credit	40%	2.69%
US Long Credit Bonds	Barclays Long Credit	4%	3.01%
US Mortgages	Barclays MBS	54%	2.25%
US Municipal Bonds	Bloomberg Barclays Muni	1%	1.68%
Inflation			2.30%
Long-Term Expected Rate of Return			5.00%

H. Single Discount Rate

A single discount rate of 4.22% was used to measure the Total OPEB Liability for the current year, as opposed to a discount rate of 3.63% for the prior year. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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 4.22 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 (3.22 percent) or 1-percentage-point higher (5.22 percent) than the current rate:

	1% Decrease to Discount Rate (3.22%)	Current Discount Rate (4.22%)	1% Increase to Discount Rate (5.22%)
City's proportionate share of the net OPEB liability (asset)	\$339,165	\$238,418	\$160,714

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

J. OPEB Plan Fiduciary Net Position

Detailed information about the OPEB plan's fiduciary net position is available in separately issued financial statements available at <http://etf.wi.gov/publications/cafr.htm>.

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 operation of the Center at the end of the prior agreement dated December 14, 2016. The previous agreement required the City and District to fund and manage construction of the Center and create an operating entity to manage the Center.

The new agreement specifies that the City of Whitewater Park Board will 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 budget for the Center will be separate. The parties will split all Center expenses equally to the extent they are not covered by revenues generated by the Park Board. The City shall contribute \$128,000 toward the Center costs and the District shall contribute \$70,500 each July 1 and \$50,000 each January 1 for Center costs.

As of December 31, 2019, the aquatic center fund had a deficit of \$261,151.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

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 assets 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	\$ 1,510,378	\$ 1,510,378	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, 2019, the total bank balance of \$1,510,378 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. \$18,263 of 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, 2019

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 \$1,275,845

D. Capital Assets

	Beginning Balance	Additions	Deletions	Ending Balance	Useful Lives (Years)
Land	\$ 275,172	\$ -	\$ -	\$ 275,172	N/A
Equipment	6,990	-	-	6,990	5-10
Buildings	6,087,994	-	-	6,087,994	35-40
Accumulated Depreciation					
Equipment	(6,493)	(349)	-	(6,842)	
Buildings	(974,079)	(121,760)	-	(1,095,839)	
Totals	<u>\$ 5,389,584</u>	<u>\$ (122,109)</u>	<u>\$ -</u>	<u>\$ 5,267,475</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 \$178,294.

G. Due from City

The CDA has a long-term advance receivable from the City as disclosed in Note 6.

CITY OF WHITEWATER
Notes to the Financial Statements
December 31, 2019

16. Economic Dependency

One of the City's Water Utility customers provides approximately 22.9% of the water revenue.

17. Subsequent Events

As previously mentioned, the City approved an initial resolution for borrowing \$5,420,000 in general obligation bonds on May 5, 2020. The intention is to refinance \$2,250,000 in 2019 notes and to fund additional capital projects.

The City approved a sale of land for \$229,000.

A novel strain of coronavirus (COVID-19) spread to the United States. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, multiple jurisdictions in the U.S. have declared a state of emergency. It is anticipated that these impacts will continue for some time. Future potential impacts may include disruptions or restrictions on our employees' ability to work or the residents' ability to pay utility bills, tax bills, or special assessments. Operating functions that may be changed include access to the City Hall, voting, payment of utility bills, and maintenance. Changes to the operating environment may increase operating costs. Additional impacts may include the ability of residents to continue making utility bill payments as a result of job loss or other pandemic related issues. The future effects of these issues are unknown.

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, 2019

	<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	\$ 3,989,181	\$ 3,989,181	\$ 4,001,419	\$ (818,822)	\$ 3,182,597
Special Assessment Revenue	1,185	1,185	1,660	-	1,660
Intergovernmental	4,567,741	4,567,741	4,667,105	31,734	4,698,839
License and Permits	105,100	105,100	72,418	-	72,418
Fines, Forfeits and Penalties	390,000	390,000	328,694	-	328,694
Public Charges for Services	76,400	76,400	143,269	30	143,299
Interest Income	75,000	75,000	220,999	7,985	228,984
Miscellaneous Income	55,300	55,300	78,508	33,286	111,794
Total Revenues	<u>9,259,907</u>	<u>9,259,907</u>	<u>9,514,072</u>	<u>(745,787)</u>	<u>8,768,285</u>
EXPENDITURES					
Current:					
General Government	1,539,469	1,539,469	1,405,279	25,114	1,430,393
Public Safety	4,005,270	4,005,270	3,822,497	36,828	3,859,325
Public Works	984,853	984,853	1,142,040	483,896	1,625,936
Culture, Recreation and Education	697,457	697,457	617,300	-	617,300
Capital Outlay	-	-	-	50,626	50,626
Total Expenditures	<u>7,227,049</u>	<u>7,227,049</u>	<u>6,987,116</u>	<u>596,464</u>	<u>7,583,580</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,032,858</u>	<u>2,032,858</u>	<u>2,526,956</u>	<u>(1,342,251)</u>	<u>1,184,705</u>
OTHER FINANCING SOURCES (USES)					
Transfers from CDA	(79,122)	(79,122)	(78,294)	-	(78,294)
Transfers In	369,272	369,272	382,152	206,125	588,277
Transfers Out	<u>(2,323,008)</u>	<u>(2,594,501)</u>	<u>(2,595,329)</u>	<u>1,798,013</u>	<u>(797,316)</u>
Total Other Financing Sources and Uses	<u>(2,032,858)</u>	<u>(2,304,351)</u>	<u>(2,291,471)</u>	<u>2,004,138</u>	<u>(287,333)</u>
Net Change in Fund Balances	-	(271,493)	235,485	661,887	897,372
Fund Balances - Beginning	<u>2,043,815</u>	<u>2,043,815</u>	<u>2,043,815</u>	<u>752,052</u>	<u>2,795,867</u>
Fund Balances - Ending	<u>\$ 2,043,815</u>	<u>\$ 1,772,322</u>	<u>\$ 2,279,300</u>	<u>\$ 1,413,939</u>	<u>\$ 3,693,239</u>

See accompanying notes to the required supplementary information

**CITY OF WHITEWATER
WISCONSIN RETIREMENT SYSTEM SCHEDULES
December 31, 2019**

**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	Proportionate share of the 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)
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
2019	\$ 440,953	\$ (440,953)	\$ -	\$ 5,512,701	8.00%
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, 2019**

**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	Proportionate share of the 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)
2018	0.09298000%	\$ 238,418	\$ 4,172,000	5.71%	48.69%
2017	0.09906500%	\$ 298,045	\$ 4,165,967	7.15%	44.81%

**SCHEDULE OF 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
2019	\$ 1,844	\$ (1,844)	\$ -	\$ 4,585,455	0.04%
2018	\$ 1,773	\$ (1,773)	\$ -	\$ 4,172,000	0.04%

See accompanying notes to the required supplementary information

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2019

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 individual account level. The budgetary comparison schedule is presented for the general fund only. The debt service levy and transfer out to debt service of \$818,822 was added to the actual totals budgetary basis. These 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.

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:

Public Works \$157,187

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 5 preceding years.

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

Changes of assumptions: Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total Pension Liability changed, including the discount rate, long-term expected rate of return, post-retirement adjustment, wage inflation rate, and mortality and separation rates.

CITY OF WHITEWATER
Notes to the Required Supplementary Information
December 31, 2019

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 8 preceding years.

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

Changes of assumptions: Actuarial assumptions are based upon an experience study conducted in 2018 using experience from 2015-2017. Based on the experience study conducted in 2018, actuarial assumptions used to develop Total OPEB Liability changed, including the discount rate, wage inflation rate, and mortality and separation rates.

OTHER SUPPLEMENTAL INFORMATION

City of Whitewater
Whitewater, WI
Balance Sheet
Combining General Fund
December 31, 2019

	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 Fund	Electrons Fund	Total General Fund
ASSETS														
Cash and Cash Equivalents	\$ 3,884,812	\$ 30,772	\$ 371,975	\$ 181,314	\$ 25,613	\$ 12,579	\$ 7,433	\$ 31,658	\$ 39,342	\$ 475	\$ 595,514	\$ 101,975	\$ 20,188	\$ 5,303,650
Receivables:														
Taxes	2,550,616	-	-	-	-	-	-	-	-	-	-	-	-	2,550,616
Delinquent Personal Property Taxes	4,854	-	-	-	-	-	-	-	-	-	-	-	-	4,854
Special Assessments	45,021	-	-	-	-	-	-	-	-	-	-	-	-	45,021
Other	47,506	-	-	-	-	-	-	-	-	-	-	-	-	47,506
Due from Other Governments	4,075	-	-	-	-	-	-	-	-	-	-	-	-	4,075
Due from Other Funds	42,363	-	-	-	-	-	-	-	-	-	-	-	-	42,363
Prepaid Expenses	93,156	-	-	-	-	-	-	-	-	-	-	-	-	93,156
Advances receivable	243,980	-	-	-	-	-	-	-	-	-	-	-	-	243,980
Total Assets	<u>\$ 6,916,383</u>	<u>\$ 30,772</u>	<u>\$ 371,975</u>	<u>\$ 181,314</u>	<u>\$ 25,613</u>	<u>\$ 12,579</u>	<u>\$ 7,433</u>	<u>\$ 31,658</u>	<u>\$ 39,342</u>	<u>\$ 475</u>	<u>\$ 595,514</u>	<u>\$ 101,975</u>	<u>\$ 20,188</u>	<u>\$ 8,335,221</u>
LIABILITIES														
Liabilities:														
Accounts Payable	\$ 175,929	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,287	\$ -	\$ -	\$ 2,408	\$ -	\$ 204	\$ 180,828
Accrued Liabilities	389,465	-	-	-	-	-	-	-	-	-	-	-	-	389,465
Payable to Other Governments	55,365	-	-	-	-	-	-	-	-	-	-	-	-	55,365
Total Liabilities	<u>620,759</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,287</u>	<u>-</u>	<u>-</u>	<u>2,408</u>	<u>-</u>	<u>204</u>	<u>625,658</u>
DEFERRED INFLOWS OF RESOURCES	<u>4,016,324</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>4,016,324</u>
FUND BALANCE														
Nonspendable	341,990	-	-	-	-	-	-	-	-	-	-	-	-	341,990
Assigned	-	-	371,975	181,314	25,613	12,579	7,433	29,371	39,342	475	593,106	101,975	19,984	1,383,167
Unassigned	1,937,310	30,772	-	-	-	-	-	-	-	-	-	-	-	1,968,082
Total Fund Balance	<u>2,279,300</u>	<u>30,772</u>	<u>371,975</u>	<u>181,314</u>	<u>25,613</u>	<u>12,579</u>	<u>7,433</u>	<u>29,371</u>	<u>39,342</u>	<u>475</u>	<u>593,106</u>	<u>101,975</u>	<u>19,984</u>	<u>3,693,239</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 6,916,383</u>	<u>\$ 30,772</u>	<u>\$ 371,975</u>	<u>\$ 181,314</u>	<u>\$ 25,613</u>	<u>\$ 12,579</u>	<u>\$ 7,433</u>	<u>\$ 31,658</u>	<u>\$ 39,342</u>	<u>\$ 475</u>	<u>\$ 595,514</u>	<u>\$ 101,975</u>	<u>\$ 20,188</u>	<u>\$ 8,335,221</u>

City of Whitewater
Whitewater, WI
Statement of Revenues, Expenditures and Changes in Fund Balance
Combining General Funds
For the Year Ended December 31, 2015

	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 Res. Fund	Insurance Fund	Elections Fund	Total General Fund
REVENUES														
Property Taxes	\$ 3,182,597	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,182,597
Special Assessment Revenue	1,660	-	-	-	-	-	-	-	-	-	-	-	-	1,660
Intergovernmental	4,667,105	-	-	-	-	-	-	31,734	-	-	-	-	-	4,698,839
Licenses and Permits	72,418	-	-	-	-	-	-	-	-	-	-	-	-	72,418
Fines, Forfeits and Penalties	328,694	-	-	-	-	-	-	-	-	-	-	-	-	328,694
Public Charges for Services	143,269	-	-	-	-	-	-	30	-	-	-	-	-	143,299
Interest Income	230,999	15	1,160	1,461	-	-	-	-	-	-	5,149	-	-	228,984
Miscellaneous Income	78,508	-	-	29,601	3,685	-	-	-	-	-	-	-	-	111,794
Total Revenues	8,695,250	15	1,160	31,062	3,685	-	-	31,764	-	-	5,149	-	-	8,768,285
EXPENDITURES														
Current														
General Government	1,405,279	-	-	-	-	-	-	-	6,845	-	-	-	18,269	1,430,393
Public Safety	3,822,497	-	-	-	36,828	-	-	-	-	-	-	-	-	3,859,325
Public Works	1,142,040	-	-	43,050	-	-	-	416,310	-	-	24,536	-	-	1,625,936
Culture, Recreation and Education	617,360	-	-	-	-	-	-	-	-	-	-	-	-	617,360
Capital Outlay	-	-	-	37,856	-	12,770	-	-	-	-	-	-	-	50,626
Total Expenditures	6,987,116	-	-	80,906	36,828	12,770	-	416,310	6,845	-	24,536	-	18,269	7,583,580
Excess (Deficiency) of Revenues Over Expenditures	1,708,134	15	1,160	(49,844)	(33,143)	(12,770)	-	(384,546)	(6,845)	-	(19,187)	-	(18,269)	1,184,705
OTHER FINANCING SOURCES (USES)														
Transfer from CIAA	(78,294)	-	-	-	-	-	-	-	-	-	-	-	-	(78,294)
Transfers In	382,152	-	184,625	21,500	-	-	-	-	-	-	-	-	-	588,277
Transfers Out	(1,776,507)	15,000	50,000	110,000	115,000	15,000	-	384,546	92,000	-	112,500	60,000	25,145	(797,316)
Total Other Financing Sources and Uses	(1,472,649)	15,000	234,625	131,500	115,000	15,000	-	384,546	92,000	-	112,500	60,000	25,145	(287,313)
Net Change in Fund Balances	235,485	15,015	235,785	81,656	81,857	2,230	-	-	85,155	-	93,313	60,000	6,876	497,372
Fund Balances (Deficit) - Beginning	2,043,815	15,757	136,190	99,658	(56,244)	10,349	7,433	29,371	(45,813)	475	499,795	41,975	13,108	2,295,867
Fund Balances - Ending	\$ 2,279,300	\$ 30,772	\$ 371,975	\$ 181,314	\$ 25,614	\$ 12,579	\$ 7,433	\$ 29,371	\$ 39,342	\$ 475	\$ 593,106	\$ 101,975	\$ 19,984	\$ 1,699,239

**City of Whitewater
Whitewater, WI**

**Balance Sheet
Non-Major Governmental Funds
December 31, 2019**

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Non-Major Governmental Funds
ASSETS			
Cash and Cash Equivalents	\$ 1,245,486	\$ 160,177	\$ 1,405,663
Receivables:			
Taxes	-	58,853	58,853
Due from Other Funds	-	144	144
Due from Other Governments	11,855	-	11,855
Total Assets	\$ 1,257,341	\$ 219,174	\$ 1,476,515
 LIABILITIES			
Accounts Payable	\$ 54,597	\$ -	\$ 54,597
Accrued Liabilities	29,289	-	29,289
Due to Other Funds	695	16,652	17,347
Advances Payable	225,780	18,200	243,980
Total Liabilities	310,361	34,852	345,213
 DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows	17,209	86,528	103,737
 FUND BALANCE			
Restricted	1,190,922	107,563	1,298,485
Unassigned (Deficit)	(261,151)	(9,769)	(270,920)
Total Fund Balance	929,771	97,794	1,027,565
Total Liabilities, Deferred Inflows and Fund Balance	\$ 1,257,341	\$ 219,174	\$ 1,476,515

**City of Whitewater
Whitewater, WI**

**Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Year Ended December 31, 2019**

	Non-Major Special Revenue Funds	Non-Major Capital Project Funds	Non-Major Governmental Funds
REVENUES			
Property Taxes	\$ -	\$ 77,890	\$ 77,890
Intergovernmental	532,055	3,925	535,980
Fines, Forfeits and Penalties	8,423	-	8,423
Public Charges for Services	832,669	-	832,669
Intergovernmental Charges for Services	1,072	-	1,072
Interest Income	8,280	529	8,809
Miscellaneous Income	133,689	-	133,689
Total Revenues	<u>1,516,188</u>	<u>82,344</u>	<u>1,598,532</u>
EXPENDITURES			
Current:			
General Government	198	-	198
Public Safety	40,203	-	40,203
Public Works	212,861	-	212,861
Culture, Recreation and Education	1,813,483	-	1,813,483
Conservation and Development	120	750	870
Capital Outlay	19,040	-	19,040
Total Expenditures	<u>2,085,905</u>	<u>750</u>	<u>2,086,655</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(569,717)</u>	<u>81,594</u>	<u>(488,123)</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	643,553	-	643,553
Transfers Out	(41,772)	(25,938)	(67,710)
Transfers Out to CDA	-	(25,000)	(25,000)
Total Other Financing Sources and Uses	<u>601,781</u>	<u>(50,938)</u>	<u>550,843</u>
Net Change in Fund Balances	32,064	30,656	62,720
Fund Balances - Beginning	897,707	67,138	964,845
Fund Balances - Ending	<u>\$ 929,771</u>	<u>\$ 97,794</u>	<u>\$ 1,027,565</u>

City of Whitewater
Whitewater, WI
Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2019

	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	\$ 40,994	\$ 694,425	\$ 78,122	\$ 48,689	\$ 21,141	\$ 12,350	\$ 151,048
Due from Other Governments	-	-	11,855	-	-	-	-
Total Assets	<u>\$ 40,994</u>	<u>\$ 694,425</u>	<u>\$ 89,977</u>	<u>\$ 48,689</u>	<u>\$ 21,141</u>	<u>\$ 12,350</u>	<u>\$ 151,048</u>
LIABILITIES							
Liabilities:							
Accounts Payable	\$ 613	\$ 7,458	\$ 17,038	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	2,290	15,250	-	-	-	-	-
Total Liabilities	<u>2,903</u>	<u>22,708</u>	<u>17,038</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE							
Restricted	38,091	671,717	72,939	48,689	21,141	12,350	151,048
Total Fund Balance	<u>38,091</u>	<u>671,717</u>	<u>72,939</u>	<u>48,689</u>	<u>21,141</u>	<u>12,350</u>	<u>151,048</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 40,994</u>	<u>\$ 694,425</u>	<u>\$ 89,977</u>	<u>\$ 48,689</u>	<u>\$ 21,141</u>	<u>\$ 12,350</u>	<u>\$ 151,048</u>

**City of Whitewater
Whitewater, WI**

**Combining Balance Sheet
Non-Major Special Revenue Funds
December 31, 2019**

	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	\$ 59,750	\$ 56,560	\$ 4,421	\$ 77,986	\$ -	\$ 1,245,486
Due from Other Governments	-	-	-	-	-	11,855
Total Assets	<u>\$ 59,750</u>	<u>\$ 56,560</u>	<u>\$ 4,421</u>	<u>\$ 77,986</u>	<u>\$ -</u>	<u>\$ 1,257,341</u>
LIABILITIES						
Liabilities:						
Accounts Payable	\$ 325	\$ 310	\$ 4,239	\$ 810	\$ 23,804	\$ 54,597
Accrued Liabilities	-	-	182	-	11,567	29,289
Due to Other Funds	-	695	-	-	-	695
Total Liabilities	<u>325</u>	<u>1,005</u>	<u>4,421</u>	<u>810</u>	<u>261,151</u>	<u>310,361</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred Inflows	-	-	-	17,209	-	17,209
FUND BALANCE (DEFICIT)						
Restricted	59,425	55,555	-	59,967	-	1,190,922
Unassigned (Deficit)	-	-	-	-	(261,151)	(261,151)
Total Fund Balance (Deficit)	<u>59,425</u>	<u>55,555</u>	<u>-</u>	<u>59,967</u>	<u>(261,151)</u>	<u>929,771</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 59,750</u>	<u>\$ 56,560</u>	<u>\$ 4,421</u>	<u>\$ 77,986</u>	<u>\$ -</u>	<u>\$ 1,257,341</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, 2019

	Cable TV Fund	Library Special Revenue Fund	Taxicab Grant Program Fund	Parkland Acquisition Fund	Parkland Development Fund	Forestry Fund	Rescue Squad Equipment/ Educ. Fund
REVENUES							
Intergovernmental	\$ -	\$ 216,895	\$ 187,160	\$ -	\$ -	\$ -	\$ -
Fines, Forfeits and Penalties	-	8,423	-	-	-	-	-
Public Charges for Services	92,870	7,529	-	-	2,516	-	-
Intergovernmental Charges for Services	-	-	-	-	-	-	1,072
Interest Income	993	2,125	-	-	-	28	2,883
Miscellaneous Income	384	35,133	-	-	-	250	-
Total Revenues	94,247	270,105	187,160	-	2,516	278	3,955
EXPENDITURES							
Current:							
Public Safety	-	-	-	-	-	-	6,603
Public Works	-	-	212,861	-	-	-	-
Culture, Recreation and Education	100,777	714,498	-	-	-	-	-
Conservation and Development	-	-	-	-	-	120	-
Capital Outlay	-	15,745	-	-	3,295	-	-
Total Expenditures	100,777	730,243	213,059	-	3,295	120	6,603
Excess (Deficiency) of Revenues Over Expenditures	(6,530)	(460,138)	(25,899)	-	(779)	158	(2,648)
OTHER FINANCING SOURCES (USES)							
Transfers In	20,000	469,657	25,896	-	-	-	-
Total Other Financing Sources and Uses	20,000	469,657	25,896	-	-	-	-
Net Change in Fund Balances	13,470	9,519	(3)	-	(779)	158	(2,648)
Fund Balances - Beginning	24,621	662,198	72,942	48,689	21,920	12,192	153,696
Fund Balances - Ending	\$ 38,091	\$ 671,717	\$ 72,939	\$ 48,689	\$ 21,141	\$ 12,350	\$ 151,048

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, 2019

	Parking Permit Fund	Police Dept. Trust Fund	Parks and Recreation Fund	Field of Dreams Fund	Aquatic Center Fund	Non-Major Special Revenue Funds
REVENUES						
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 128,000	\$ 532,055
Fines, Forfeits and Penalties	-	-	-	-	-	8,423
Public Charges for Services	38,620	-	176,911	-	514,223	832,669
Intergovernmental Charges for Services	-	-	-	-	-	1,072
Interest Income	597	27	-	-	1,627	8,280
Miscellaneous Income	-	23,279	1,593	68,710	4,340	133,689
Total Revenues	<u>39,217</u>	<u>23,306</u>	<u>178,504</u>	<u>68,710</u>	<u>648,190</u>	<u>1,516,188</u>
EXPENDITURES						
Current:						
Public Safety	9,305	24,295	-	-	-	40,203
Public Works	-	-	-	-	-	212,861
Culture, Recreation and Education	-	-	157,096	53,013	788,099	1,813,483
Conservation and Development	-	-	-	-	-	120
Capital Outlay	-	-	-	-	-	19,040
Total Expenditures	<u>9,305</u>	<u>24,295</u>	<u>157,096</u>	<u>53,013</u>	<u>788,099</u>	<u>2,085,905</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>29,912</u>	<u>(989)</u>	<u>21,408</u>	<u>15,697</u>	<u>(139,909)</u>	<u>(569,717)</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	128,000	643,553
Transfers Out	(2,250)	-	(34,522)	(5,000)	-	(41,772)
Total Other Financing Sources and Uses	<u>(2,250)</u>	<u>-</u>	<u>(34,522)</u>	<u>(5,000)</u>	<u>128,000</u>	<u>601,781</u>
Net Change in Fund Balances	27,662	(989)	(13,114)	10,697	(11,909)	32,064
Fund Balances - Beginning	31,763	56,544	13,114	49,270	(249,242)	897,707
Fund Balances (Deficit) - Ending	<u>\$ 59,425</u>	<u>\$ 55,555</u>	<u>\$ -</u>	<u>\$ 59,967</u>	<u>\$ (261,151)</u>	<u>\$ 929,771</u>

**City of Whitewater
Whitewater, WI**

**Combining Balance Sheet
Non-Major Capital Project Funds
December 31, 2019**

	<u>TID #5</u>	<u>TID #6</u>	<u>TID #7</u>	<u>TID #8</u>	<u>TID #9</u>	<u>Non-Major Capital Project Funds</u>
ASSETS						
Cash and Cash Equivalents	\$ 28,959	\$ 106,224	\$ -	\$ 21,469	\$ 3,525	\$ 160,177
Receivables:						
Taxes	8,242	49,109	-	1,113	389	58,853
Due from Other Funds	-	-	-	144	-	144
Total Assets	<u>\$ 37,201</u>	<u>\$ 155,333</u>	<u>\$ -</u>	<u>\$ 22,726</u>	<u>\$ 3,914</u>	<u>\$ 219,174</u>
LIABILITIES						
Due to Other Funds	\$ 16,440	\$ -	\$ 212	\$ -	\$ -	\$ 16,652
Advances Payable	17,000	-	1,200	-	-	18,200
Total Liabilities	<u>33,440</u>	<u>-</u>	<u>1,412</u>	<u>-</u>	<u>-</u>	<u>34,852</u>
DEFERRED INFLOWS OF RESOURCES						
2019 Tax Apportionment	<u>12,118</u>	<u>72,202</u>	<u>-</u>	<u>1,637</u>	<u>571</u>	<u>86,528</u>
FUND BALANCE (DEFICIT)						
Restricted	-	83,131	-	21,089	3,343	107,563
Unassigned (Deficit)	<u>(8,357)</u>	<u>-</u>	<u>(1,412)</u>	<u>-</u>	<u>-</u>	<u>(9,769)</u>
Total Fund Balance (Deficit)	<u>(8,357)</u>	<u>83,131</u>	<u>(1,412)</u>	<u>21,089</u>	<u>3,343</u>	<u>97,794</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 37,201</u>	<u>\$ 155,333</u>	<u>\$ -</u>	<u>\$ 22,726</u>	<u>\$ 3,914</u>	<u>\$ 219,174</u>

City of Whitewater
Whitewater, WI

Non-Major Capital Project Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2019

	TID #5	TID #6	TID #7	TID #8	TID #9	Non-Major Capital Projects Funds
REVENUES						
Property Taxes	\$ 10,139	\$ 66,651	\$ -	\$ 549	\$ 551	\$ 77,890
Intergovernmental	146	3,772	-	-	7	3,925
Interest Income	-	131	-	398	-	529
Total Revenues	<u>10,285</u>	<u>70,554</u>	<u>-</u>	<u>947</u>	<u>558</u>	<u>82,344</u>
EXPENDITURES						
Current:						
Conservation and Development	150	150	150	150	150	750
Total Expenditures	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>150</u>	<u>750</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>10,135</u>	<u>70,404</u>	<u>(150)</u>	<u>797</u>	<u>408</u>	<u>81,594</u>
OTHER FINANCING SOURCES (USES)						
Transfers Out	-	(25,938)	-	-	-	(25,938)
Transfers Out to CDA	-	(25,000)	-	-	-	(25,000)
Total Other Financing Sources and Uses	<u>-</u>	<u>(50,938)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,938)</u>
Net Change in Fund Balances	10,135	19,466	(150)	797	408	30,656
Fund Balances (Deficit) - Beginning	(18,492)	63,665	(1,262)	20,292	2,935	67,138
Fund Balances (Deficit) - Ending	<u>\$ (8,357)</u>	<u>\$ 83,131</u>	<u>\$ (1,412)</u>	<u>\$ 21,089</u>	<u>\$ 3,343</u>	<u>\$ 97,794</u>

**City of Whitewater
Whitewater, WI
Combining Statement of Net Position
Component Unit
December 31, 2019**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 86,564	\$ 1,345,429	\$ 78,385	\$ 1,510,378
Total Current Assets	<u>86,564</u>	<u>1,345,429</u>	<u>78,385</u>	<u>1,510,378</u>
Noncurrent Assets:				
Restricted Assets				
Loans Receivable	-	1,275,845	-	1,275,845
Advance Receivable from City	-	500,000	-	500,000
Capital Assets				
Land, Improvements, and Construction in Progress	-	275,172	-	275,172
Other Capital Assets, Net of Depreciation	148	4,992,155	-	4,992,303
Total Capital Assets	<u>148</u>	<u>5,267,327</u>	<u>-</u>	<u>5,267,475</u>
Total Noncurrent Assets	<u>148</u>	<u>7,043,172</u>	<u>-</u>	<u>7,043,320</u>
Total Assets	<u>86,712</u>	<u>8,388,601</u>	<u>78,385</u>	<u>8,553,698</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Pension Outflows	19,743	-	-	19,743
Total Deferred Outflows of Resources	<u>19,743</u>	<u>-</u>	<u>-</u>	<u>19,743</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 106,455</u>	<u>\$ 8,388,601</u>	<u>\$ 78,385</u>	<u>\$ 8,573,441</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Expenses	\$ 1,933	\$ -	\$ 16,535	\$ 18,468
Total Current Liabilities	<u>1,933</u>	<u>-</u>	<u>16,535</u>	<u>18,468</u>
Non-Current Liabilities:				
Net Pension Liability	7,255	-	-	7,255
Total Non-Current Liabilities	<u>7,255</u>	<u>-</u>	<u>-</u>	<u>7,255</u>
Total Liabilities	<u>9,188</u>	<u>-</u>	<u>16,535</u>	<u>25,723</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Pension Inflows	10,010	-	-	10,010
Total Deferred Inflows of Resources	<u>10,010</u>	<u>-</u>	<u>-</u>	<u>10,010</u>
NET POSITION				
Net Investment in Capital Assets	148	5,267,327	-	5,267,475
Restricted	-	3,121,274	-	3,121,274
Unrestricted	87,109	-	61,850	148,959
Total Net Position	<u>87,257</u>	<u>8,388,601</u>	<u>61,850</u>	<u>8,537,708</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u>\$ 106,455</u>	<u>\$ 8,388,601</u>	<u>\$ 78,385</u>	<u>\$ 8,573,441</u>

**City of Whitewater
Whitewater, WI**

**Combining Statement of Revenues, Expenses and Changes in Net Position
Component Unit
For the Year Ended December 31, 2019**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
Operating Revenues	\$ -	\$ 21,123	\$ 140,884	\$ 162,007
Operating Expenses				
Operating Expenses	104,929	34,757	246,788	386,474
Depreciation	350	121,760	-	122,110
Total Operating Expenses	<u>105,279</u>	<u>156,517</u>	<u>246,788</u>	<u>508,584</u>
Operating Income (Loss)	<u>(105,279)</u>	<u>(135,394)</u>	<u>(105,904)</u>	<u>(346,577)</u>
Non-Operating Revenues (Expenses)				
Investment Income	418	58,547	-	58,965
Miscellaneous	-	1,558	87,755	89,313
Total Non Operating Revenues	<u>418</u>	<u>60,105</u>	<u>87,755</u>	<u>148,278</u>
Transfer In from City	179,122	-	27,680	206,802
Transfer Out to City	<u>(18,060)</u>	<u>-</u>	<u>(10,448)</u>	<u>(28,508)</u>
Change in Net Position	56,201	(75,289)	(917)	(20,005)
Total Net Position - Beginning	<u>31,056</u>	<u>8,463,890</u>	<u>62,767</u>	<u>8,557,713</u>
Total Net Position - Ending	<u>\$ 87,257</u>	<u>\$ 8,388,601</u>	<u>\$ 61,850</u>	<u>\$ 8,537,708</u>

**City of Whitewater
Whitewater, WI**

**Combining Statement of Cash Flows
Component Unit
For the Year Ended December 31, 2019**

	Community Development Authority (Operating)	Community Development Authority (Program)	Innovation Center	Total
Cash Flows From Operating Activities				
Received from customers	\$ -	\$ 52,743	\$ 140,884	\$ 193,627
Loans repaid	-	103,753	-	103,753
New loans issued	-	(87,650)	-	(87,650)
Paid to suppliers for goods and services	(41,239)	(33,199)	(150,639)	(225,077)
Payments to employees for services	(58,563)	-	-	(58,563)
Net cash flows from operating activities	<u>(99,802)</u>	<u>35,647</u>	<u>(9,755)</u>	<u>(73,910)</u>
Cash Flows From Investing Activities				
Investment income	418	58,547	-	58,965
Net cash flows from investing activities	<u>418</u>	<u>58,547</u>	<u>-</u>	<u>58,965</u>
Cash Flows From Non-Capital Financing Activities				
Transfers in from City	179,122	-	27,680	206,802
Transfers out to City	(18,060)	-	(10,448)	(28,508)
Advance repayments	-	250,000	-	250,000
Net cash flow from noncapital financing activities	<u>161,062</u>	<u>250,000</u>	<u>17,232</u>	<u>428,294</u>
Net increase (decrease) in cash and cash equivalents	61,678	344,194	7,477	413,349
Cash And Cash Equivalents - Beginning Of Year	<u>24,886</u>	<u>1,001,235</u>	<u>70,908</u>	<u>1,097,029</u>
Cash And Cash Equivalents - End Of Year	<u>\$ 86,564</u>	<u>\$ 1,345,429</u>	<u>\$ 78,385</u>	<u>\$ 1,510,378</u>
Reconciliation Of Operating Income (Loss) To Net Cash Flows From Operating Activities				
Operating income (loss)	\$ (105,279)	\$ (135,394)	\$ (105,904)	\$ (346,577)
Adjustments to reconcile operating income (loss) to net cash flows from operating activities				
Miscellaneous	-	1,558	87,755	89,313
Noncash items included in income (loss)				
Depreciation	350	121,760	-	122,110
Pension expense	8,358	-	-	8,358
Change in Assets and Liabilities				
Other receivables	-	31,620	-	31,620
Loans receivable	-	16,103	-	16,103
Accounts payable and accrued expenses	(4,980)	-	8,394	3,414
Net Cash Flows From Operating Activities	<u>\$ (99,802)</u>	<u>\$ 35,647</u>	<u>\$ (9,755)</u>	<u>\$ (73,910)</u>

City of Whitewater

Schedule of Long-Term Debt Principal Payments - Governmental Activities
December 31, 2019

Year	Totals	2010 Taxable	2010	2010 Taxable	2012	2014	2017	2018	2019	2019
		General Obligation Community Development Bonds		General Obligation Refunding Bonds						
2020	\$ 2,170,041	\$ 190,000	\$ 710,000	\$ 95,000	\$ 265,000	\$ 140,000	\$ 57,366	\$ 65,000	\$ 560,000	\$ 87,675
2021	1,041,459	195,000	-	220,000	270,000	145,000	58,784	65,000	-	87,675
2022	1,062,913	205,000	-	225,000	275,000	150,000	60,238	60,000	-	87,675
2023	1,082,675	210,000	-	235,000	280,000	150,000	-	120,000	-	87,675
2024	1,079,050	220,000	-	240,000	290,000	155,000	-	110,000	-	64,050
2025	1,117,750	230,000	-	250,000	295,000	285,000	-	-	-	57,750
2026	1,122,750	235,000	-	145,000	300,000	385,000	-	-	-	57,750
2027	1,157,750	245,000	-	150,000	305,000	400,000	-	-	-	57,750
2028	997,750	255,000	-	-	315,000	160,000	-	210,000	-	57,750
2029	1,017,750	265,000	-	-	325,000	160,000	-	210,000	-	57,750
2030	545,000	-	-	-	335,000	-	-	210,000	-	-
2031	555,000	-	-	-	345,000	-	-	210,000	-	-
2032	210,000	-	-	-	-	-	-	210,000	-	-
2033	215,000	-	-	-	-	-	-	215,000	-	-
2034	215,000	-	-	-	-	-	-	215,000	-	-
2035	210,000	-	-	-	-	-	-	210,000	-	-
2036	215,000	-	-	-	-	-	-	215,000	-	-
2037	210,000	-	-	-	-	-	-	210,000	-	-
Totals	\$ 14,224,888	\$ 2,250,000	\$ 710,000	\$ 1,560,000	\$ 3,600,000	\$2,130,000	\$ 176,388	\$2,535,000	\$ 560,000	\$ 703,500

City of Whitewater

Schedule of Long-Term Debt Interest Payments - Governmental Activities
December 31, 2019

Year	Totals	2010 Taxable General Obligation Community Development Bonds	2010 General Obligation Refunding Bonds	2010 Taxable General Obligation Community Development Bonds	2012 General Obligation Refunding Bonds	2014 Taxable General Obligation Bonds	2017 Taxable General Obligation Notes	2018 Taxable General Obligation Bonds	2019 Bank Note To be Refinanced	2019 Taxable General Obligation Bonds
2020	\$ 448,800	\$ 124,028	\$ 21,300	\$ 67,783	\$ 92,850	\$ 51,740	\$ 4,362	\$ 86,738	\$ 10,024	\$ 17,565
2021	403,578	114,812	-	64,125	87,550	49,360	2,943	84,788	-	15,334
2022	372,254	105,062	-	55,435	81,475	46,605	1,490	82,188	-	13,151
2023	339,124	94,608	-	46,435	75,288	43,605	-	79,188	-	10,968
2024	302,628	83,582	-	36,565	68,988	40,305	-	73,188	-	8,809
2025	244,796	71,702	-	26,125	42,463	36,818	-	67,688	-	7,190
2026	227,032	58,938	-	14,750	55,678	29,978	-	67,688	-	5,752
2027	189,208	45,542	-	7,500	48,478	20,000	-	67,688	-	4,314
2028	149,233	31,332	-	-	40,853	9,360	-	67,688	-	2,884
2029	114,883	16,032	-	-	32,663	4,800	-	61,388	-	1,438
2030	77,188	-	-	-	22,100	-	-	55,088	-	-
2031	59,476	-	-	-	11,213	-	-	48,263	-	-
2032	41,438	-	-	-	-	-	-	41,438	-	-
2033	34,613	-	-	-	-	-	-	34,613	-	-
2034	27,625	-	-	-	-	-	-	27,625	-	-
2035	20,638	-	-	-	-	-	-	20,638	-	-
2036	13,813	-	-	-	-	-	-	13,813	-	-
2037	6,825	-	-	-	-	-	-	6,825	-	-
Totals	\$ 3,073,146	\$ 745,638	\$ 21,300	\$ 318,718	\$ 659,599	\$ 332,571	\$ 8,795	\$ 986,525	\$ 10,024	\$ 87,404



City of Whitewater Council Agenda Item Information Sheet

MEETING DATE: 6/02/2020

ITEM: Whitewater University Technology Park MOU

PRESENTER: City Manager, Cameron Clapper

PREVIOUS ACTION, IF ANY: None.

SUMMARY OF ITEM BEING PRESENTED: It is customary practice for a new chancellor to review all existing contracts and update those contracts to reflect his/her signature at the start of his/her tenure. At the request of Chancellor Watson, the existing Memoranda of Understanding with the Whitewater University Technology Park Board (WUTPB) have been part of this process.

Both MOUs, one between the UW-W and WUTPB and one between the City, CDA and WUTPB have been updated for signature. Minor changes have been made bring both agreements in alignment. Staff has reviewed both agreements and would recommend approval. Following CDA approval, these agreements will be reviewed by the Common Council before being submitted to UW-W.

This body is only approving the MOU between the City, CDA and WUTPB for operation of the Innovation Center and Whitewater University Technology Park.

FINANCIAL IMPACT: The City's financial obligations resulting from the existing agreement do not change with the new agreement as proposed.

BOARD, COMMISSION, OR COMMITTEE RECOMMENDATION, IF ANY: The CDA acted Thursday, May 28, 2020 to approve the agreement as proposed.

STAFF RECOMMENDATION: Staff recommends approval of the MOU as proposed.

RECOMMENDED MOTION: Motion to approve a memorandum of Understanding between the City, CDA and Whitewater University Technology Park Board.

ATTACHMENT(S) INCLUDED (If none, please state that):

1. Proposed MOU between the City, CDA and WUTPB
2. Proposed MOU between the UW-W and WUTPB

FOR MORE INFORMATION CONTACT: Cameron Clapper, cclapper@whitewater-wi.gov, 262-473-0104.

MEMORANDUM OF UNDERSTANDING
FOR THE MANAGEMENT AND OPERATION OF THE
WHITEWATER INNOVATION CENTER AND WHITEWATER UNIVERSITY
TECHNOLOGY PARK

This Memorandum of Understanding is made by and among the CITY OF WHITEWATER, WISCONSIN, a municipal corporation, hereinafter at times referred to as “City”, and the CITY OF WHITEWATER COMMUNITY DEVELOPMENT AUTHORITY, a Wisconsin municipal authority and political subdivision, hereinafter at times referred to as “CDA”, and the WHITEWATER-UNIVERSITY TECHNOLOGY PARK, INCORPORATED, hereinafter at times referred to as “Board”.

WITNESSETH

WHEREAS, the parties hereto have, in cooperation with the University of Wisconsin-Whitewater, developed the Whitewater University Technology Park and built the Whitewater Innovation Center in said park; and

WHEREAS, the City, the CDA, and the Board believe it is in all parties’ best interests to delegate the management of the Whitewater Innovation Center to the Board; and

WHEREAS, this Memorandum of Understanding is necessary for the purpose of setting forth an outline of the responsibilities that the City and the CDA are delegating to the Board concerning the management and operation of the Whitewater Innovation Center; and

WHEREAS, the Board is willing to accept the duties associated with the management of the Whitewater Innovation Center and Whitewater University Technology Park; and

WHEREAS, the parties recognize that this development is a unique endeavor for the City and therefore this Memorandum of Understanding is an attempt to provide a framework for the management and operation of the Whitewater Innovation Center and Whitewater University Technology Park, but all parties recognize that adjustments to this Memorandum of Understanding likely will need to be made after the initial implementation of this Memorandum of Understanding.

Therefore, **IT IS HEREBY AGREED AS FOLLOWS:**

ARTICLE I

TERM OF AGREEMENT

- 1.0. **Ownership of Facility.** The parties acknowledge that the Innovation Center Building located at 1221 Innovation Drive Whitewater, WI and the lands contained within the Whitewater University Technology Park are currently owned by the Community Development Authority of the City of Whitewater, Wisconsin. The

parties further agree that the excess lands within the park will be marketed and sold for economic development purposes per the underlying Zoning Ordinance.

1.02. Term. The term of this Memorandum of Understanding shall begin on the date of final signature and end on February 28, 2023 unless sooner terminated in accordance with this Agreement or in furtherance of the parties' rights and remedies in the event of a default. This Memorandum of Understanding will supersede and replace any prior Memorandum of Understanding between the parties regarding this subject.

1.03. Extension of Term. The parties may by agreement extend or shorten the term of this Memorandum of Understanding at any time.

ARTICLE II

OPERATION OF WHITEWATER INNOVATION CENTER

2.01. Responsibility for Operation. During the term of this Memorandum of Understanding, the Board shall have primary responsibility for the management and operation of the Whitewater Innovation Center. In that regard, subject to the general restrictions set forth in this Memorandum of Understanding, the Board shall have the sole and exclusive control over the right to lease space within the Whitewater Innovation Center and determine rental lease charges and lease rates.

2.02. Marketing of Innovation Center. The Board shall market the Whitewater Innovation Center leasable space as well as the availability of the Whitewater Innovation Center Main Conference Room to business and community groups.

2.03. Facility Usage. The Board shall establish facility usage policies.

2.04. Tenant Relations. The Board shall conduct tenant relations.

2.05. Business Development. The Board shall work with tenants in regard to technology and business development matters.

2.06. Hiring of Innovation Manager. The Board shall have the right to participate in the hiring of the Whitewater Innovation Center manager.

2.07. Management of Premises. The Board shall manage all aspects associated with the Innovation Center, including, but not limited to, making necessary repairs, both interior and exterior, structural and nonstructural, HVAC maintenance, building cleaning, snow and ice removal, fire alarm and life and safety matters, Knox box matters, telecommunications equipment, landscaping and lawn care.

2.08. Information Technology Services. The Board will provide information technology services to the Whitewater Innovation Center. Also, it shall be responsible for

providing information technology services to tenants to the extent and allowed by State Statute. The Board will determine the level of tenant services to be provided.

2.09. Fiber Optic Services. The Board shall be responsible for the management of fiber optic access and use at the Whitewater Innovation Center and throughout the Whitewater University Technology Park.

2.10. Operating Expenses. Except as otherwise provided in this Memorandum of Understanding, the Board shall be solely responsible for paying when due any and all costs of every kind and nature including, without limitation, those required to operate, maintain or repair the leased premises, such as cleaning, lighting, maintaining, repairing and replacing equipment thereon, the hiring of contractors and subcontractors in connection with maintaining and repairing the premises, or replacing equipment at the premises, supplies, water and sewer charges, electricity, gas and all other utility charges, license and permit fees, pilot payments, debt service payments, and any and all other expenses whatsoever of maintaining, operating, repairing and replacing the leased premises, except as otherwise provided herein or by separate agreement. If there is a shortfall in the funds necessary to make the payments required hereunder, the City shall be responsible to pay to the Board sufficient funds for the purposes stated herein.

2.11. Build America Bonds Debt Service Payments. The City shall pay as they come due all debt service payments for the Build America Bonds issued for the building of the Innovation Center-

2.12. Payment in Lieu of Taxes (PILOT). Annually, the Board will budget and authorize payment of a PILOT made payable to the City of Whitewater, TIF #4 account. The payment will be from the general operating funds of the Innovation Center. The PILOT payment representing the budget year, will be paid to the City by December 15 of that budget year.

The PILOT amount will be \$92,500 for each budget year payable during the allowable payment period of TIF #4.

The PILOT payment will be deposited into the City General Fund 920 for its use.

The property will not be subject to any Special Assessments for public improvements levied by the City of Whitewater.

2.13. Income. The Board shall receive all income from leases as well as from any other payments for use of Whitewater Innovation Center space.

ARTICLE III

OPERATION OF WHITEWATER UNIVERSITY TECHNOLOGY PARK

3.01. Responsibility for Operation. During the term of this Memorandum of Understanding, the Board shall have primary responsibility for the management and operation of the Whitewater University Technology Park. In that regard, subject to the general restrictions set

forth in this Memorandum of Understanding, the Board shall have the sole and exclusive control over the right to market and sell real estate within the limits of the Whitewater University Technology Park and determine, in consultation with the City and CDA, applicable real estate sale charges and rates.

3.02. Marketing of Whitewater University Technology Park. The Board shall market the Whitewater University Technology Park lots.

3.04. Tenant Relations. The Board shall conduct necessary relations with Whitewater University Technology Park tenants.

3.05. Business Development. The Board shall work with Whitewater University Technology Park tenants in regard to technology and business development matters.

3.06. Land Sale Proceeds. The net proceeds from any Whitewater University Technology Park lot sales shall be paid to the CDA and shall be used for Whitewater University Technology Park purposes, including but not limited to, the improvement or expansion of the Whitewater University Technology Park. The Board shall be paid the greater of ten percent (10%) of net sale proceeds or \$1,000 per acre for any Whitewater University Technology Park land sale to offset marketing costs. Net Proceeds shall be defined as the sale price of the property less any expenses incurred in conjunction with the land sale. Examples include but are not limited to: Third Party professional service costs, Recording Fees, Transfer Fees and Real Estate Commissions paid to Licensed Real Estate Professionals.

ARTICLE IV

FINANCIAL RESPONSIBILITIES

4.01. Annual Budget. No later than sixty 60 days prior to the Public Hearing for the adoption of the City of Whitewater General Fund budget the Board shall deliver to the City and the CDA an annual budget for the upcoming calendar year. The annual budget will show all anticipated funding and revenues of the Whitewater Innovation Center and the Whitewater University Technology Park for the upcoming year, together with a schedule of the projected income and expenditures for the upcoming year, with such reserves for capital expenditures and improvements as the Board deems appropriate. Within thirty (30) days after their receipt of the annual budget, the City and the CDA shall provide the Board with any suggestions or comments they may have to the annual budget and the Board shall give reasonable consideration to those suggestions and comments in arriving at its final annual budget for the upcoming calendar year.

4.02. Financial Reports. Not later than thirty (30) days after the end of each calendar quarter during the term of this Memorandum of Understanding, the Board shall submit to the City and the CDA quarterly financial reports for the just ended calendar quarter. Not later than

May 1st of each calendar year during the term of this Memorandum of Understanding the Board shall submit to the City and the CDA annual financial reports regarding the operation of the Whitewater Innovation Center and the Whitewater University Technology Park during the most recent calendar year. All such financial reports shall be subject to review and/or audit by an independent certified public accountant hired by the City to the extent such is necessary in connection with the obligations of the parties. In addition, the Board shall make its financial books and records available to representatives of the City and the CDA during normal business hours upon request.

4.03. Insurance. During the term of this Memorandum of Understanding the City shall, at its sole expense, obtain and maintain sufficient comprehensive insurance, including any necessary property, casualty and liability insurance after having consulted with appropriate insurance professionals. The City shall pay for said insurance. Said payment shall be a credit against the City's annual contribution as defined in Section 5.01.

Under the terms of the policies obtained, the City shall indemnify and shall defend and hold harmless the University Technology Park Board and its employees operating in accordance with the policies of the Board against any and all claims and legal actions made against the Innovation Center or the Whitewater University Technology Park Board.

The City will not provide any employment related personal insurance (including but not limited to: health, life, dental, disability), Worker's Compensation or Unemployment Insurance directly associated with University hired personnel working on behalf of or within the Innovation Center or Whitewater University Technology Park.

The City shall be solely responsible for payment of any insurance deductible, Self Insurance Retention (SIR) or third party fees associated with claims or legal actions against the Innovation Center and/or the Whitewater University Technology Park.

4.04. Sinking Fund. A sinking fund shall be established to be used for major repairs and maintenance, and improvements and expenses related to the Whitewater Innovation Center and the Whitewater University Technology Park. Expenditures authorized utilizing the Sinking Fund will be under the authority of the University Technology Park Board. The funding will be limited to repair and maintenance of the facility. It may not be utilized for annual operating expenses.

4.05. Exceptions. All exceptions to the above financial responsibilities shall be subject to mutual agreement between the parties.

ARTICLE V CITY FUNDING

5.01. Annual Contribution. Each year during the term of this Memorandum of Understanding, the City shall pay a \$29,500 contribution to the cost of maintaining and operating the Whitewater Innovation Center. This annual contribution shall be subject to an annual increase equal to the greater of three percent (3%) or the U.S. Bureau of Labor Statistics

Consumer Price Index (CPI)-All Urban Consumers-Midwest Region. The City shall be credited on this contribution for any insurance payments it makes as well as any in kind services by the City such as but not limited to snow and ice removal, property maintenance, financial, accounting and legal services for the Whitewater Innovation Center and Whitewater University Technology Park.

ARTICLE VI TERMINATION

6.01. Termination. Any party to this Memorandum of Understanding may terminate it by giving all other parties to the Memorandum of Understanding six (6) months written notice. After notice is given, the parties shall meet within thirty (30) days to agree on the process that will be used to transfer the management and operation of the Whitewater Innovation Center and Whitewater University Technology Park to the successor manager. Both parties shall share all information necessary to facilitate the transition. All parties will cooperate so that the transfer of the management and control of the Whitewater Innovation Center and Whitewater University Technology Park will be completed in an efficient and professional manner. The financial responsibilities set forth herein shall be retained by the Board during the 6 months time period after termination.

ARTICLE VII EQUAL OPPORTUNITIES

7.01. Discrimination. All parties agree that in the operation, management and use of the leased premises they will abide by all applicable federal, state and local laws, codes and ordinances relating to equal opportunities and non-discrimination. Without limiting the generality of the foregoing, all parties covenant that they will not discriminate against any employee or applicants for employment at the Whitewater Innovation Center or the Whitewater University Technology Park in any manner or commit discrimination on the basis of race, religion, marital status, age, color, sex, sexual orientation, physical condition, disability, national origin or ancestry.

ARTICLE VIII ECONOMIC DEVELOPMENT AUTHORITY OF THE UNITED STATES GRANT REQUIREMENTS

8.01. Grant Requirements. All parties agree that the operation and use of the Whitewater Innovation Center and Whitewater University Technology Park is subject to certain grant requirements established by the Economic Development Administration (EDA) of the United States. All parties agree to abide by said grant requirements. This Memorandum of Understanding shall be null and void if it is at any time found to be in violation of the grant terms.

ARTICLE IX

MISCELLANEOUS

9.01. Governing Law. Laws of the State of Wisconsin (and, where applicable, Federal law due to the EDA grants funding) shall govern the interpretation and enforcement of this Memorandum of Understanding.

ARTICLE X

SUCCESSORS AND ASSIGNS

10.01. Successors and Assigns. Except as limited or conditioned by the express provisions hereof, no party shall assign its rights or obligations under this Memorandum of Understanding to any other party without written agreement by all parties to this Memorandum of Understanding.

ARTICLE XI

AMENDMENT

11.01. Amendment. This Memorandum of Understanding shall not be amended, changed, modified or altered without the written consent of all parties hereto and no modification, alteration or amendment to this Memorandum of Understanding shall be binding until such modification, alteration, or amendment is reduced to writing and executed by all parties to this Memorandum of Understanding. Any proposed amendment to this Memorandum of Understanding shall be provided in writing, along with a memorandum in support of the amendment, to all parties to this agreement fifteen (15) days prior to final action on the amendment by any party.

ARTICLE XII

COUNTERPARTS

12.01. Counterparts. This Memorandum of Understanding may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

ARTICLE XIII

SEVERABILITY

13.01. Severability. If any provision of this Memorandum of Understanding shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy or for any reason such circumstance shall not have the affect of rendering the provision in question inoperative or unenforceable in any other case or circumstances or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever, the invalidity of any one or more phrases,

sentences, clauses or paragraphs in this Memorandum of Understanding shall not affect the remaining portions of this document or any part thereof.

**ARTICLE XIV
THIRD PARTY BENEFICIARIES**

14.01. Third Party Beneficiaries. This Memorandum of Understanding is entered into for the sole and exclusive benefit of the parties hereto. No third party shall have, obtain, or derive from this document any rights or other benefits or interests under any laws or otherwise.

**ARTICLE XV
EXCULPATORY PROVISION**

15.01. Exculpatory Provision. The parties to this Memorandum of Understanding expressly acknowledge and agree that, anything herein to the contrary notwithstanding, no officer, director, employee, agent, or officials (elected or appointed) of any party hereto shall have any personal liability or obligation arising out of this Memorandum of Understanding, and no party hereto shall make any claims to the contrary.

**ARTICLE XVI
RULES OF CONSTRUCTION/CONDUCT**

16.01. Rules of Construction/Conduct. The parties to this Memorandum of Understanding acknowledge and agree that this Memorandum of Understanding is a good faith attempt to memorialize the intent of the parties. That in the course of its preparation, each party has been adequately and fully represented, and that accordingly rules of interpretation that signify that an agreement shall be construed against the drafter shall not apply. In addition, the parties acknowledge and agree that they shall endeavor to resolve any and all issues that may arise under this Memorandum of Understanding in the spirit of cooperation consistent with the intent of this Memorandum of Understanding with the aim of benefiting the entire Whitewater area community and the University of Wisconsin-Whitewater.

**ARTICLE XVII
NOTICES**

17.01. Notices. Any notice or other communication permitted or required shall be addressed to the following:

As to the University Technology Park Board

University Technology Park Board
Office of the Chancellor
HY 421
Whitewater, WI 53190

As to the City of Whitewater

City Manager
City of Whitewater
312 W. Whitewater St.
Whitewater, WI 53190

As to the Community Development Authority

Executive Director
Whitewater Community Development Authority
312 W. Whitewater, St.
Whitewater, WI 53190

[SIGNATURES APPEAR ON THE FOLLOWING PAGE.]

SIGNATURE PAGE

Signed and sealed as of the day, month and year below written.

CITY OF WHITEWATER

By: _____
Cameron Clapper, City Manager Date

By: _____
Michele R. Smith, City Clerk Date

**COMMUNITY DEVELOPMENT AUTHORITY OF
THE CITY OF WHITEWATER**

By: _____
Albert Stanek, Chairman Date

By: _____
Cameron Clapper, Interim Director Date

**WHITEWATER – UNIVERSITY TECHNOLOGY
PARK, INCORPORATED**

By: _____
Dr. Dwight C. Watson, President Date

By: _____
Cameron Clapper, Vice President Date

**MEMORANDUM OF UNDERSTANDING BETWEEN THE WHITEWATER
UNIVERSITY TECHNOLOGY PARK AND THE UNIVERSITY OF WISCONSIN-
WHITEWATER CONCERNING USE AND OPERATIONS OF THE WHITEWATER
INNOVATION CENTER AND TECHNOLOGY PARK**

This Memorandum of Understanding (hereinafter “Agreement”) is made by and between the Whitewater-University Technology Park, Inc., hereinafter at times referred to as the “Board”, and the University of Wisconsin-Whitewater, hereinafter at times referred to as the “University”.

WHEREAS, the parties seek to cooperate in the operation and use of the City of Whitewater Innovation Center and Technology Park.

NOW, THEREFORE, it is hereby agreed to as follows:

**ARTICLE I
TERM OF AGREEMENT**

1.01 Initial Term. The term of this Agreement shall be for five years beginning March 1, 2018 or date of final signature by both parties, and ending on February 28, 2023, or five years from date of final signature, unless sooner terminated in accordance with this Agreement or in furtherance of the parties’ rights and remedies in the event of a material breach or default.

1.02 Extension of Term. The Agreement shall automatically be renewed on a yearly basis unless either party notifies the other in writing within thirty (30) calendar days of their intent not to extend the Agreement.

**ARTICLE II
COMMITMENTS**

2.01 Board Commitments.

(a) The Board hereby grants to the University the exclusive use of four (4) Innovation Center Suites that equals approximately 2,400 sq. ft., which consists of one lab suite and three office suites (“designated space”). The University shall have the exclusive right to use this designated space and/or authorize other individuals to use this space as long as such use is consistent with the overall use and operation of the Innovation Center. The University will have the sole right to receive any and all revenue or income generated from this designated space either through its own use or the use of another authorized party. If revenue is generated then revenue shall be used for Innovation Center operational expenses.

(b) The Board shall designate an office space to be used by the manager of the Innovation Center at no cost to the University (see 2.02(a) below).

2.02 University Commitments.

(a) The University hereby agrees to assign a University employee to serve as the manager of the Innovation Center on a part-time basis (50% of FTE). The University shall pay the employee’s salary and benefits. (See attached position description, Appendix A). The

University will provide office equipment and furnishings, as needed, for the manager's space at the Innovation Center.

(b) The University shall provide the Whitewater University Innovation Center with technological support, as deemed necessary and reasonable. (See ICIT Scope of Services, Appendix B).

(c) The University will manage the business incubation program and provide services as described in the Inventory of Business Incubation Services, (Appendix C). These services are considered an educational outreach program of the University, in accordance with Wis. Stat. § 36.01, and is contingent upon the availability or appropriation of funds. If funds become unavailable, the University will provide the Board with written notice of any reduction or termination of these services.

ARTICLE III TERMINATION

3.01. Termination. This Agreement may be terminated by either party upon sending written notice of such termination no less than one hundred twenty days (120) from the date of termination. Upon receipt of notice, the parties will work together to develop a process under which the separation of services and commitments will occur in a professional and efficient manner.

ARTICLE IV EQUAL OPPORTUNITIES

4.01. Discrimination. All parties, and their officials, employees and representatives, hereby agree to abide by all applicable federal, state and local laws, codes and ordinances relating to equal opportunities and non-discrimination. Without limiting the generality of the foregoing, all parties covenant that they will not discriminate against any individual either in an employment or educational capacity at the Innovation Center or the Technology Park on the basis of any federal or state protected status or class.

ARTICLE V ECONOMIC DEVELOPMENT AUTHORITY OF THE UNITED STATES GRANT REQUIREMENTS

5.01. Grant Requirements. Both parties agree that the operation and use of the Innovation Center and Technology Park is subject to certain grant requirements established by the Economic Development Authority of the United States. Both parties agree to abide by said grant requirements.

**ARTICLE VI
MISCELLANEOUS**

6.01. Governing Law. The laws of the State of Wisconsin (and, where applicable, Federal law due to the EDA grant funding) shall govern the interpretation and enforcement of this Agreement.

**ARTICLE VII
SUCCESSORS AND ASSIGNS**

7.01. Successors and Assigns. Except as expressly granted herein, no party shall assign its rights or obligations under this Agreement to any other party without a mutually written addendum executed by all parties to this Agreement.

**ARTICLE VIII
AMENDMENT**

8.01. Amendment. This Agreement shall not be amended, changed, modified or altered without the written consent of all parties hereto and no modification, alteration or amendment to this Agreement shall be binding until such modification, alteration, or amendment is reduced to writing and executed by all parties to this Agreement. Any proposed amendment to this Agreement shall be provided in writing, along with a memorandum in support of the amendment, to all parties to this agreement fifteen (15) days prior to final action on the amendment by any party.

**ARTICLE IX
COUNTERPARTS**

9.01. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

**ARTICLE X
SEVERABILITY**

10.01. Severability. If any specific term or provision herein is adjudicated to be unenforceable against either party, such decision shall not automatically render this entire Agreement null or void. Rather, the unenforceability of one or more terms, clauses or paragraphs in this Agreement shall not affect the enforceability of the remaining terms herein.

**ARTICLE XI
THIRD PARTY BENEFICIARIES**

11.01. Third Party Beneficiaries. This Agreement is entered into for the sole and exclusive benefit of the parties hereto. No third party shall have, obtain, or derive from this Agreement any rights or other benefits or interests under any laws or otherwise, except as specifically stated herein.

ARTICLE XII



City of Whitewater Council Agenda Item Information Sheet

MEETING DATE: 6/02/2020

ITEM: Citizen Committee Appointments

PRESENTER: City Manager, Cameron Clapper and Common Council President, Lynn Binnie

PREVIOUS ACTION, IF ANY: None.

SUMMARY OF ITEM BEING PRESENTED:

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 reviewed the included applications. Interviews with candidates will be held on Monday, June 1. A slate of recommended candidates will be provided following the interview process and presented at the meeting on Tuesday evening.

FINANCIAL IMPACT: None.

BOARD, COMMISSION, OR COMMITTEE RECOMMENDATION, IF ANY: None.

STAFF RECOMMENDATION: Recommendations will be provided following interviews scheduled for Monday, June 1, 2020.

RECOMMENDED MOTION: The motion will be to appoint candidates as proposed.

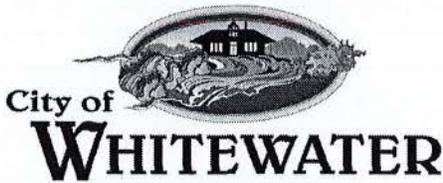
ATTACHMENT(S) INCLUDED (If none, please state that):

1. Citizen applications

FOR MORE INFORMATION CONTACT: Cameron Clapper, cclapper@whitewater-wi.gov, 262-473-0104.

2020-2021 CITY OF WHITEWATER BOARD AND COMMISSION LISTING OF CITIZEN OPENINGS /CITIZEN APPLICANTS 5/28/20

<u>Board/Commission & No. openings</u>	<u>Incumbent</u>	<u>Applicant(s)</u>
Birge Fountain Committee	Russell Walton Jay Craggs	None
Board of Zoning Appeals	Open position (formerly Schulgit) Koller Stettler Greg Majkrzak Open alternate position (2)	
Disability Rights Committee	Open Positions (4)	None
Ethics Committee	Open alternate position (1) One regular position (Stewart resig)	None
Library Board	Julie Caldwell (termed out) Richard Helmick (termed out) Open alternate positions (2)	Anderson, Doug; Motszko, Jennifer; Smith, Steve; Dawsey Smith, Lisa (requested alternate position)
Parks and Recreation Board	Alternate – Traci Wilson	None
Pedestrian and Bike Committee	New Committee 1 citizen member ; 2 members to be appointed by PW Committee and Parks and Rec Comm.	None
Plan Commission	Hunter Spear (alternate)	None
Police and Fire Commission	Dennis Knopp (termed out)	Marco Wence
Urban Forestry	Alternate position	None



Library
Anderson

CITIZEN SERVICE INFORMATION FORM

Name (Print): Anderson Douglas O. Date: 19 May 2020
Last First Middle

Home Address: 311 S Woodland Dr, Whitewater, WI 53190

Business Name: _____

Business Address: _____

Telephone (Home): (262) 458-2377 (Work): (920) 650-5681 Cell

E-mail address: djbc4@charter.net

Which Boards, Commissions, and/or Committees interest you? Library Board

Please give a brief overview of your background, experience, interest, or concerns in the above areas:

I am a retired middle school history teacher currently employed as substitute for Whitewater Unified School District. I have been a lifelong public library user and supporter. My experience with the Whitewater Library since I moved here eleven years ago has been very positive. My current semi-retired status allows me the time to give back to my community.

References:

1. Lynn Binnie Phone: (262) 473-2997
1315 W Satinwood Ln
Whitewater, WI 53190

2. Roger Cole Phone: (262) 473 - 7702
214 Pleasant St
Whitewater, WI 53190

Douglas O. Anderson
Signature Douglas O. Anderson

Regular Board and Commission members are expected to attend at least three-quarters of the Board meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

RETURN THIS FORM TO: City Clerk, 312 W. Whitewater St., P.O. Box 178, Whitewater, WI 53190 – msmith@whitewater-wi.gov (262) 473-0102

Revision Date: 2017-0802



Library
DawseySmith

CITIZEN SERVICE INFORMATION FORM

Name (Print): Dawsey Lisa Marie Dawsey Date: May 20, 2020
Last First Middle

Home Address: 273 N Fremont Street

Business Name: _____

Business Address: _____

Telephone (Home): 262.510.4183 (Work): _____

E-mail address: ldawsey06@gmail.com

Which Boards, Commissions, and/or Committees interest you?
Library Board (full or alternate member)

Please give a brief overview of your background, experience, interest, or concerns in the above areas:

As a homeschool mom the library is a vital part of my children's education's experience. I would love the opportunity to join the planning process for our library

References:

1. Same as previous applications Phone: _____

2. _____ Phone: _____

Lisa Marie Smith
Signature

Regular Board and Commission members are expected to attend at least three-quarters of the Board meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

RETURN THIS FORM TO: City Clerk, 312 W. Whitewater St., P.O. Box 178, Whitewater, WI 53190 – msmith@whitewater-wi.gov (262) 473-0102

Revision Date: 2017-0802



Library
Motszko

CITIZEN SERVICE INFORMATION FORM

Name (Print): Motszko Jennifer Elizabeth Date: 05/05/20
Last First Middle

Home Address: 1036C W. Hillview Drive, Apt. 204

Business Name: UW-Whitewater

Business Address: 800 W. Main Street

Telephone (Home): 336-340-7102 (Work): 262-472-5515

E-mail address: jennifer.motszko@gmail.com

Which Boards, Commissions, and/or Committees interest you?

Library Board

Please give a brief overview of your background, experience, interest, or concerns in the above areas:

I received a MLIS degree in 2007, have worked as an academic librarian for the past thirteen years, and currently work as the Head of Archives at UW-W. I am, as you might imagine, an avid library user and enjoy the materials and services provided by the ILYML. I want to serve on the library board because I am interested in becoming more involved in the Whitewater community and I see the library as a critical component of a thriving community. The library is more than a place for books. It provides resources and services that engage and educate the community, as well as provides a gathering space. Being part of the library board would give me an opportunity to be an advocate for the library

References:

1. Brienne Diebolt-Brown Phone: 512-297-8928
156 N Fremont Street
Whitewater, WI 53190

2. Paul Waelchli Phone: 920-728-8312
647 S. Winsconsin St.
Whitewater, WI 53190

Signature Jennifer Motszko

Regular Board and Commission members are expected to attend at least three-quarters of the Board meetings each year. Alternate members are always welcome to attend all meetings, but are not required to attend meetings unless requested.

RETURN THIS FORM TO: City Clerk, 312 W. Whitewater St., P.O. Box 178, Whitewater, WI 53190 – msmith@whiewater-wi.gov (262) 473-0102

Revision Date: 2017-0802



Library
Smith, Steve

CITIZEN SERVICE INFORMATION FORM

Name (Print): Smith, Steven R. Date: 17 May 2020
Last First Middle

Home Address: 919 W. Charles St., Whitewater, WI 53190

Business Name: _____

Business Address: _____

Telephone (Home): 262-215-8042 (Work): _____

E-mail address: smithsj@charter.net

Which Boards, Commissions, and/or Committees interest you?

Irvin Young Library Board

Please give a brief overview of your background, experience, interest, or concerns in the above areas:

I was the school library media specialist at Northside Intermediate School in Milton for 18 years and retired in 2018. Before that I served in the Army, retiring in 1995 and also worked For Robert Hansen Trucking for 4 years as the Director of Safety and Training before returning to the classroom. I have lived in Whitewater longer than anywhere else in my life and regard the library as the hub of the community. It is essential that we maintain a vibrant welcoming library and I think I can contribute to sustaining that environment.

References:

1. Stephen Nass Phone: 262-495-7000
N. 8330 Jackson Rd.
Whitewater, WI 53190

2. Barb Pennington Phone: 262-215-9061
N. 7394 W. Grandview Dr.
Whitewater, WI 53190

Steven R. Smith
Signature

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Revision Date: 2017-0802

**WHITEWATER POLICE DEPARTMENT
INTEROFFICE MEMORANDUM**

TO: Michelle Smith, City Clerk
FROM: Aaron M. Raap, Chief of Police
SUBJECT: 2020-2021 Alcohol Beverage License Renewals – No Violations
DATE: May 22, 2020

Effective May 28, 2020, pertinent records of the appropriate local and state agencies have been searched and no information was disclosed that would hinder the issuance of the requested licenses. The attached information is being supplied on an official basis. Only that information which would bear upon these applications is recorded.

AMR/cas

**2020-2021 Alcohol License Summary
RENEWAL APPLICATIONS**

5/29/2020

BUSINESS	AGENT	DOB	LOCAL ARREST RECORD (violations on/after 6/01/18)	CIB/NCIC Wants	WI CCAP & CIBR "E" CHECK (violations on/after 6/01/18)	Convicted Felon
Beer Here 617 E Milwaukee St	John A Cordio	10/30/1951	No Violations	No	No Violations	No
Black Sheep 206-210 W Whitewater St.	Bishop BG Yoder		No Violations	No	Traffic Violations only	No
Brass Rail Saloon 130 W Main St	David L Bergman	12/16/1960	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
College Pub 202 W Whitewater St	Kirk R Rasmussen	03/29/1973	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Cozumel Mexican Restrauant 1139 W Main Street	Jose Jesus Lopez	03/15/1983	Violation(s) prior to 06/01/18	No	Traffic Violations only	No
Denny K's Bar & Grill 156 W Whitewater St	Dennis M Knopp	08/13/1951	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Ground Zero 204 W Main St	Katherine Gibbs	08/21/1944	No Violations	No	No Violations	No
Gus' Pizza Palace 139 W Main St	George C Christon	01/02/1950	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Mitchell's / Pumping Station 162 / 158 W Whitewater St	Gregory A Condos	09/20/1959	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Station 1 140 W Center St	Patrick L Wellnitz	03/03/1964	Violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Walmart 1362 W Main Street	Leah R Stroh	04/30/1985	No Violations	No	No Violations	No

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WHITEWATER POLICE DEPARTMENT
INTEROFFICE MEMORANDUM

TO: Michelle Smith, City Clerk
FROM: Aaron M. Raap, Chief of Police
SUBJECT: 2020 - 2021 Alcohol Beverage License Renewals – Violations
DATE: May 22, 2020

Effective May 22, 2020, pertinent records of the local and state agencies have been searched concerning the applicants for alcohol beverage license renewals. The attached information is being supplied on an official basis. Only that information which would bear upon these applications is recorded.

Qualifications for license in accordance with Wisconsin State Statute 125.04(5)(a) as affected by Chapter 79 and 391, Laws of '81 effective 1/1/82 which states in part: *"Natural persons. Licenses and permits related to alcohol beverages, issued to natural persons under this chapter, may be issued only to persons who: 1. Do not have an arrest or conviction record, subject to s. 111.321, 111.322, and 111.335: . . ."* Statute 111.335--Arrest or conviction record: Exceptions and special cases--reads in part: *"(c) Notwithstanding s.111.322 it is not employment discrimination because of conviction record to refuse to employ or license, or to terminate from employment or licensing any individual who: 1. Has been convicted of any felony, misdemeanor or other offense the circumstances of which substantially relate to the circumstances of the particular job or licensed activity; or . . ."*

The licensees on the attached sheet have arrests, violations, and/or convictions which substantially relate to the requested alcohol license. Please note that the department is not recommending denial of any of these licenses. This information is provided to give the common council information that it may want to consider in making its decisions. The City Attorney's office has advised us that there must be a formal hearing held before the alcohol licensing committee prior to the denial of any license renewal.

AMR/cas

**2020-2021 Alcohol License Summary
RENEWAL APPLICATIONS**

5/29/2020

BUSINESS	AGENT	DOB	LOCAL ARREST RECORD (violations on/after 6/01/18)	CIB/NCIC Wants	WI CCAP & CIBR "E" CHECK (violations on/after 6/01/18)	Convicted Felon
841 Brewhouse 841 E Milwaukee St	Lucas Burns	12/12/1989	11/14/19 LRAE - Sell Alcohol/Underage Person Additional violation(s) prior to 06/01/18	No	Violation(s) prior to 06/01/18	No
Acom Beverage 561 E Milwaukee St	Richard Hartmann	08/14/1954	11/14/19 LRAE - Sell Alcohol/Underage Person 11/14/19 LRAE - Sell Alcohol/Underage Person	No	Violation(s) prior to 06/01/18	No
Campus Quick Shop 1134 W Main St	Jason Michael McArdle	03/22/1975	11/19/19 LRAE - Sell Alcohol/Underage Person	No	Traffic Violations only	No
Cheap Shotz 214 W Whitewater St	Daniel A Rodriguez	08/12/1985	09/16/18 LRAE - Allow Underage on License Premise 08/02/18 Operating While Under the Influence 2nd	No	08/02/18 Operating While Under the Influence 2nd Additional violation(s) prior to 06/01/18	No
Mad Boar Pub 123 W Center St	Nicolas A. Marietta	10/21/1977	11/14/19 LRAE - Sell Alcohol/Underage Person Additional violation(s) prior to 06/01/18	No	No Violations	No
Raceway Food Mart II 1138 W Main St	Mohan Singh	08/25/1968	11/14/19 LRAE - Sell Alcohol/Underage Person Additional violation(s) prior to 06/01/18	No	No Violations	No
Rick's Eastside Pub 561 E Milwaukee St	Richard Hartmann	08/14/1954	11/14/19 LRAE - Sell Alcohol/Underage Person 11/14/19 LRAE - Sell Alcohol/Underage Person	No	Violation(s) prior to 06/01/18	No
Second Salem Brewing 111 W Whitewater St	Christ G Christon	12/06/1979	11/14/19 LRAE - Sell Alcohol/Underage Person	No	No Violations	No
The Station 844 E Milwaukee St	Sanjeev K Sharma	12/06/1978	11/14/19 LRAE - Sell Alcohol/Underage Person 04/14/19 Traffic Violation	No	Traffic Violations only	No

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