

**CITY OF CEDARBURG
MEETING OF COMMON COUNCIL
MAY 14, 2018 – 7:00 P.M.**

A meeting of the Common Council of the City of Cedarburg, Wisconsin, will be held on **Monday, May 14, 2018 at 7:00 p.m.** at City Hall, W63 N645 Washington Avenue, Cedarburg, WI, in the second floor Council Chambers.

AGENDA

1. CALL TO ORDER - Mayor Mike O'Keefe
2. MOMENT OF SILENCE
3. PLEDGE OF ALLEGIANCE
4. ROLL CALL: Present – Common Council – Mayor Mike O'Keefe, Council Members Dan von Bargen, Jack Arnett, Kristin Burkart, Rick Verhaalen, Garan Chivinski, Patricia Thome, and Rod Galbraith
5. STATEMENT OF PUBLIC NOTICE
6. APPROVAL OF MINUTES* - April 30, 2018
7. COMMENTS AND SUGGESTIONS FROM CITIZENS** Comments from citizens on a listed agenda item will be taken when the item is addressed by the Council. At this time individuals can speak on any topic not on the agenda for up to 5 minutes, time extensions at the discretion of the Mayor. No action can be taken on items not listed except as a possible referral to committees, individuals or a future Council agenda item.
8. PRESENTATIONS
 - * A. Presentation of the 2017 Audit Report; and direction thereon
 - B. Presentation by Cedarburg School District on the Long Range Master Plan for the School District
9. NEW BUSINESS
 - * A. Consider Resolution No. 2018-12 Providing for the Sale of Approximately \$1,245,000 General Obligation Promissory Notes, Series 2018A; and action thereon
 - * B. Consider Initial Resolution No. 2018-13 Authorizing General Obligation Bonds in an Amount Not to Exceed \$3,425,000 for Community Development Projects in Tax Incremental District No. 4; and action thereon
 - * C. Consider Resolution No. 2018-14 Directing Publication of Notice to Electors; and action thereon

- * D. Consider Resolution No. 2018-15 Providing for the Sale of Not to Exceed \$3,425,000 Taxable General Obligation Community Development Bonds, Series 2018B; and action thereon
- * E. Consider recommendation of Police Chief to deny new operator's license application of Christopher R. Hall; and action thereon
- * F. Consider request to begin the process to hire a Police Officer due to an anticipated retirement; and action thereon
- * G. Consider 2017 Compliance Maintenance Annual Report (CMAR) for the Wastewater Treatment Plant and Resolution No. 2018-16 accepting the Report; and action thereon (Public Works & Sewerage Comm., 5/10/18)
- * H. Consider process/policy when "Class B" liquor licenses become available; and action thereon
- * I. Consider request for funds to add power at Cedar Creek Park for Summer Sounds; and action thereon
- * J. Consider quote received for construction of the Prairie View Park Shelter; and action thereon
- * K. Annual Review and Certification of Code of Ethics
- * L. Consider payment of bills dated 04/26/18, transfers for the period 04/28/18 through 05/11/18, and payroll for the period 04/22/18 through 05/05/18; and action thereon
- *** M. Consider License Applications; and action thereon
 - 1. Consider approval of new Operator's License applications for the period ending June 30, 2018 for Bryce M. Burke and Angela M. Bushee
 - 2. Consider approval of 2018-2019 alcohol, operator, and cigarette licenses (see attached list)

10. UNFINISHED BUSINESS

- * A. Consider Ordinance No. 2018-04 amending Sec. 11-2-7 of the Municipal Code pertaining to the placement of chairs in advance of the annual 4th of July parade; and action thereon
- B. Consider Mayor O'Keefe's appointment to the Plan Commission (exp. 04/30/20); and action thereon

11. REPORTS OF CITY OFFICERS AND DEPARTMENT HEADS

- * A. Administrator's Report
 - 1. 2018 First Quarter Financial Report
- * B. Building Inspector's Report – April 2018
- * C. Fire Inspection Report – April 2018

12. COMMUNICATIONS

- **
- A. Comments and suggestions from citizens
 - B. Comments and announcements by Council Members
 - C. Mayor's Report
 - 1. Proclamation – May is Older Americans Months

13. ADJOURNMENT – CLOSED SESSION

It is anticipated the Common Council will adjourn to closed session pursuant to State Statutes 19.85(1)(g) to confer with legal counsel who is rendering oral or written advice concerning strategy to be adopted by the Council with respect to litigation in which it is or is likely to become involved, more specifically, to discuss Ozaukee County Case Number 2017CV000469 Steven W. Banas et al vs. City of Cedarburg et al, and State Statutes 19.85(1)(e) to deliberate or negotiate the purchasing of public properties, the investing of public funds, or conducting other specified public business whenever competitive or bargaining reasons require a closed session, more specifically, to consider cellular tower leases for location on the recently constructed monopole on Western Avenue. Approval of February 12, 2018 closed session minutes.

14. RECONVENE TO OPEN SESSION

15. ADJOURNMENT

Individual members of various boards, committees, or commissions may attend the above meeting. It is possible that such attendance may constitute a meeting of a City board, committee or commission pursuant to State ex. rel. Badke v. Greendale Village Board, 173 Wis. 2d 553, 494 NW 2d 408 (1993). This notice does not authorize attendance at either the above meeting or the Badke Meeting, but is given solely to comply with the notice requirements of the open meeting law.

* *Information attached for Council; available through City Clerk's Office.*

** *Citizen comments should be primarily one-way, from citizen to the Council. Each citizen who wishes to speak shall be accorded one opportunity at the beginning of the meeting and one opportunity at the end of the meeting. Comments should be kept brief. If the comment expressed concerns a matter of public policy, response from the Council will be limited to seeking information or acknowledging that the citizen has been understood. It is out of order for anyone to debate with a citizen addressing the Council or for the Council to take action on a matter of public policy. The Council may direct that the concern be placed on a future agenda. Citizens will be asked to state their name and address for the record and to speak from the lectern for the purposes of recording their comments.*

*** *Information available through the Clerk's Office.*

UPON REASONABLE NOTICE, EFFORTS WILL BE MADE TO
ACCOMMODATE THE NEEDS OF INDIVIDUALS WITH DISABILITIES.
PLEASE CONTACT THE CITY CLERK'S OFFICE AT (262) 375-7606
E-MAIL: cityhall@ci.cedarburg.wi.us

05/10/18 ckm

Consider approval of alcohol licenses for the period ending June 30, 2019:

Class “A” fermented malt beverage and “Class A” cider only (off-premise consumption only):

Speedway LLC, PO Box 1580, Springfield, OH 45501, Michael R. Weber, Agent, premises to be licensed: W63 N121 Washington Avenue, known as **Speedway 4203**.

“Class A” intoxicating liquor (off-premise consumption only):

The Shinery Neenah LLC, 4301 W. Wisconsin Avenue, Appleton, WI 54913, Elizabeth Reissmann, Agent, premises to be licensed: W63 N706 Washington Avenue, known as **The Shinery**.

Class “A” fermented malt beverage and “Class A” intoxicating liquor (off-premise consumption only):

Bonus Inc., dba Olsen’s Piggly Wiggly, W61 N286 Washington Avenue, Cedarburg, WI 53012, Ryan L. Olson, Agent, premises to be licensed: W61 N286 Washington Avenue, known as **Olsen’s Piggly Wiggly**.

Toto’s Inc., 4600 W. Brown Deer Road, Brown Deer, WI 53223, Krystal L. Poppe, Agent, premises to be licensed: W63 N157 Washington Avenue, known as **Otto’s Wine and Spirits**.

Super Sales USA Inc., PO Box 493, Cedarburg, WI 53012, Douglas Gall, Agent, premises to be licensed: W62 N174 Washington Avenue, known as **Citgo Super Sales Cedarburg**.

Wisconsin CVS Pharmacy, LLC, One CVS Drive, M/C 1160, Woonsocket, RI 02895, Dione Jeffrey, Agent, premises to be licensed: W63 N152 Washington Avenue, known as **CVS Pharmacy #8775**.

Walgreen Co., P.O. Box 901, Deerfield, IL 60015, Brett D. Zingsheim, Agent, premises to be licensed: W62 N190 Washington Avenue, known as **Walgreens #13620**.

Class “B” fermented malt beverage and “Class B” intoxicating liquor (on or off-premise consumption):

Ernie’s Wine Bar LLC, N49 W5471 Portland Road, Cedarburg, WI 53012, Benjamin M. Grade, Agent, premises to be licensed: N49 W5471 Portland Road, known as **Ernie’s Wine Bar**.

Stagecoach 520 LLC, W61 N520 Washington Avenue, Cedarburg, WI 53012, Anne M. Conley, Agent, premises to be licensed: W61 N520 Washington Avenue, known as **Stagecoach Inn/The Five 20 Pub**.

RCB Group Inc., W63 N699 Washington Avenue, Cedarburg, WI 53012, Richard C. Buser, Agent, premises to be licensed: W63 N699 Washington Avenue, known as **Maxwell’s**.

C. Wieslers Inc., W61 N493 Washington Avenue, Cedarburg, WI 53012, Mike G. Jackson, Agent, premises to be licensed: W61 N493 Washington Avenue, known as **C. Wieslers**.

Kowloon Chinese Restaurant Inc., W63 N145 Washington Avenue, Cedarburg, WI 53012, Henry A. Liang, Agent, premises to be licensed: W63 N145 Washington Avenue, known as **Kowloon Chinese Restaurant**.

Fineco LLC, W63 N140 Washington Avenue, Cedarburg, WI 53012, Daniel S. Pals, Agent, premises to be licensed: W63 N140 Washington Avenue, known as **Grapes and Tastes**.

North 48 Inc., W62 N599 Washington Avenue, Cedarburg, WI 53012, Peter A. Olds, Agent, premises to be licensed: W62 N599 Washington Avenue, known as **North 48**.

Morton's Wisconsin LLC, N56 W6339 Center Street, Cedarburg, WI 53012, Chris Morton, Agent, premises to be licensed: N56 W6339 Center Street, known as **Mortons Wisconsin Inn**.

Thomas Restaurant, LLC, W63 N688 Washington Avenue, Cedarburg, WI 53012, Nicole Thomas, Agent, premises to be licensed: W63 N688 Washington Avenue, known as **Tomaso's**.

L&G Express Bar LLC, N50 W5586 Portland Road, Cedarburg, WI 53012, Larry D. Weidmann, Agent, premises to be licensed: N50 W5586 Portland Road, known as **L&G Express Bar**.

Peter Wollner Post No. 288 of the American Legion, W57 N481 Hilbert Avenue, Cedarburg, WI 53012, James A. Lee, Agent, premises to be licensed: W57 N481 Hilbert Avenue, known as **Peter Wollner Post No. 288 of the American Legion**.

Cedarburg Cultural Center Inc., W62 N546 Washington Avenue, Cedarburg, WI 53012, Stephanie Hayes, Agent, premises to be licensed: W62 N546 Washington Avenue, known as **Cedarburg Cultural Center**.

RCB Group Inc., W62 N550 Washington Avenue, Cedarburg, WI 53012, Richard C. Buser, Agent, premises to be licensed: W62 N550 Washington Avenue, known as **The Stonewall Pub**.

Cedars III LLC, W53 N404 Park Lane, Cedarburg, WI 53012, Michael F. Kowalkowski, Agent, premises to be licensed: W53 N404 Park Lane, known as **Cedars III**.

MacBeebs LLC, Owned by Catherine Heebner, 3041 N. 75th Street, Milwaukee, WI 53210, Catherine Heebner, Agent, premises to be licensed: W62 N238 Washington Avenue, known as **Farmstead**.

Anvil Pub & Grille LLC, N70 W6340 Bridge Road, Cedarburg, WI 53012, Donna M. Taylor, Agent, premises to be licensed: N70 W6340 Bridge Road, known as **Anvil Pub & Grille**.

Settlers Inn LLC, W63 N657 Washington Avenue, Cedarburg, WI 53012, Joan D. Dorsey, Agent, premises to be licensed: W63 N657 Washington Avenue, known as **Settlers Inn**.

AT JJ's LLC, W62 N559 Washington Avenue, Cedarburg, WI 53012, Ambur A. Vance, Agent, premises to be licensed: W62 N559 Washington Avenue, known as **AT JJ's**.

Cedarburg Art Museum & Society, Inc., W63 N675 Washington Avenue, Cedarburg, WI 53012, Pamela Caserta Hugdahl, Agent, premises to be licensed: W63 N675 Washington Avenue, known as **Cedarburg Art Museum**.

Phoa Brothers, Inc., W62 N547 Washington Avenue, Cedarburg, WI 53012, Jimmy Phoa, Agent, premises to be licensed: W62 N547 Washington Avenue, known as **New Fortune**.

GG & KR LLC, W62 N630 Washington Avenue, Cedarburg, WI 53012, Gordon M. Goggin, Agent, premises to be licensed: W62 N630 Washington Avenue, known as **The Stilt House**.

Class “B” fermented malt beverage (on or off-premise consumption) and “Class C” wine (on-premise consumption):

Morales Restaurants LLC, 2550 Country Aire Drive, Cedarburg, WI 53012, Debra A. McQuaid, Agent, premises to be licensed: W63 N674 Washington Avenue, known as **Vintage Café & City Deli**.

Donna M. Taylor, 1441 Keup Road, Grafton, WI 53024, premises to be licensed: N70 W6340 Bridge Road, known as **Cream & Crepe Café**.

P.J. Piper LLC, W61 N514 Washington Avenue, Cedarburg, WI 53024, Judith Fergadakis, Agent, premises to be licensed: W61 N514 Washington Avenue, known as **P.J. Piper Pancake House**.

Brandywine LLC, W61 N480 Washington Avenue, Cedarburg, WI 53012, Andrew C. Wilson, Agent, premises to be licensed: W61 N480 Washington Avenue, known as **Brandywine**.

J.L. Joyce Enterprises Inc., W63 N144 Washington Avenue, Cedarburg, WI 53024, James P. Joyce, Agent, premises to be licensed: W63 N144 Washington Avenue, known as **Jim’s Grille**.

Otte Restaurants LLC, W63 N540 Hanover Avenue, Cedarburg, WI 53012, John M. Otte, Agent, premises to be licensed: W63 N540 Hanover Avenue, known as **Romano’s Pizzeria**.

Two Crafty Chicks LLC, W61 N506 Washington Avenue, Cedarburg, WI 53012, Kathleen Hartzheim, Agent, premises to be licensed: W61 N506 Washington Avenue, known as **Thirsty Hammer Workshop**.

Java House Café & Micro Roaster LLC, W63 N653 Washington Avenue, Cedarburg, WI 53012, Scott A. Sidney, Agent, premises to be licensed: W63 N653 Washington Avenue, known as **Java House Café & Micro Roaster**.

Famous Sals of Cedarburg, Wisconsin, Inc., W61 N635 Washington Avenue, Cedarburg, WI 53012, Bekim Elmazi, Agent, premises to be licensed: W63 N635 Washington Avenue, known as **Sals Famous Pizza**.

Baehmann’s Golf Center Inc., W73 N1122 Washington Avenue, Cedarburg, WI 53012, Kurt Baehmann, Agent, premises to be licensed: W73 N1122 Washington Avenue, known as **Baehmann’s Golf Center**.

“Class B” winery license (on or off-premise consumption):

Wollersheim Winery Inc., 7876 Hwy 188, PO Box 87, Prairie Du Sac, WI 53578, Constance J. Niebauer, Agent, premises to be licensed: N70 W6340 Bridge Road, known as **Cedar Creek Winery**.

The Chiselled Grape Winery LLC, W64 N713 Washington Avenue, Cedarburg, WI 53012, Harald Tomesch, Agent, premises to be licensed: W64 N713 Washington Avenue, known as **The Chiselled Grape Winery**.

Consider approval of Cigarette Licenses for period ending June 30, 2019:

Bonus Inc. (Olsen’s Piggly Wiggly)
W61 N286 Washington Avenue

Super Sales USA, Inc. (Citgo)
W62 N174 Washington Avenue

Fineco, LLC (Grapes & Tastes)
W63 N140 Washington Avenue

Toto’s Inc. (Otto’s Wine & Spirits)
W63 N157 Washington Avenue

Speedway, LLC (#4203)
W63 N121 Washington Avenue

Walgreen Co. (#13620)
W62 N190 Washington Avenue

Consider approval of new Operator’s Licenses for period ending June 30, 2019

Dawn M. Brooks
Bryce M. Burke
Dylan J. Krivoshein

Brian A. Kurlinski
William A. Langholz
Robert R. Vanderloop

Consider approval of renewal Operator’s Licenses for period ending June 30, 2019

Hannah C. Aronson
Deborah Bath
Teia J. Batiansila
Roger E. Behling
Nicholas L. Behling
Tyler J. Bell
Lindsey J. Berndt
Michael C. Besaw
Wendy S. Bolz
Michael Bourbonais
Nicholas A. Boylen
Lois M. Bray
Dawn M. Brooks
Daniel M. Burback
Elizabeth M. Bursten
Pamela M. Caserta Hugdahl
Shane R. Cassidy
Joel M. Christophersen
Jordan Z. Cole
William W. Conley

Paul G. Goetz
Eric E. Grassel
Jeremy M. Gruenweller
David B. Haberman
Angela L. Habermann
Christine M. Habich
Dustin J. Halyburton
Andrew W. Heidtke
Jill Hepburn
Sarah L. Hepburn
Leslie E. Heppe
James M. Hintz
Sam D. Hoffmann
Teri L. Jackson
Brian M. Jackson
Katherine A. Jackson
Dennis F. Jaeger
Kristin V. Kamke
Charles A. Kison
Randall H. Kison

Sheryl L. Pals
Allen W. Parnell
David J. Polacek
Bryan J. Price
John L. Pryor
Ronald H. Reimer
Patrice J. Renfrow
John W. Riege
Erin A. Riley
Elizabeth F. Riley
Zachary R. Ringel
Mark D. Roberts
Ann M. Ruska
James M. Salp
Tyler T. Schemenauer
Tori L. Schone
Sherri A. Scofield
Thomas J. Shippen
Richard S. Siefert
Eric L. Siudak

Callen L. Cummings
Megan T. Czisny
Benjamin J. Dereszynski
Edward J. Dettloff
Shirley A. DeVona
Keri L. Dietrich
Mary E. Dolezal
Monica J. Dorsey
Thomas M. Dorsey
Shelley M. Doxtator
Jonathan P. Dunne
Eric W. Engstrom
Suzanne V. Ernst
Jacqueline J. Ertl
Kim M. Esselmann
Judi K. Even
Blaine E. Gibson
Matthew W. Gifford

Jake E. Krajenka
Edmund A. Kwaterski Jr.
James D. Lake
Diane M. Lane
James J. Levine
Pamela A. Lidington
Dennis H. Loberger
Craig E. Lowdermilk
Karissa J. Mathias
Bradley J. Mayer
Brandon J. McCarthy
Saul Benjamin Morales McQuaid
Carrie G. Mueller
Jason D. Mutza
Sharon L. Nelson
Jamie N. Nevins
Richard H. Nielsen
Daniel S. Pals

John M. Striepling
Kim K. Stroessner
Jeff M. Theisen
Jodie E. Thierfelder
Scott R. Thomas
Spencer D. Thomas
Sandra J. Tietzen
Kelly E. Timple
David L. Vahsholtz
Richard L. von Trebra
Jessica M. Wallace
Clarey Wamhoff
Kenneth L. Weintraub
Patrick R. Weyer
Troy A. White
Allison E. Wray
John E. Zarling
James W. Zipter

**CITY OF CEDARBURG
COMMON COUNCIL
APRIL 30, 2018**

**CC20180430-1
UNAPPROVED**

A regular meeting of the Common Council of the City of Cedarburg, Wisconsin, was held on Monday, April 30, 2018, at City Hall, W63 N645 Washington Avenue, second floor, Council Chambers. Mayor O’Keefe called the meeting to order at 7:00 p.m.

ROLL CALL: Present - Common Council: Mayor Mike O’Keefe, Council Members Dan von Bargen, Jack Arnett, Kristin Burkart, Rick Verhaalen, Garan Chivinski, Patricia Thome, Rod Galbraith

Also Present - City Administrator/Treasurer Christy Mertes, Director of Public Works and Engineering Tom Wiza, City Clerk Constance McHugh, Parks, Recreation and Forestry Director Hilvo, City Attorney Mike Herbrand, Police Commissioner Linda Krieg; interested citizens and news media

STATEMENT OF PUBLIC NOTICE

At Mayor O’Keefe’s request, City Clerk McHugh verified that notice of this meeting was provided to the public by forwarding the agenda to the City’s official newspaper, the *News Graphic*, to all news media and citizens who requested copies, and by posting in accordance with the Wisconsin Open Meetings law. Citizens present were welcomed and encouraged to provide their input during the citizen comment portion of the meeting.

APPROVAL OF MINUTES

Motion made by Council Member Thome, seconded by Council Member von Bargen, to approve the minutes of the April 17, 2018 meeting. Motion carried unanimously.

CONSIDER BIDS RECEIVED FOR REPLACEMENT OF THE FIRE DEPARTMENT CONCRETE DRIVEWAY AND SIDEWALK AT W61 N631 MEQUON AVENUE

Three bids were received for the replacement of the concrete driveway and sidewalk at the fire station. The low bid was from T. P. Concrete, Inc. in the amount of \$41,753.75.

Motion made by Council Member Thome, seconded by Council Member Verhaalen, to award the contract for the Fire Department concrete driveway and sidewalk replacement to T.P. Concrete, Inc. in the amount of \$41,753.75. Motion carried unanimously.

CONSIDER ORDINANCE NO. 2018-07 AMENDING SEC. 10-1-27 OF THE MUNICIPAL CODE TO PROHIBIT PARKING ON THE SOUTH SIDE OF JACKSON STREET FROM THE WEST RIGHT-OF-WAY LINE OF WASHINGTON AVENUE TO A POINT 50’ WEST

Motion made by Council Member Arnett, seconded by Council Member Thome, to adopt Ordinance No. 2018-07 amending Sec. 10-1-27 of the Municipal Code to prohibit parking on the

south side of Jackson Street from the west right-of-way line of Washington Avenue to a point 50' west. Motion carried unanimously.

CONSIDER CLOSING PORTLAND ROAD BETWEEN MILL STREET AND HILBERT AVENUE FROM 5:00 A.M. TO 3:00 P.M. ON JULY 28, 2018 FOR THE WOMEN'S CENTURY BIKE RIDE AND DEMONSTRATIONS

Cindy Petted, from Wisconsin Women Cycling, said the 4th annual Women's Century Bike Ride and related activities will occur on July 28, 2018. Portland Road between Mill Street and Hilbert Avenue will need to be closed from 5:00 a.m. to 3:00 p.m. as groups of bikers leave on the hour starting at 6:00 a.m., vendors need parking, and for the safety of children in the programs. Neighbors in the area are notified and provided with a contact number if they need access.

Motion made by Council Member Burkart, seconded by Council Member Arnett, to approve the closing of Portland Road between Mill Street and Hilbert Avenue from 5:00 a.m. to 3:00 p.m. on July 28, 2018 for the Women's Century Bike Ride and demonstrations. Motion carried unanimously.

CONSIDER CLOSING PORTLAND ROAD BETWEEN THE EASTERN EDGE OF MILL STREET AND THE EASTERN EDGE OF CEDAR CREEK PARK FROM 5:00 A.M. – 7:30 A.M. ON JULY 29, 2018 FOR THE WOMEN'S CENTURY BIKE RIDE

Motion made by Council Member Arnett, seconded by Council Member von Bargaen, to approve the closing of Portland Road between the eastern edge of Mill Street and the eastern edge of Cedar Creek Park from 5:00 a.m. to 7:30 a.m. on July 29, 2018 for the Women's Century Bike Ride. Motion carried unanimously.

CONSIDER RECOMMENDATION OF PUBLIC ART COMMISSION TO PLACE PIANO OUTSIDE AT THE COMMUNITY CENTER GYM

Director Hilvo said the Public Art Commission is recommending the placement of a public piano in front of the Community Center Gym to promote art in the City. This will be a temporary installation from June to September. If there are any issues, the piano will be removed or the hours it can be played will be limited. He will be working with local tuners to keep the piano tuned. The piano will be tastefully painted with colorful circles. The Landmarks Commission has also reviewed the concept and recommended its placement.

Council Member Thome thanked Council Member Arnett for this idea. Council Member Arnett confirmed the piano can be removed if problems occur.

Motion made by Council Member Arnett, seconded by Council Member Thome, to approve the placement of a piano outside the Community Center Gym from June to September. Motion carried unanimously.

CONSIDER MAYOR O'KEEFE'S COUNCIL MEMBER APPOINTMENTS

Motion made by Council Member Thome, seconded by Council Member Verhaalen, to approve Mayor O'Keefe's Council Member appointments to Boards, Committees and Commissions as follows:

Council Member Dan von Barga (1st District)
Public Works and Sewerage Commission
Ad hoc Debt/Investment Advisory Committee
Mid-Moraine Legislative Committee

Council Member Jack Arnett (2nd District)
Economic Development Board, Chair
Community Development Authority

Council Member Kristin Burkart (3rd District)
Landmarks Commission
Public Art Commission

Council Member Rick Verhaalen (4th District)
Parks, Recreation and Forestry Board
Ad hoc Mayors Enhancement Award Committee
Ad hoc Debt/Investment Advisory Committee

Council Member Garan Chivinski (5th District)
Library Board
Personnel Committee

Council Member Patricia Thome (6th District)
(Council President)
(Plan Commission Council Representative)
Personnel Committee - Chair
Light and Water Commission

Council Member Rod Galbraith (7th District)
Personnel Committee
Festival Committee Liaison
Ad hoc Debt/Investment Advisory Committee
Mid-Moraine Legislative Committee (Alternate)

Motion carried unanimously.

CONSIDER MAYOR O'KEEFE'S APPOINTMENTS TO BOARDS, COMMITTEES AND COMMISSIONS

Motion made by Council Member Verhaalen, seconded by Council Member Thome, to approve Mayor O'Keefe's appointments to various Boards, Committees and Commissions as follows:

Board of Appeals- 3 year term

Jay Stutz, Chair	(04/30/21)	
Doug Yip	(04/30/21)	
Edward Foy	(04/30/21)	
Megan Torres	(04/30/20)	First alternate
*TBD	(04/30/19)	Second alternate

Board of Review – 5 year term

Jim Myers	(04/30/23)
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Economic Development Board – 3 year term

Council Member Arnett - Chair

DJ Burns	(04/30/21)
Joe Kassander	(04/30/21)
Jim Pape	(04/30/21)
Eric Stelter	(04/30/21)
Sara Dunstone	(04/30/21)

Landmarks Commission – 3 year term

Judy Jepson	(04/30/21)
Tom Kubala	(04/30/21)
James Temmer	(04/30/21)
Doug Yip, Alternate	(04/30/19)

Library Board - 3 year term

Deb Goeks	(04/30/21)
Todd Bugnacki, School Rep	(04/30/21)

Parks, Recreation and Forestry Board – 2 year term

Glenn Herold	(04/30/20)
Terry Wagner	(04/30/20)

Plan Commission – 3 year term

Heather Cain	(04/30/21)
Adam Voltz	(04/30/21)
*TBD	(04/30/20)

Public Art Commission – 2 year term

Sue Schrader	(04/30/20)
Paul Yank	(04/30/20)
Lisa Brobst	(04/30/20)

Public Works and Sewerage Commission – 2 year term

Some have one year and some have two year appointments to stagger terms

Bill Oakes	(04/30/20)
Sandy Beck	(04/40/19)
Charles Schumacher	(04/30/20)
Robert Dries	(04/30/19)
Gary Graham	(04/30/19)
Judy Guse	(04/30/20)
Ryan Hammetter	(04/30/20)

Motion carried unanimously.

*To be determined. Openings remain on the Plan Commission and the Board of Appeals (alt).

PAYMENT OF BILLS

Motion made by Council Member Arnett, seconded by Council Member von Bargaen, to approve the payment of the bills for the period 04/05/18 through 04/18/18, transfers for the period 04/05/18 through 04/27/18, and payroll for the period 03/25/18 through 04/07/18. Motion carried unanimously.

LICENSE APPLICATIONS

Motion made by Council Member Thome, seconded by Council Member Arnett, to authorize the issuance of a new Operators license for the period ending June 30, 2018 to Jeannie N. Heins. Motion carried unanimously.

Motion made by Council Member Verhaalen, seconded by Council Member Galbraith, to approve the issuance of a 6 month Class “B” Beer license to C. Wiesler’s Inc., Michael G. Jackson, Agent, for the Cedar Creek Park Concession Stand, N52 W5925 Portland Road, from May 1, 2018 to November 1, 2018. Motion carried unanimously.

CITY ADMINISTRATOR’S REPORT

City Administrator/Treasurer Mertes said the My Civic app has been downloaded by 373 residents thus far. She said it should be beneficial to both the public and staff.

City Clerk McHugh reminded the Council that May 14 will be the only Council meeting in May.

COMMENTS AND ANNOUNCEMENTS BY COUNCIL MEMBERS

Council Member Arnett said he would like to thank Director Hilvo for getting 1,000 trees trimmed this past winter.

Council Member Thome said the Rotary sponsored the planting of 60+ trees. She said the event was well organized by City Forester Kevin Westphal.

Council Member von Barga said he would like to invite constituents in the 1st Aldermanic District to a listening session he will be holding this summer. He asked if this type of event must be a publicly noticed meeting. Attorney Herbrand said gatherings constitute a meeting only if a quorum of Council Members are present.

Council Member Chivinski asked Council Member von Barga to share his ideas and experience as he is thinking of holding a similar event for 5th Aldermanic District constituents.

Council Member von Barga said that while he understands the R&R Quarry is in the town of Cedarburg and is a town issue, he would like this Council to address the issue. He said he would like more information on the groundwater and the makeup of the source material placed in the quarry from 2005 to 2014.

Council Member Arnett suggested Council Member von Barga speak to the Economic Development Board member that has experience with environmental matters to discuss this issue. Council Member Verhaalen suggested Council Member von Barga talk to Light and Water General Manager Lythjohan. City Administrator/Treasurer Mertes said she will talk to the Town Administrator on Wednesday when she meets with him.

Council Member Arnett said he and former Council Member John Czarnecki gave a tour of City Hall to third graders from Parkview School on April 25. The tour included the infamous attic of City Hall.

MAYOR'S REPORT

Mayor O'Keefe issued a proclamation for Municipal Clerk's Week, May 6-12

ADJOURNMENT

Motion made by Council Member Thome, seconded by Council Member Arnett, to adjourn the meeting at 7:50 p.m. Motion carried unanimously.

Constance K. McHugh, MMC/WCPC
City Clerk

CITY OF CEDARBURG

Cedarburg, Wisconsin

COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE AND MANAGEMENT

As of and for the Year Ended December 31, 2017

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CITY OF CEDARBURG

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**REQUIRED COMMUNICATION OF INTERNAL CONTROL RELATED MATTERS
IDENTIFIED IN THE AUDIT TO THOSE CHARGED WITH GOVERNANCE**

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To the Common Council
City of Cedarburg
Cedarburg, Wisconsin

In planning and performing our audit of the financial statements of the City of Cedarburg ("City") as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of its internal control. Accordingly, we do not express an opinion of the effectiveness of its internal control.

A separate report on internal control was issued to the utility commission. The information contained in that report is not included with this letter.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in the City's internal control to be material weakness:

> Internal Controls over Financial Reporting

This communication is intended solely for the information and use of management, the Common Council, and others within the organization and is not intended to be, and should not be, used by anyone other than these specified parties.

Milwaukee, Wisconsin
May 14, 2018

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Auditing standards require that we perform procedures to obtain an understanding of your government and its internal control environment as part of the annual audit. This includes an analysis of significant transaction cycles and an analysis of the City's year-end financial reporting process and preparation of your financial statements.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

Properly designed systems of internal control provide your organization with the ability to process and record accurate monthly and year-end transactions and annual financial reports.

Our audit includes a review and evaluation of the internal controls relating to financial reporting. Common attributes of a properly designed system of internal control for financial reporting are as follows:

- > There is adequate staffing to prepare financial reports throughout the year and at year-end.
- > Material misstatements are identified and corrected during the normal course of duties.
- > Complete and accurate financial statements, including footnotes, are prepared.
- > Financial reports are independently reviewed for completeness and accuracy.

Our evaluation of the internal controls over financial reporting has identified control deficiencies that are considered material weakness surrounding the preparation of financial statements and footnotes, adjusting journal entries identified by the auditors, and an independent review of financial reports.

This level of internal control over financial reporting can be a difficult task for governments that operate with only enough staff to process monthly transactions and reports, and often rely on their auditors to prepare certain year-end audit entries and financial statements.

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OTHER COMMUNICATIONS TO THOSE CHARGED WITH GOVERNANCE

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TWO WAY COMMUNICATION REGARDING YOUR AUDIT

As part of our audit of your financial statements, we are providing communications to you throughout the audit process. Auditing requirements provide for two-way communication and are important in assisting the auditor and you with more information relevant to the audit.

As this past audit is concluded, we use what we have learned to begin the planning process for next year's audit. It is important that you understand the following points about the scope and timing of our next audit:

- a. We address the significant risks of material misstatement, whether due to fraud or error, through our detailed audit procedures.
- b. We will obtain an understanding of the five components of internal control sufficient to assess the risk of material misstatement of the financial statements whether due to error or fraud, and to design the nature, timing, and extent of further audit procedures. We will obtain a sufficient understanding by performing risk assessment procedures to evaluate the design of controls relevant to an audit of financial statements and to determine whether they have been implemented. We will use such knowledge to:
 - > Identify types of potential misstatements.
 - > Consider factors that affect the risks of material misstatement.
 - > Design tests of controls, when applicable, and substantive procedures.

We will not express an opinion on the effectiveness of internal control over financial reporting or compliance with laws, regulations, and provisions of contracts or grant programs.

- c. The concept of materiality recognizes that some matters, either individually or in the aggregate, are important for fair presentation of financial statements in conformity with generally accepted accounting principles while other matters are not important. In performing the audit, we are concerned with matters that, either individually or in the aggregate, could be material to the financial statements. Our responsibility is to plan and perform the audit to obtain reasonable assurance that material misstatements, whether caused by errors or fraud, are detected.

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TWO WAY COMMUNICATION REGARDING YOUR AUDIT (cont.)

We are very interested in your views regarding certain matters. Those matters are listed here:

- a. We typically will communicate with your top level of management unless you tell us otherwise.
- b. We understand that the Common Council has the responsibility to oversee the strategic direction of your organization, as well as the overall accountability of the entity. Management has the responsibility for achieving the objectives of the entity.
- c. We need to know your views about your organization's objectives and strategies, and the related business risks that may result in material misstatements.
- d. Which matters do you consider warrant particular attention during the audit, and are there any areas where you request additional procedures to be undertaken?
- e. Have you had any significant communications with regulators or grantor agencies?
- f. Are there other matters that you believe are relevant to the audit of the financial statements?

Also, is there anything that we need to know about the attitudes, awareness, and actions of the City concerning:

- a. The City's internal control and its importance in the entity, including how those charged with governance oversee the effectiveness of internal control?
- b. The detection or the possibility of fraud?

We also need to know if you have taken actions in response to developments in financial reporting, laws, accounting standards, governance practices, or other related matters, or in response to previous communications with us.

With regard to the timing of our audit, here is some general information. If necessary, we may do preliminary financial audit work during the months of October-December, and sometimes early January. Our final financial fieldwork is scheduled during the spring to best coincide with your readiness and report deadlines. After fieldwork, we wrap up our financial audit procedures at our office and may issue drafts of our report for your review. Final copies of our report and other communications are issued after approval by your staff. This is typically 6-12 weeks after final fieldwork, but may vary depending on a number of factors.

Keep in mind that while this communication may assist us with planning the scope and timing of the audit, it does not change the auditor's sole responsibility to determine the overall audit strategy and the audit plan, including the nature, timing, and extent of procedures necessary to obtain sufficient appropriate audit evidence.

We realize that you may have questions on what this all means, or wish to provide other feedback. We welcome the opportunity to hear from you.

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**COMMUNICATION OF OTHER CONTROL DEFICIENCIES, RECOMMENDATIONS
AND INFORMATIONAL POINTS TO MANAGEMENT THAT ARE NOT MATERIAL
WEAKNESSES OR SIGNIFICANT DEFICIENCIES**

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CONTROL DEFICIENCIES AND PROCEDURAL RECOMMENDATIONS

DEPARTMENTAL CONTROLS

As part of our annual audit process, we focus our efforts on the primary accounting systems, internal controls, and procedures used by the City. This is in keeping with our goal to provide an audit opinion which states that the financial statements of the City are correct in all material respects.

In some cases, the primary system of accounting procedures and controls of the City are supported by smaller systems which are decentralized, and reside within a department or location. In many cases, those systems are as simple as handling cash collections and remitting those collections to the City treasurer. (For example, this would be the case in a typical municipal swimming pool.) In other cases, the department may send invoices or statements of amounts due, and track collections of those amounts in a standalone accounts receivable system.

Generally, the more centralized a function is, the easier it is to design and implement accounting controls that provide some level of checks and balances. That is because you are able to divide certain tasks over the people available to achieve some segregation of duties. For those tasks that are decentralized, it is usually very difficult to provide for proper segregation of duties. Therefore, with one person being involved in most or all aspects of a transaction, you lose the ability to rely on the controls to achieve the safeguarding of assets and reliability of financial records.

As auditors, we are required to communicate with you on a variety of topics. Since there is now more emphasis on internal controls and management's responsibilities, we believe it is appropriate to make sure that you are informed about the lack of segregation of duties that may occur at departments or locations that handle cash or do miscellaneous billing. Examples in your City that fit this situation include the following:

- Parks and Recreation
- Library
- Police department
- DPW
- Fire department

As you might expect, similar situations are common in most governments.

As auditors, we are required to focus on the financial statements at a highly summarized level and our audit procedures support our opinion on those financial statements. Departments or locations that handle relatively smaller amounts of money are not the primary focus of our audit. Yet, because of the lack of segregation of duties, the opportunity for loss is higher there than in centralized functions that have more controls.

Because management is responsible for designing and implementing controls and procedures to detect and prevent fraud, we believe that is important for us to communicate this information to you. We have no knowledge of any fraud that has occurred or is suspected to have occurred within the departments mentioned above. However, your role as the governing body is to assess your risk areas and determine that the appropriate level of controls and procedures are in place. As always, the costs of controls and staffing must be weighed against the perceived benefits of safeguarding your assets.

Without adding staff or splitting up the duties, your own day-to-day contact and knowledge of the operation are also important mitigating factors.

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CONTROL DEFICIENCIES AND PROCEDURAL RECOMMENDATIONS (cont.)

TRACKING CAPITAL ASSETS

During our review of the City's capital assets, we noted that the City does not maintain a complete listing of capital assets. We recommend that the City create an internal process to track historical cost, accumulated depreciation and book value for all capital assets.

STATUS OF PRIOR YEAR COMMENTS

1. General Fund Advance to Other Funds – this point has been addressed.
 2. Updating Fund Balance Policy – this point has been addressed.
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INFORMATIONAL POINTS

CYBER SECURITY

Cybersecurity continues to be a top concern and is critical for governments of all sizes and types. Information demands from the board and directors, citizens/customers, investors and analysts, and industry regulators continue to increase which makes it critical to ensure key data is protected. Potential business impacts on security incidents can include:

- > Lost IP
- > Business interruption
- > Regulatory fines and penalties
- > Legal and PR fees
- > Remediation costs
- > Reputation

AICPA has recently developed a cybersecurity risk management reporting framework that includes a new System and Organization Controls (SOC) for Cybersecurity engagement, through which the enterprise-wide cybersecurity risk management program is reviewed. Although not required for governments, this new standard can be used to help the City begin to put in place a cybersecurity program.

We recommend reviewing this new standard and performing an initial cyber-risk assessment to identify the types and location of data on your system as well as considering the sensitivity or potential regulations associated with your data. Once this is done the cybersecurity program objectives can be further defined so informed decisions can be made.

Our professionals are also available to assist with your cybersecurity questions, assessments, and programs.

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INFORMATIONAL POINTS (cont.)

GOVERNMENT FRAUD PREVENTION AND DETECTION: VENDOR FRAUD

Vendor fraud poses a unique threat to governments. Due to the public and transparent nature of operations, government entities have an increased susceptibility for this type of criminal activity. Since governments publish a significant amount of information online — for example, meeting minutes, which often contain vendor names, contract amounts and project status — it is easier for fraudsters to create falsified documents.

Fraud specialists have noted recent fraud cases where criminals falsified vendor change requests for legitimate vendors, including company addresses and bank account information for Electronic Fund Transfers (EFT). When governments unwittingly process these fraudulent changes, the perpetrators can collect payments on legitimate and approved vendor invoices — while legitimate vendors go unpaid. Preventing vendor fraud completely may be impossible; however, governments can go a long way towards protecting themselves by taking appropriate safety and control measures.

Help ensure your vendor transactions are secure and authentic by:

- > Performing a risk assessment that focuses on vendor accounts payable activities.
- > Periodically revisiting your control activities
- > Educate your employees on potential fraud schemes
- > Identify which vendors may be high-risk targets.

Our fraud experts are also available to assist with your fraud risk questions, assessments, and programs.

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INFORMATIONAL POINTS (cont.)

GASB UPDATES

The Government Accounting Standard Board (GASB) has been very active in recent years, issuing new standards at a fast pace. Over the next few years, your government will have many new standards to evaluate and implement.

There were two significant GASB statements issued in 2017. While the implementation dates for these are a few years away, they are anticipated to have significant impacts on many government financial statements:

- > GASB 84 improves guidance regarding the identification of Fiduciary Activities and how they should be reported, effective for years ending December 31, 2019
- > GASB 87 improves accounting and financial reporting for Leases, effective for years ending December 31, 2020

Looking even further ahead, the Technical Agenda, below, outlines significant areas GASB is currently working on:

- > Major Projects
 - Financial Reporting Model
 - Revenue and Expense Recognition
- > Practice Issues
 - Capitalization of Interest Cost
 - Conduit Debt
 - Debt Disclosures
 - Equity Ownership Issues
 - Implementation Guidance
- > Pre-Agenda Research
 - Going Concern
 - Cloud Computing
 - Note Disclosure reexamination
 - Public-Private Partnerships
 - Social Impact Bonds

Through our firm involvement on AICPA committees, Baker Tilly follows these developments closely so that we can help you prepare for the changes as they evolve. This participation also allows us to share with GASB the experiences and perspectives of our clients to potentially influence the direction of future projects.

Full lists of projects, as well as many resources, are available on GASB's website which is located at www.gasb.org.

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**REQUIRED COMMUNICATIONS BY THE AUDITOR TO
THOSE CHARGED WITH GOVERNANCE**

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To the Common Council
City of Cedarburg
Cedarburg, Wisconsin

Thank you for using Baker Tilly Virchow Krause, LLP as your auditor.

We have completed our audit of the financial statements of the City of Cedarburg ("City") for the year ended December 31, 2017, and have issued our report thereon dated May 14, 2018. This letter presents communications required by our professional standards.

Our Responsibility under Auditing Standards Generally Accepted in the United States of America

The objective of a financial statement audit is the expression of an opinion on the financial statements. We conducted the audit in accordance with auditing standards generally accepted in the United States of America. These standards require that we plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements prepared by management with your oversight are free of material misstatement, whether caused by error or fraud. Our audit included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management or the Common Council of their responsibilities.

As part of the audit we obtained an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing and extent of further audit procedures. The audit was not designed to provide assurance on internal control or to identify deficiencies in internal control.

Other Information in Documents Containing Audited Financial Statements

Our responsibility does not extend beyond the audited financial statements identified in this report. We do not have any obligation to and have not performed any procedures to corroborate other information contained in client prepared documents, such as official statements related to debt issues.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you in our Communication to Those Charged with Governance and Management dated May 8, 2017.

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To the Common Council
City of Cedarburg

Qualitative Aspect of Accounting Policies

Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the City are described in Note I to the financial statements. No new policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the City of Cedarburg during the year that were both significant and unusual, and of which, under professional standards, we are required to inform you, or transactions for which there is a lack of authoritative guidance or consensus.

Accounting Estimates

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

- > Management's estimate of the net pension liability and the deferred outflows and deferred inflows related to pensions which impact the reported pension expense are based on information provided by the Wisconsin Retirement System.
- > Management's estimate of the City's portion of the pollution remediation liability with Prochnow Landfill.

We evaluated the key factors and assumptions used to develop this estimate in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

The disclosures in the notes to the financial statements are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

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

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To the Common Council
City of Cedarburg

Corrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management.

None of the misstatements detected as a result of audit procedures and corrected by management were material, either individually, or in the aggregate, to the financial statements taken as a whole.

In addition, we prepared the GASB No. 34 conversion entries which are summarized in the "Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position" and the "Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities" in the financial statements.

Disagreements with Management

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

Consultations with Other Independent Accountants

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

Management Representations

We have requested certain representations from management that are included in the management representation letter. This letter follows this required communication.

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To the Common Council
City of Cedarburg

Independence

We are not aware of any relationships between Baker Tilly Virchow Krause, LLP and the City of Cedarburg that, in our professional judgment, may reasonably be thought to bear on our independence.

Relating to our audit of the financial statements of the City for the year ended December 31, 2017, Baker Tilly Virchow Krause, LLP hereby confirms that we are, in our professional judgment, independent with respect to the City of Cedarburg in accordance with the Code of Professional Conduct issued by the American Institute of Certified Public Accountants. We provided no services to the City of Cedarburg other than services provided in connection with the audit of the current year's financial statements and the following non-audit services which in our judgment do not impair our independence.

- > Financial statement preparation
- > Adjusting journal entries
- > Compiled TIF financial statements
- > Compiled regulatory reports

None of these nonaudit services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.

Other Audit Findings or Issues

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

Other Matters

We applied certain limited procedures to the required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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

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To the Common Council
City of Cedarburg

RESTRICTIONS ON USE

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

We welcome the opportunity to discuss the information included in this letter and any other matters. Thank you for allowing us to serve you.

Milwaukee, Wisconsin
May 14, 2018

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MANAGEMENT REPRESENTATIONS

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May 14, 2018

Baker Tilly Virchow Krause, LLP
777 E Wisconsin Ave
32nd Floor
Milwaukee, WI 53202

Dear Baker Tilly Virchow Krause, LLP:

We are providing this letter in connection with your audit of the financial statements of the City of Cedarburg as of December 31, 2017 and for the year then ended for the purpose of expressing opinions as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cedarburg and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America. We confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with accounting principles generally accepted in the United States of America. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control over financial reporting, and preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in the light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, the following representations made to you during your audit.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter.
2. The financial statements referred to above are fairly presented in conformity with accounting principles generally accepted in the United States of America. We have engaged you to advise us in fulfilling that responsibility. The financial statements include all properly classified funds of the primary government required by accounting principles generally accepted in the United States of America to be included in the financial reporting entity.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
5. Significant assumptions we used in making accounting estimates, if any, are reasonable.

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6. All events subsequent to the date of the financial statements and for which accounting principles generally accepted in the United States of America require adjustment or disclosure have been adjusted or disclosed. No other events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.
7. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
8. All known audit and bookkeeping adjustments have been included in our financial statements, and we are in agreement with those adjustments.
9. There are no known or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements. There are no unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be disclosed in accordance with accounting principles generally accepted in the United States of America.
10. Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

11. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as financial records and related data, documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of Common Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
12. We have not completed an assessment of the risk that the financial statements may be materially misstated as a result of fraud.
13. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
14. We have no knowledge of any allegations of fraud or suspected fraud affecting the entity received in communications from employees, former employees, regulators, or others.
15. We have no knowledge of known instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or abuse, whose effects should be considered when preparing financial statements.
16. There are no known related parties or related party relationships and transactions of which we are aware.

Other

17. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

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18. We have a process to track the status of audit findings and recommendations.
19. We have identified to you any previous financial audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
20. The City has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
21. We are responsible for compliance with federal, state, and local laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits, debt contracts, and IRS arbitrage regulations; and we have identified and disclosed to you all federal, state, and local laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
22. There are no:
- a. Violations or possible violations of budget ordinances, federal, state, and local laws or regulations (including those pertaining to adopting, approving and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency, or for reporting on noncompliance, except those already disclosed in the financial statement, if any.
 - b. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by accounting principles generally accepted in the United States of America.
 - c. Nonspendable, restricted, committed, or assigned fund balances that were not properly authorized and approved.
 - d. Rates being charged to customers other than the rates as authorized by the applicable authoritative body.
 - e. Violations of restrictions placed on revenues as a result of bond resolution covenants such as revenue distribution or debt service funding.
23. In regards to the nonattest services performed by you listed below, we have 1) accepted all management responsibility; 2) designated an individual with suitable skill, knowledge, or experience to oversee the services; 3) evaluated the adequacy and results of the services performed, and 4) accepted responsibility for the results of the services.
- a. Financial statement preparation
 - b. Adjusting journal entries
 - c. Compiled TIF financial statements
 - d. Compiled regulatory reports
- None of these nonattest services constitute an audit under generally accepted auditing standards, including *Government Auditing Standards*.
24. The City of Cedarburg has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
25. The City of Cedarburg has complied with all aspects of contractual agreements that would have a material effect on the financial statement in the event of noncompliance.
26. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures and other related organizations, if any.
27. The financial statements properly classify all funds and activities.

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28. All funds that meet the quantitative criteria in GASB Statement No. 34 and No. 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
29. Components of net position (net investment in capital assets; restricted; and unrestricted) and components of fund balance (nonspendable, restricted, committed, assigned and unassigned) are properly classified and, if applicable, approved.
30. The City of Cedarburg has no derivative financial instruments such as contracts that could be assigned to someone else or net settled, interest rate swaps, collars or caps.
31. Provisions for uncollectible receivables, if any, have been properly identified and recorded.
32. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
33. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
34. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
35. Deposits and investments are properly classified, valued, and disclosed (including risk disclosures, collateralization agreements, valuation methods, and key inputs, as applicable).
36. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated/amortized. Any known impairments have been recorded and disclosed.
37. Tax-exempt bonds issued have retained their tax-exempt status.
38. We have appropriately disclosed the City of Cedarburg's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available and have determined that net position were properly recognized under the policy. We have also disclosed our policy regarding which resources (that is, restricted, committed, assigned or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available.
39. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
40. With respect to the supplementary information, (SI):
- a. We acknowledge our responsibility for presenting the SI in accordance with accounting principles generally accepted in the United States of America, and we believe the SI, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the SI have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b. If the SI is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditor's report thereon.

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41. We assume responsibility for, and agree with, the findings of specialists in evaluating the pollution remediation liability and have adequately considered the qualifications of the specialists in determining the amounts and disclosures used in the financial statements and underlying accounting records. We did not give or cause any instructions to be given to specialists with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had impact on the independence or objectivity of the specialists.

42. We assume responsibility for, and agree with, the information provided by the Wisconsin Retirement System as audited by the Legislative Audit Bureau relating to the net pension asset/liability and related deferred outflows and deferred inflows and have adequately considered the reasonableness of the amounts and disclosures used in the financial statements and underlying accounting records. We also assume responsibility for the census data that has been reported to the plan.

Sincerely,

City of Cedarburg

Signed: _____
Ms. Christy Mertes, City Administrator

Signed: _____
Mr. Michael O'Keefe, Mayor

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CITY OF CEDARBURG

Cedarburg, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditor's Report

As of and for the Year Ended December 31, 2017

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CITY OF CEDARBURG

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CITY OF CEDARBURG

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INDEPENDENT AUDITORS' REPORT

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INDEPENDENT AUDITORS' REPORT

To the Common Council
City of Cedarburg
Cedarburg, Wisconsin

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cedarburg, Wisconsin, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the City of Cedarburg's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City of Cedarburg's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the City of Cedarburg'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.

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To the Common Council
City of Cedarburg

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Cedarburg, Wisconsin, as of December 31, 2017 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information as listed 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Cedarburg's basic financial statements. 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 basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects, in relation to the basic financial statements as a whole.

Milwaukee, Wisconsin
May XX, 2018

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

As management of the City of Cedarburg, we offer readers of the City of Cedarburg's financial statements this narrative overview and analysis of the financial activities of the City of Cedarburg for the fiscal year ended December 31, 2017. We encourage the reader to consider the information presented here in conjunction with the City's financial statements, which begin on page 29 of this report.

THE FINANCIAL HIGHLIGHTS

When revenues exceed expenses, the result is an increase in net position. When expenses exceed revenues, the result is a decrease in net position. This relationship between revenues and expenses reflects the City's operating results. The City's net position as shown in the statement of net position is used to measure the City's financial health or financial position. Over time, increases or decreases in the City's net position, as measured in the statement of activities, are one indicator of whether its financial health is improving or deteriorating. However, the City's goal is to provide services that improve the quality of life for our residents, not to generate profits as companies do. For this reason, you will need to consider many other non-financial factors, such as the condition of our roads, parks, etc., in assessing the overall health of our City.

- The assets and deferred outflows of resources of the City of Cedarburg exceeded liabilities and deferred inflows of resources as of December 31, 2017, by \$112,813,757 (net position). Of this amount, \$16,063,406 (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. Total net position includes all infrastructure and other capital assets of the City as a whole.
- The City of Cedarburg's total net position increased by \$1,394,310. Of this amount, \$297,498 was from the governmental activities; the balance \$1,096,812 was from business-type activities. Sewer Utility net position increased by \$83,815 and the Light & Water Utility net position increased by \$1,012,997.
- As of December 31, 2017, the City of Cedarburg's governmental funds reported a combined ending fund balance of \$5,270,760, a decrease of \$1,188,032 from the prior year. The decrease was due to the final expenditures for the public works building that was financed in 2016. As of December 31, 2017, the unassigned fund balance for the General Fund was \$1,688,309. There were funds budgeted as use of the fund balance for 2018 in the amount of \$487,100. The funds will be used for the purchase of handguns for the Police Department, bathroom upgrades at two park facilities, branding initiative, funding for the contingency reserve account, a transfer to Capital Improvements for a Fire Department project and senior van purchase and a transfer to the swimming pool fund for a sand area shower. The City policy states that unassigned General Fund Balance should be between two and three months of General Fund expenditures, or approximately \$1.6 million and \$2.3 million.
- There were no new borrowings in 2017 but the City borrowed \$9,705,000 in 2016 for the public works building and street projects. The City paid \$1,358,552 of principal on outstanding debt this year compared to \$770,097 in 2016. The City's outstanding General Obligation debt totaled \$16,597,559.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Cedarburg's basic financial statements. These basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Government-wide financial statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Cedarburg's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Cedarburg's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Cedarburg is improving or deteriorating.

The *statement of activities* presents information showing how the City'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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., delinquent personal property taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the City of Cedarburg that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of Cedarburg include general government, public safety, health and human services, public works, culture, recreation and education, conservation and development, and public service. Other funds included are Capital Improvements, Debt Service, and Internal Service. Non-major governmental funds include cemetery, room tax, recreation programs, CDBG Fund, swimming pool, park impact fees, library rescue/EMS, and TIF No. 3. The business-type of activities of the City of Cedarburg include the Cedarburg Light & Water Commission and Sewerage Commission.

The government-wide financial statements can be found on pages 19-21 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Cedarburg, 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 of Cedarburg can be divided into three categories: governmental funds, propriety funds and agency fund.

Governmental funds

Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

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 City's near-term financing decisions.

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund financial statements (continued)

Governmental funds (continued)

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 of Cedarburg maintains thirteen individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Capital Improvements Fund and Debt Service Fund. Data from the remaining ten governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements found in the section titled Required Supplementary Information at the end of the report.

The City of Cedarburg adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget. The basic governmental fund financial statements can be found on pages 22-27 of this report.

Proprietary funds

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the electric and water utilities (Light and Water Commission), the sewer utility (Sewerage Commission), and the Internal Service Fund which are considered major funds of the City of Cedarburg. The basic proprietary fund financial statements can be found on pages 22-32 of this report.

Agency funds

Agency funds are used to account for resources held for the benefit of parties outside the government. Agency funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of Cedarburg's programs. The agency fund maintained by the City of Cedarburg is for the year-end tax collections for other taxing jurisdictions. The basic agency fund financial statement can be found on page 33.

Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 35-79 of this report.

Other information

The combining statements referred to earlier in connection with non-major governmental funds and other information related to the individual funds is presented immediately following the required supplementary information. Individual fund statements and schedules can be found on pages 84-87 of this report.

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Cedarburg, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$112,813,757 at the end of 2017.

Infrastructure assets of the governmental activities are included within this report. The general capital assets (e.g., land, buildings, machinery, infrastructure, and equipment) of the governmental activities of the City of Cedarburg less outstanding debt equal \$47,035,979. The majority of the outstanding debt of the governmental activities funds was incurred for the construction of the Library building in 2013 and the construction of the Public Works garage in 2016.

The largest portion of the City of Cedarburg's net position (82 percent) reflects its investment in capital assets (e.g., land, buildings, building improvements, improvements other than buildings, equipment, infrastructure and construction in progress); less any related debt used to acquire those assets that are still outstanding. The City of Cedarburg uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Cedarburg's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF CEDARBURG'S NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$16,507,823	\$18,284,557	\$14,819,700	\$15,729,937	\$31,327,523	\$34,014,49
Capital assets	62,821,748	62,386,597	46,860,378	45,466,003	109,682,126	107,852,60
Deferred outflows of resources	2,234,333	3,153,241	883,544	1,222,989	3,117,877	4,376,23
Total assets and deferred outflow of resources	81,563,904	83,824,395	62,563,622	62,418,929	144,127,526	146,243,32
Long-term debt outstanding	17,160,070	17,207,300	1,508,583	1,031,857	18,668,653	18,239,15
Other liabilities	861,585	3,329,149	1,134,996	2,461,134	1,996,581	5,790,28
Deferred Inflows of resources	10,271,329	10,314,524	377,206	479,913	10,648,535	10,794,43
Total liabilities and deferred inflows of resources	28,292,984	30,850,973	3,020,785	3,972,904	31,313,769	34,823,87
Net position:						
Net investment in capital assets	47,035,979	45,516,180	45,884,864	44,434,146	92,920,843	89,950,32
Restricted	1,080,229	1,037,660	2,749,279	3,149,289	3,829,508	4,186,94
Unrestricted	5,154,712	6,419,582	10,908,694	10,862,590	16,063,406	17,282,17
Total net position	53,270,920	52,973,422	59,542,837	58,446,025	112,813,757	111,419,44
Total liabilities and net position	\$81,563,904	\$83,824,395	\$62,563,622	\$62,418,929	\$144,127,526	\$146,243,32

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

An additional portion of the City of Cedarburg's net position (3.4 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted fund balance of \$16,063,406 may be used to meet the government's ongoing obligations to citizens or creditors. Of this unrestricted amount, funds are designated for the Revolving Loan Fund, capital improvement projects, cemetery maintenance, and other special revenue fund projects.

The City's net position increased \$1,394,310 during the year. The Governmental activities' net position increased by \$297,498 while the business-type activities' net position increased by \$1,096,812.

CITY OF CEDARBURG'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program Revenues:						
Charges for Services	\$ 2,375,641	\$ 2,104,415	\$ 16,476,506	\$ 16,375,195	\$ 18,852,147	\$ 18,479,610
Operating Grants & Contributions	1,069,315	1,014,361			1,069,315	1,014,361
Capital Grants & Contributions	10,000	677,081	221,347	1,055,946	231,347	1,733,027
General Revenues:						
Property Taxes	9,119,074	8,430,459			9,119,074	8,430,459
Other Taxes	80,783	88,418			80,783	88,418
Grants & Contributions Not Restricted to Specific Programs	443,911				443,911	
Other	331,626	635,684	168,940	78,999	500,566	714,683
Transfers	772,814	754,150	(772,814)	(754,150)		
Total Revenues	14,203,164	13,704,568	16,093,979	16,755,990	30,297,143	30,460,558
Expenses:						
General Government	1,547,715	1,584,876			1,547,715	1,584,876
Public Protection	4,860,025	4,782,659			4,860,025	4,782,659
Health & Sanitation	47,178	49,147			47,178	49,147
Engineering and Public Works	3,861,179	3,646,369			3,861,179	3,646,369
Culture, Recreation and Education	2,988,303	2,774,968			2,988,303	2,774,968
Conservation and Development	299,507	176,777			299,507	176,777
Interest and Fiscal Charges	301,759	390,210			301,759	390,210
Sewer			2,737,677	2,582,404	2,737,677	2,582,404
Light & Water			12,259,490	12,251,890	12,259,490	12,251,890
Total Expenses	13,905,666	13,405,006	14,997,167	14,834,294	28,902,833	28,239,300
Increase in Net Position	297,498	299,562	1,096,812	1,921,696	1,394,310	2,221,258
Net Position - Beginning	52,973,422	52,673,860	58,446,025	56,524,329	111,419,447	109,198,189
Net Position - Ending	\$ 53,270,920	\$ 52,973,422	\$ 59,542,837	\$ 58,446,025	\$ 112,813,757	\$ 111,419,447

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

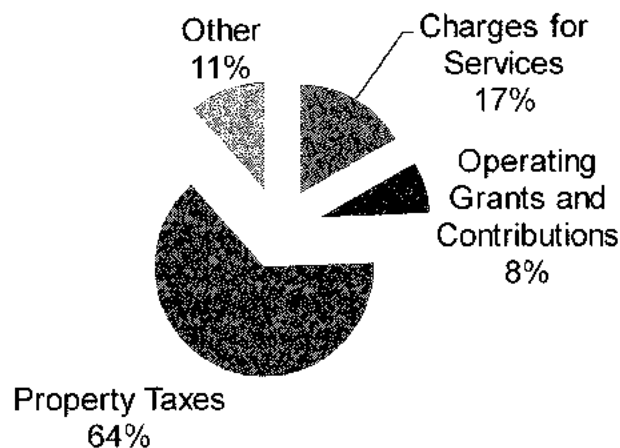
Governmental activities

Governmental activities increased the City of Cedarburg's net position by \$297,498 compared to an increase of \$299,562 in 2016. Some of the significant changes in revenues and expenditures from 2016 were as follows:

Revenues:

- ◇ Property taxes, the largest revenue source for governmental activities, increased \$688,615 or 8.2 percent. The General Fund levy increased \$66,405 and the Capital Improvement Fund levy increased \$22,000 from 2016. The Debt Service levy increased \$578,504 from 2016. The first Public Works building principal payment was made in 2017 of \$470,000. The old Library building sales residual funds were used in full in 2016 requiring the large increase in the Debt Service levy for 2017. Property taxes have increased to approximately 71 percent of total revenues, reflecting the declining revenues from the State of Wisconsin.
- ◇ Charges for services increased \$271,226 or 12.9 percent. The housing market in Cedarburg improved in 2017. All building permit fees and impact fee collections continued to increase in 2017. There was also a new yard waste drop offsite built with the new Public Works building. A one-time fee for the access card brought in over \$40,000. Park Impact fees increased \$93,044, Police Impact fees increased \$19,096 and Library Impact fees increased \$42,177 over 2016.
- ◇ Operating grant and contribution revenues increased from 2016 to 2017 by \$54,954; 5.4 percent. This amount was realized from the increase in funding from Ozaukee County to support the use of the City's Library by residents from communities without a library.
- ◇ Capital grants and contributions decreased \$667,081 (98.5 percent) as a result of a \$625,000 donated band shell in 2016.
- ◇ Other revenues increased from 2016 by \$304,058; 91.7 percent.

Revenues by Source - Governmental Activities



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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental activities (Continued)

Expenditures:

- ◇ Governmental activities expenditures increased by \$500,660 from 2016.
- ◇ The General Government decreased \$37,161. There was a savings in election expenditures from 2016 of \$18,740 due to less elections in 2017 from 2016. There was also a decrease in legal services due to the charges for the Amcast TIF creation (\$56,762) being transferred to the new TIF fund for 2017 resulting in a decrease of \$50,426.
- ◇ Public Safety expenditures were \$77,366 more than 2016. There were no capital improvement purchases of vehicles in 2017 due to the replacement of vehicles through the Risk Management Fund from accidents which resulted in a total loss of some of the department's squads.
- ◇ Engineering and Public Works expenditures increased \$214,810 from 2016. The increase was the result of the annual increase for wages and benefits and the final expenditures to set up the new building for operation and a larger equipment replacement in 2017 than in 2016.
- ◇ Health and human services decreased from 2016 by \$1,969.
- ◇ Culture, recreation and education increased \$213,335 from 2016. There was an increase in spending for Recreation Programs of \$68,587 due to the School District fees of \$22,983, tennis program expenditures of \$11,000 and the new Poms program expenditures of \$13,590. The Library spending also increased \$12,101 from 2016 for maintenance.
- ◇ Conservation and Development increased \$122,730 from 2016 in part due to the creation expenditures for TIF No. 4 of \$56,762.

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

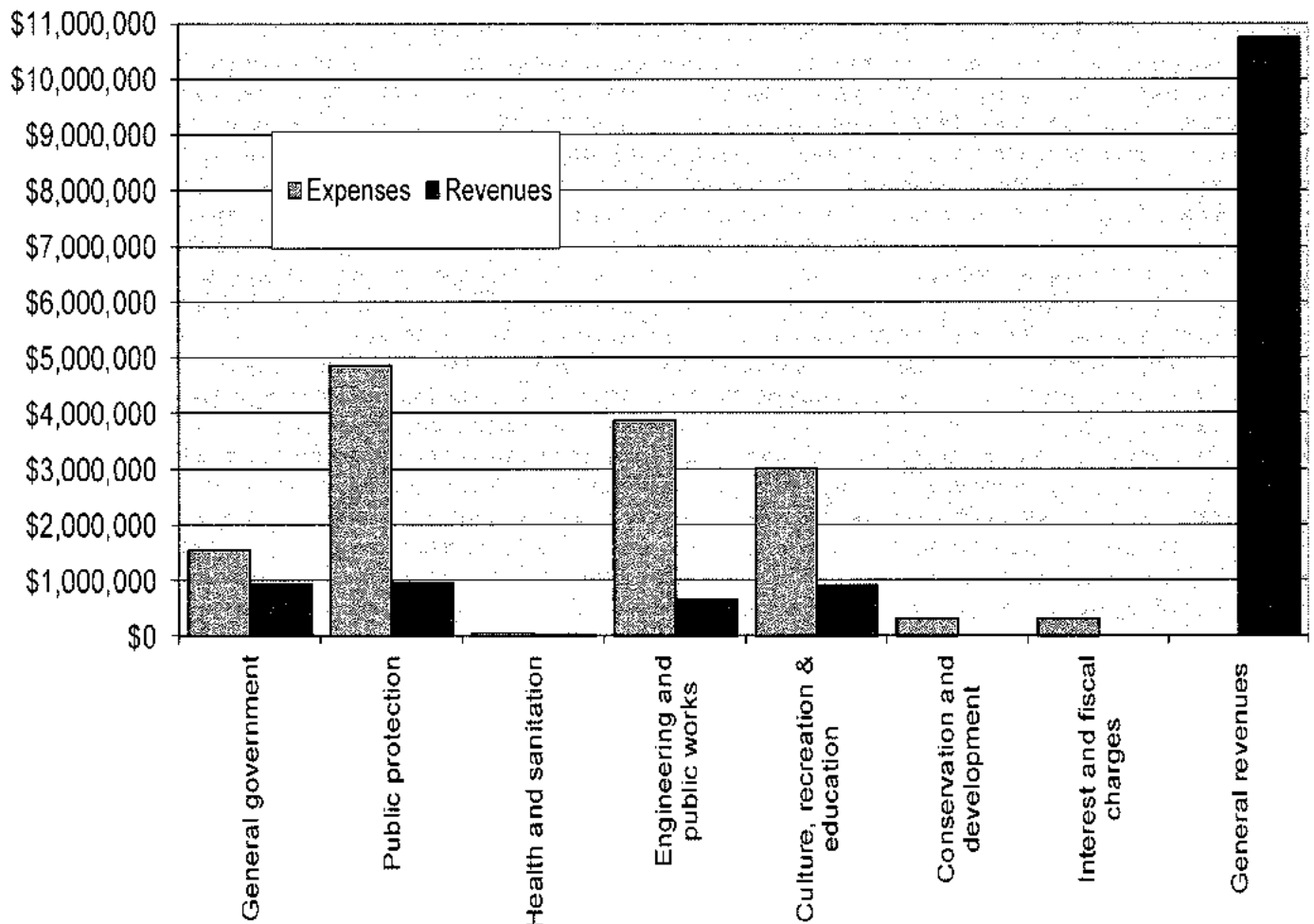
GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Governmental activities (Continued)

Expenditures (Continued)

The following graph is based on the statement of activities found on pages 21-22, property taxes and other general revenues not restricted or applicable to specific programs provide the major revenue sources for governmental activities.

Expenses and Program Revenues - Governmental Activities



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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Business-type activities

Business-type activities increased the City of Cedarburg's net position by \$1,096,812. Light & Water and Sewer Utilities amounts were increases of \$1,012,997 and \$83,815, respectively. The Light & Water and Sewer Utilities are supported by user charges. The Sewer Utility charge is based on water usage for residential and commercial customers, and effluent volume and strength for our industrial customers. The revenues of the Light & Water and Sewer Utilities include charges for services and other revenues. Other revenues include capital contributions of \$221,347 to the Light & Water Utility and total interest income of \$97,713. The charges for services accounted for 97.1 percent of total revenues for the business-type activities for 2017, compared to 92.4 percent due to the capital contributions of \$1,055,946 in 2016.

Operating revenues for business-type activities increased by \$101,311 from 2016. Light & Water Utility electric and water revenues decreased \$166,924 and the Sewer Utility charges increased by \$268,235.

- ◊ Sewer Utility operating revenues totaled \$2,574,525; an increase of \$268,235 from 2016. The increase was due to the increase in residential and industrial use. There was a sale of the televising camera for \$64,750. Sewer connection fees and reserve capacity fees increased \$92,903 and \$43,876 respectively.
- ◊ Light and Water Utility operating revenues totaled \$13,901,981 for 2017, a decrease of \$166,924 from 2016. The electric operating revenues decreased from 2016 by \$139,738 because of the decrease in sales. Water sales decreased \$27,186 from 2016; most of which was from the residential users; \$22,023.
- ◊ Interest revenue increased from 2016 by \$60,687 due to the rising interest rates.

Operating expenses for business-type activities, excluding depreciation, decreased by \$147,056 from 2016. Depreciation expenses increased \$177,099 from 2016.

- ◊ Sewer Utility operating expenses, excluding depreciation, decreased by \$52,854 from 2016. In 2016 there were added legal fees related to the plant's State license and a retirement with the payout of accrued sick leave and vacation. There were also unexpected collection system repairs in 2016.
- ◊ Light & Water expenses, excluding depreciation, increased \$94,202 from 2016. Electric operating expenses decreased \$143,916 in part due to less electricity purchased. Water expenditures increased from 2016 \$49,714 due to an increase in maintenance of mains and services for replacement of manhole covers, uncollectible accounts written off, partial funding of a branding initiative and increase in pension and benefits due to a higher labor allocation.

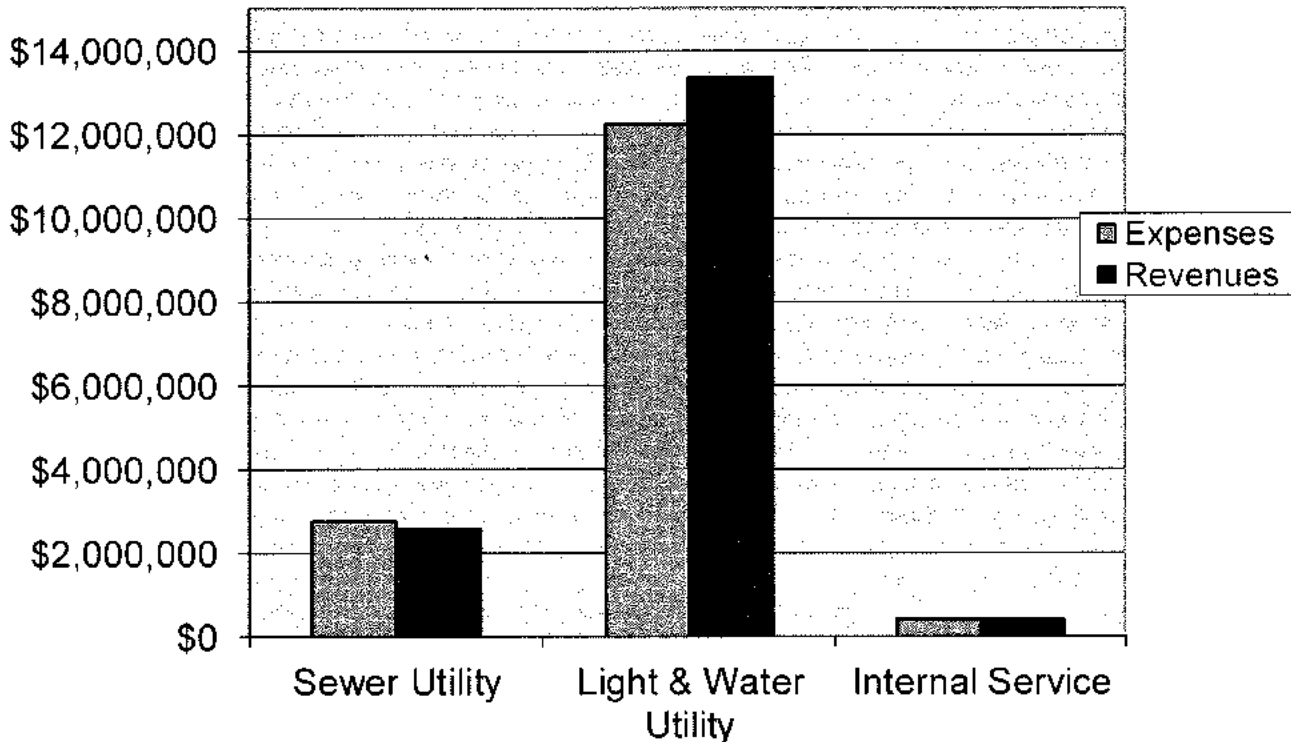
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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

Business-type activities (Continued)

The following chart compares the total revenues and expenses by utility for the year.



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the City of Cedarburg uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City of Cedarburg's governmental funds is to provide information on the flow of resources into and out of the organization in providing services. Most of the functions of the City are financed through these funds. The reported fund balance of a governmental fund represents a measure of the available spendable resources.

As of December 31, 2017, the City of Cedarburg's governmental funds reported combined ending fund balances of \$5,270,760, a decrease of \$1,188,032 from 2016. The Capital Improvement Fund decreased \$1,188,719 from 2016 due to final expenditures for the Public Works building in 2017. The General Fund increased \$12,090 and Debt Service Fund decreased by \$161,830 due to the use of the remaining building sale residual funds for the library debt. The non-major governmental funds increased \$150,427 due to the Rescue/EMS operations.

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City of Cedarburg
Ozaukee County, Wisconsin

Management's Discussion and Analysis
As of and for the Year Ended December 31, 2017
(unaudited)

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds (Continued)

Approximately 30 percent of the total fund balance or \$1,607,031 constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is assigned or restricted to indicate that it is not available for new spending because it has already been reserved or restricted to other items such as contracts and purchase orders of the prior year, debt service, legally restricted assets, impact fees, and non-current loans and notes receivable.

General Fund

The General Fund is the chief operating fund of the City of Cedarburg. As of December 31, 2017 the total fund balance of the General Fund was \$2,458,070 of which \$1,688,309 was unassigned. This unassigned fund balance represents approximately 18 percent of the total 2018 General Fund budgeted expenditures. Of the assigned fund balance, \$487,100 was appropriated for 2018 General Fund budgeted expenditures. Police Department handguns, bathroom upgrades at two park facilities, branding initiative, funding for the contingency reserve account, a transfer to Capital Improvements for a Fire Department project and senior van and a transfer to the Swimming Pool fund for a sand area shower are included in this amount. City policy requires a minimum of 17 percent and a maximum of 25 percent of General Fund expenditures of the ensuing year in unassigned funds.

The General Fund fund balance increased by \$12,090 during 2017. The 2017 original adopted budget for the City of Cedarburg's General Fund identified \$155,743 of expenditures over revenues or usage of fund balance. Actual operating expenditures and other financing uses were under budget by \$74,359 after the budget amendments were made for the year. Actual operating revenues and other financing sources were over budget by \$119,153 which was due the increase in building permit related fees and Public Works fees. In 2017 there was a one-time charge for an access card to the yard waste drop off site.

General Fund revenues increased by \$144,482 (1.8 percent) from 2016. Some of the significant changes in General Fund revenues from the prior year were as follows:

- ◇ Property tax revenues increased by \$66,405 (1.1 percent) from prior year due to the tax levy increase.
- ◇ Intergovernmental revenues increased \$22,542 (2.2 percent) from prior year due the increase in fire insurance dues \$36,913. Other State revenues decreased from 2016.
- ◇ Licenses, permits and fees decreased \$40,840 (9.9 percent) from 2016. Building permits decreased from 2016 by \$23,994; 21.4 percent. Plumbing permits declined slightly from 2016; \$2,360 or 9.3 percent.
- ◇ Fines, forfeitures and penalties decreased \$6,059 (10.4 percent) from 2016. The change was due to the decrease in the court penalties and costs received; a decrease of \$9,495. Parking violations increased by \$4,040.
- ◇ Public Charges for Services increased \$88,603 (72.5 percent) over prior year. Of this amount \$63,659 is due to the Public Works fees.
- ◇ Intergovernmental charges for services increased \$804 (0.4 percent) over 2016.

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FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds (Continued)

General Fund (Continued)

- ◇ Investment Income and Miscellaneous Revenues increased a total \$22,384 from 2016 due to the rising interest rates.

General Fund expenditures increased by \$178,445 from 2016. Some of the significant changes in General Fund expenditures from the prior year were as follows:

- ◇ General Government expenditures decreased \$71,970 (6.4 percent) in part due to the Elections expenditures. There was a decrease in the number of elections from 2016. The attorney fees were \$50,426 less in 2017 than 2016 because the fees related to the Amcast TIF creation were transferred to the TID No. 4 fund. The fees were incurred for the preparation of a developer's agreement for the clean-up and redevelopment of the Amcast site.
- ◇ Public Safety decreased by \$35,421 from 2016. The Patrol Division was \$74,113 less in expenditures than 2016 due to the retirements during the year. The Fire Department had an increase in expenditures of \$44,311 due to the newly created full time fire inspector and part time fire chief positions.
- ◇ Public Works expenditures increased \$61,019 (2.6 percent) from 2016. The increase in expenditures was due to salaries and benefit increases. The Garage Department increased \$71,829 due to the reallocation of salaries. The Streets Maintenance Department decreased \$54,809.
- ◇ Culture, Recreation and Education increased \$104,609 from 2016. The Senior Center expenditures increased \$30,070 from the prior year. \$38,036 in tour expenditures were recorded in 2017 and none in 2016. Parks, Recreation and Forestry spending increased \$74,245 from 2016. Of this amount \$29,334 was from salaries. Due to the less than normal snowfall at the end of the year, the Public Works Crew was able to work on the forestry operations. Trees and supplies spending increased \$36,423 from 2016 also.
- ◇ Conservation and Development decreased \$6,468 due to a hotel study that was completed in 2016.

Actual operating revenues were over budgeted revenues by \$119,153 due to public charges for services being \$115,715 over budget. The final budget outcome for 2017 was an increase in fund balance of \$12,090, compared to the amended budgeted use of fund balance of \$181,422.

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City of Cedarburg
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Management's Discussion and Analysis
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FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS (Continued)

Governmental Funds (Continued)

Capital Improvements Fund

The Capital Improvement expenditures for 2017 included street and stormwater improvements, environmental remediation, equipment purchases and park improvements. Total expenditures were \$2,438,821 and \$10,505,020 in 2017 and 2016, respectively. Expenditures in 2016 included the construction of the new Public Works building. In 2017 there were building project expenditures of \$622,992 compared to \$7,922,833 in 2016.

At the Police Department, station improvements for 2017 included an air conditioning unit and the radio console upgrade which was not purchased. The vehicle purchases were down by \$148,417 from 2016 since there were none in 2017.

The Fire Department retaining wall project was completed in 2017 but the concrete work was postponed until 2018.

Emergency Management siren replacement continued in 2017.

In 2017, there was a one-ton dump truck with plow and salter purchased along with two front end loaders with a plow and wing.

Street improvements for the year only varied by \$1,869 from 2016.

Sidewalk replacement expenditures were less than 2016 by \$50,043 due to saw cuts being made rather than full replacements in 2017.

Storm Water improvements were \$261,112 less than 2016 due to the storm sewer issues discovered in Bridge Road during the construction.

Environmental expenditures included the continuing legal and monitoring fees for Prochnow Landfill along with dam engineering costs. There was a total increase of \$5,763; however, the dam engineering costs increased \$13,358.

Parks, Recreation and Forestry expenditures were up \$49,259 from 2016. The 2016 projects included the Zeunert path resurfacing and the Cedar Creek Park net climber. The aerial lift truck was not received until 2017. Equipment purchases were \$50,392 in 2016 and \$248,978 in 2017. Park Improvements were \$115,009 less than 2016.

Debt service paying agent fee was for the 2016 borrowing for the Public Works building and there wasn't a borrowing in 2017.

There was \$200,000 transferred out of the Library reserve account to Debt Service to offset the principal and interest payments on the building debt in 2017 and \$200,000 in 2016 for the same purpose. The \$7,474 transfer to the Library fund was the remaining funds from the building project budget.

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City of Cedarburg
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Management's Discussion and Analysis
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GENERAL FUND BUDGETARY HIGHLIGHTS

Differences between the original budget and the final amended budget are from purchase orders carried over from 2016 into 2017 and any appropriations made during the year. In 2017, there were appropriations to balance the budget due to the overages in the Parks, Recreation and Forestry Department for the Public Works crew salaries and benefits, the Senior Center van operations and Center tours not budgeted and for the Celebrations account to reflect the donation and then payment to the Chamber of Commerce for the 4th of July celebration.

As previously mentioned, the 2018 adopted budget included the use of \$487,100 of fund balance to fund the purchase of handguns for Police Department, bathroom upgrades at two park facilities, branding initiative, funding for the contingency reserve account, a transfer to Capital Improvements for a Fire Department project and the senior van purchase and a transfer to the swimming pool fund for a sand area shower. The net change in the fund balance for 2017 was an increase of \$12,090. Revenues for the year were over budget \$150,202 due to public charges for services.

Operating expenditures were \$72,834 under budget for the year. Public Safety was under budget \$113,409 for the year. Capital Outlay accounts attributed to the reduction of that amount by \$123,934 as actual project costs exceeded the budget.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Cedarburg's investment in capital assets for its governmental and business-type activities as of December 31, 2017 amounts to \$109,682,126 net of accumulated depreciation. This investment in capital assets includes land, buildings and improvements, infrastructure, machinery and equipment, and construction in progress. The City of Cedarburg implemented the infrastructure component of GASB Statement No. 34 for the year ended December 31, 2003.

Major capital asset events that occurred during the year included the following:

- Replacement of the boiler at the Community Center Gym; \$93,736
- Emergency Management siren replacement; \$22,892
- Fire Department replacement of retaining wall; \$54,579
- Public Works vehicle replacements; \$315,063, construction of DPW building; \$622,992
- Street improvements; \$776,118
- Storm sewer projects related to street projects; \$212,384, NR216 compliance of \$42,837
- Prochnow Landfill remediation legal, testing and reporting expenditures; \$19,649 and engineering for dam repairs; \$13,357
- Parks, Recreation and Forestry expenditures included equipment replacements of \$248,978 and park improvements of \$8,879

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City of Cedarburg
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Management's Discussion and Analysis
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CAPITAL ASSET AND DEBT ADMINISTRATION (continued)

Capital Assets (continued)

City of Cedarburg's Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$8,249,524	\$8,239,524	\$2,115,434	\$2,115,434	\$10,364,958	\$10,354,958
Buildings and improvements	24,475,920	15,794,293	84,605,010	80,085,230	109,080,930	95,879,523
Infrastructure	45,897,945	45,136,103			45,897,945	45,136,103
Vehicles	6,720,066	6,699,214			6,720,066	6,699,214
Machinery and equipment	4,065,388	3,998,811			4,065,388	3,998,811
Construction in progress	273,486	8,228,707	29,235	1,321,310	302,721	9,550,017
Accumulated depreciation	(26,860,581)	(25,710,055)	(39,889,301)	(38,055,971)	(66,749,882)	(63,766,026)
Total Capital Assets	\$62,821,748	\$62,386,597	\$46,860,378	\$45,466,003	\$109,682,126	\$107,852,600

Long-Term Debt

At the end of the fiscal year, the City of Cedarburg had a total general obligation debt outstanding of \$16,597,559 entirely backed by the full faith, credit, and resources of the City. There were no borrowings in 2017. Principal payments for 2017 totaled \$1,358,552.

State statutes limit the amount of general obligation debt a governmental entity may issue to 5 percent of its total equalized valuation. The current debt limitation for the City of Cedarburg is \$65,457,365, which significantly exceeds the City's current outstanding general obligation debt. The City has established a policy whereby the City will not issue debt in excess of 4 percent of its total equalized valuation and the total annual debt service for general obligation debt shall not exceed 50 percent of the City's total annual general operating revenues (inclusive of all property tax levies and exclusive of revenues from proprietary entities). As of December 31, 2017 the City of Cedarburg's outstanding debt equaled 25.4 percent of the State authorized debt.

City of Cedarburg's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
General obligation long-term bonds and notes payable	\$ 15,647,559	\$ 16,951,111	\$ 950,000	\$ 1,005,000	\$ 16,597,559	\$ 17,956,111
Total	\$ 15,647,559	\$ 16,951,111	\$ 950,000	\$ 1,005,000	\$ 16,597,559	\$ 17,956,111

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City of Cedarburg
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Management's Discussion and Analysis
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ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The City's elected and appointed officials considered many factors when setting the fiscal year 2018 budget, the State legislative changes, general economic conditions, and public sentiments toward taxation. The City increased the assessed tax rate from \$7.46/\$1,000 in 2016 to \$7.48/\$1,000 in 2017; a 0.3 percent increase.

The City's total equalized value for 2017 was \$1,309,132,400; 4.4 percent more than 2016.

The Ozaukee County unemployment rate as of December 2017 was 2.1 percent down from 3.0 percent in December 2016. The State unemployment rate for December 2017 was 2.7 percent and 3.9 percent nationally. The County is doing well compared to the rest of the State and nation.

Funds were appropriated in the 2018 General Fund budget for one-time capital purchases and funding of the contingency reserve account from fund balance. There is \$6,200 for bathroom partitions at Zeunert and All Children's Playground, \$4,400 for new doors and locks for the bathrooms at All Children's Playground, a \$11,500 transfer to the Swimming Pool for a sand area shower and large strainer assembly, \$15,000 for a joint branding initiative, \$75,000 transfer to Capital Improvements for the Fire Station improvements and Senior Van purchase, \$10,000 for police hand guns and \$365,000 for the contingency reserve account for a total of \$487,100 budgeted as a use of these funds.

Sewer flow rate increased from \$5.22/1,000 gallons in 2017 to \$5.30/1,000 in 2018. The monthly connection fee remained at \$14/month. Holding tank septage haulers' fees remained at the 2017 rate of \$8.70/1,000 gallons. The septage tank haulers' rate also remained at the same rate as 2017 of \$44.91/1,000 gallons.

Due to the Common Council's sentiment to keep the tax rate down, the funding levels for capital items that were previously paid for by cash are being funded by borrowing. This practice is not one the City wants to continue, but was necessary to get through the tough economic times and to keep the tax rate from rising. As development continues to grow the City's assessed value, pre-funding of street and storm water capital projects should be a priority for the 2019 budget.

With increasing costs, State revenue cuts, and State legislative changes it will be another difficult budget preparation year. In 2018, the City was not able to meet the expenditure restraint program requirement of less than a 1.70 percent increase in expenditures. Any and all expenditures funded by the tax levy needed to be included in the calculation. With the increase in Debt Service and capital projects the City was over the limit. The new development the City is currently seeing will hopefully help fund future expenditure increases and lost revenues. The State levy limit legislation makes it difficult to fund operations as necessary and causes the City to borrow for capital projects which was not a common practice in prior years.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the City Treasurer's Office at the City of Cedarburg, P.O. Box 49, Cedarburg, WI 53012. Other City contact information may be found on our website at www.ci.cedarburg.wi.us.

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BASIC FINANCIAL STATEMENTS

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CITY OF CEDARBURG

STATEMENT OF NET POSITION As of December 31, 2017

	Governmental Activities	Business - type Activities	Totals
ASSETS			
Cash and investments	\$ 11,284,014	\$ 10,012,910	\$ 21,296,924
Receivables:			
Taxes	3,572,711	-	3,572,711
Delinquent personal property taxes	43,423	-	43,423
Accounts	300,919	1,455,827	1,756,746
Interest	566	8,506	9,072
Internal balances	164,558	(164,558)	-
Materials and supplies	10,822	620,954	631,776
Prepaid items	7,645	4,729	12,374
Restricted Assets:			
Cash and investments	982,931	2,749,279	3,732,210
Loans	140,234	-	140,234
Other assets	-	132,053	132,053
Capital Assets:			
Land	8,249,524	2,115,434	10,364,958
Construction in progress	273,486	29,235	302,721
Other capital assets, net of depreciation	54,298,738	44,715,709	99,014,447
Total Assets	<u>79,329,571</u>	<u>61,680,078</u>	<u>141,009,649</u>
DEFERRED OUTFLOWS OF RESOURCES			
Unamortized loss on refunding	102,751	-	102,751
Pension related items	2,131,582	883,544	3,015,126
Total Deferred Outflows of Resources	<u>2,234,333</u>	<u>883,544</u>	<u>3,117,877</u>
LIABILITIES			
Accounts payable and accrued liabilities	678,365	1,069,265	1,747,630
Deposits	124,282	56,824	181,106
Due to other governments	5,884	-	5,884
Accrued interest payable	53,054	8,907	61,961
Noncurrent Liabilities			
Compensated absences	499,723	376,460	876,183
Customer advances for construction	-	13,368	13,368
Deferred compensation	-	36,546	36,546
Pollution remediation liability	487,200	-	487,200
Net pension liability	284,627	106,695	391,322
Due within one year	1,301,682	41,990	1,343,672
Due in more than one year	14,586,838	933,524	15,520,362
Total Liabilities	<u>18,021,655</u>	<u>2,643,579</u>	<u>20,665,234</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned revenue	9,398,113	5,446	9,403,559
Pension related items	873,216	371,760	1,244,976
Total Deferred Inflows of Resources	<u>10,271,329</u>	<u>377,206</u>	<u>10,648,535</u>
NET POSITION			
Net investment in capital assets	47,035,979	45,884,864	92,920,843
Restricted	1,080,229	2,749,279	3,829,508
Unrestricted	5,154,712	10,908,694	16,063,406
TOTAL NET POSITION	<u>\$ 53,270,920</u>	<u>\$ 59,542,837</u>	<u>\$ 112,813,757</u>

CITY OF CEDARBURG

STATEMENT OF ACTIVITIES For the Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 1,547,715	\$ 745,044	\$ 194,279	\$ -
Public safety	4,860,025	865,560	85,280	-
Public works	3,861,179	74,821	565,260	10,000
Health and human services	47,178	11,940	-	-
Culture, recreation and education	2,988,303	678,276	224,496	-
Conservation and development	299,507	-	-	-
Interest and fiscal charges	301,759	-	-	-
Total Governmental Activities	13,905,666	2,375,641	1,069,315	10,000
Business-type Activities				
Light and Water Utility	12,259,490	13,901,981	-	221,347
Sewer Utility	2,737,677	2,574,525	-	-
Total Business-type Activities	14,997,167	16,476,506	-	221,347
Total	\$ 28,902,833	\$ 18,852,147	\$ 1,069,315	\$ 231,347

General revenues

Taxes

Property taxes, levied for general purposes

Property taxes, levied for debt service

Property taxes, levied for capital projects

Property taxes, levied for library

Property taxes, levied for other purposes

Other taxes

Intergovernmental revenues not restricted to specific programs

Investment income

Miscellaneous

Total general revenues

Transfers

Change in net position

NET POSITION - Beginning of Year

NET POSITION - END OF YEAR

Net (Expenses) Revenues and
Changes in Net Position

Governmental Activities	Business - type Activities	Totals
\$ (608,392)	\$ -	\$ (608,392)
(3,909,185)	-	(3,909,185)
(3,211,098)	-	(3,211,098)
(35,238)	-	(35,238)
(2,085,531)	-	(2,085,531)
(299,507)	-	(299,507)
(301,759)	-	(301,759)
<u>(10,450,710)</u>	<u>-</u>	<u>(10,450,710)</u>
-	1,863,838	1,863,838
-	<u>(163,152)</u>	<u>(163,152)</u>
-	1,700,686	1,700,686
<u>(10,450,710)</u>	<u>1,700,686</u>	<u>(8,750,024)</u>
5,869,661	-	5,869,661
1,284,280	-	1,284,280
1,192,000	-	1,192,000
707,306	-	707,306
65,827	-	65,827
80,783	-	80,783
443,911	-	443,911
153,074	97,713	250,787
178,552	71,227	249,779
<u>9,975,394</u>	<u>168,940</u>	<u>10,144,334</u>
772,814	<u>(772,814)</u>	-
297,498	1,096,812	1,394,310
<u>52,973,422</u>	<u>58,446,025</u>	<u>111,419,447</u>
<u>\$ 53,270,920</u>	<u>\$ 59,542,837</u>	<u>\$ 112,813,757</u>

See accompanying notes to the financial statements.

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CITY OF CEDARBURG

BALANCE SHEET GOVERNMENTAL FUNDS As of December 31, 2017

	General Fund	Capital Improvements Fund
ASSETS		
Unrestricted cash and investments	\$ 6,635,997	\$ 1,284,385
Restricted cash and investments	-	-
Receivables:		
Taxes	2,344,697	350,144
Delinquent personal property taxes	43,423	-
Accounts	174,996	7,910
Interest	566	-
Loans	-	-
Due from other funds	366,383	38,263
Materials and supplies	10,822	-
Prepaid expenditures	7,519	-
Advances to other funds	80,989	-
TOTAL ASSETS	\$ 9,665,392	\$ 1,680,702
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
Liabilities		
Accounts payable	\$ 178,595	\$ 20,657
Accrued liabilities	304,589	-
Deposits	110,813	13,469
Due to other funds	420,664	35,782
Due to other governments	5,884	-
Advance from other fund	-	-
Total Liabilities	<u>1,020,545</u>	<u>69,908</u>
Deferred Inflows of Resources		
Unavailable revenues	-	-
Unearned revenues	6,186,777	915,000
Total Deferred Inflows of Resources	<u>6,186,777</u>	<u>915,000</u>
Fund Balances		
Nonspendable	142,753	-
Restricted	-	-
Assigned	627,008	695,794
Unassigned (deficit)	1,688,309	-
Total Fund Balances	<u>2,458,070</u>	<u>695,794</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 9,665,392	\$ 1,680,702

Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 943,737	\$ 1,419,507	\$ 10,283,626
-	982,931	982,931
574,853	303,017	3,572,711
-	-	43,423
-	96,268	279,174
-	-	566
-	140,234	140,234
26,833	224,742	656,221
-	-	10,822
-	126	7,645
-	-	80,989
<u>\$ 1,545,423</u>	<u>\$ 3,166,825</u>	<u>\$ 16,058,342</u>

\$ -	\$ 40,130	\$ 239,382
-	37,072	341,661
-	-	124,282
-	591	457,037
-	-	5,884
-	80,989	80,989
-	<u>158,782</u>	<u>1,249,235</u>

-	140,234	140,234
<u>1,502,211</u>	<u>794,125</u>	<u>9,398,113</u>
<u>1,502,211</u>	<u>934,359</u>	<u>9,538,347</u>

-	-	142,753
43,212	1,080,229	1,123,441
-	1,074,733	2,397,535
-	(81,278)	1,607,031
<u>43,212</u>	<u>2,073,684</u>	<u>5,270,760</u>

<u>\$ 1,545,423</u>	<u>\$ 3,166,825</u>	<u>\$ 16,058,342</u>
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CITY OF CEDARBURG

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION As of December 31, 2017

Total Fund Balances - Governmental Funds	\$ 5,270,760
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Amounts reported for governmental activities in the statement of net position are different because different because:

Capital assets used in governmental funds are not financial resources and therefore are not reported in the funds

Land	8,249,524
Construction in progress	273,486
Other capital assets, net of depreciation	54,298,738

Other long-term assets are not available to pay for current-period expenditures and therefore are unavailable in the funds

Loan receivables	140,234
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Internal service funds are used by the City to charge the cost of insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

890,185

The net pension liability does not related to current financial resources and is not reported in the governmental funds.

(284,627)

Deferred outflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.

2,131,582

Deferred inflows of resources related to pensions do not relate to current financial resources and are not reported in the governmental funds.

(873,216)

Some liabilities, including long-term debt, are not due and payable in the current period and therefore, are not reported in the funds.

Bonds, notes payable and unamortized premium/(discount)	(15,888,520)
Compensated absences	(499,723)
Unamortized loss on refunding	102,751
Pollution remediation liability	(487,200)
Accrued interest	(53,054)

NET POSITION OF GOVERNMENTAL ACTIVITIES

<u>\$ 53,270,920</u>

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CITY OF CEDARBURG

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For the Year Ended December 31, 2017

	General Fund	Capital Improvements Fund
REVENUES		
Taxes	\$ 5,869,661	\$ 1,192,000
Intergovernmental	1,056,400	8,692
Licenses and permits	372,141	-
Fines, forfeitures and penalties	52,233	-
Public charges for services	210,805	56,520
Intergovernmental charges for services	215,824	-
Investment income	54,616	7,964
Miscellaneous	179,472	65,267
Total Revenues	<u>8,011,152</u>	<u>1,330,443</u>
EXPENDITURES		
Current		
General government	1,053,802	-
Public safety	3,849,834	-
Public works	2,448,754	-
Health and human services	-	-
Culture, recreation and education	975,614	-
Conservation and development	86,451	-
Capital Outlay	221,368	2,438,821
Debt Service		
Principal	-	-
Interest and fees	-	-
Total Expenditures	<u>8,635,823</u>	<u>2,438,821</u>
Excess (deficiency) of revenues over expenditures	<u>(624,671)</u>	<u>(1,108,378)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	772,814	100,000
Transfers out	(138,175)	(207,474)
Proceeds from sale of capital assets	2,122	27,133
Total Other Financing Sources (Uses)	<u>636,761</u>	<u>(80,341)</u>
Net Change in Fund Balances	12,090	(1,188,719)
FUND BALANCES - Beginning of Year	<u>2,445,980</u>	<u>1,884,513</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,458,070</u>	<u>\$ 695,794</u>

Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,284,280	\$ 853,916	\$ 9,199,857
4,932	214,375	1,284,399
-	-	372,141
-	21,072	73,305
37,222	1,066,232	1,370,779
-	-	215,824
1,011	16,726	80,317
-	72,784	317,523
<u>1,327,445</u>	<u>2,245,105</u>	<u>12,914,145</u>
-	-	1,053,802
-	301,634	4,151,468
-	-	2,448,754
-	45,107	45,107
-	1,485,080	2,460,694
-	213,056	299,507
-	113,450	2,773,639
1,303,552	-	1,303,552
385,723	-	385,723
<u>1,689,275</u>	<u>2,158,327</u>	<u>14,922,246</u>
<u>(361,830)</u>	<u>86,778</u>	<u>(2,008,101)</u>
200,000	59,549	1,132,363
-	(13,900)	(359,549)
-	18,000	47,255
<u>200,000</u>	<u>63,649</u>	<u>820,069</u>
(161,830)	150,427	(1,188,032)
<u>205,042</u>	<u>1,923,257</u>	<u>6,458,792</u>
<u>\$ 43,212</u>	<u>\$ 2,073,684</u>	<u>\$ 5,270,760</u>

CITY OF CEDARBURG

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, 2017

Net change in fund balances – total governmental funds	\$ (1,188,032)
--	----------------

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However in the statement of net position, the cost of these assets is capitalized and they are depreciated over their estimated useful lives and reported as depreciation expense. in the statement of activities

Capital outlay is reported as an expenditure in the fund financial statements, but is capitalized in the government-wide statements	2,773,639
Some items reported as outlay were not capitalized	(302,566)
Contributed capital assets	10,000
Depreciation is reported in the government-wide statements	(1,924,729)
Net book value of assets retired	(121,193)

Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal repaid	1,303,552
------------------	-----------

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Compensated absences	(12,354)
Accrued interest on debt	90,368
Net pension liability	255,208
Deferred outflows of resources related to pensions	(897,276)
Deferred inflows of resources related to pensions	270,033

Governmental funds report debt premiums and discounts as other financing sources (uses) or expenditures. However, in the statement of net position, these are reported as additions or deductions from long-term debt. These are allocated over the period the debt is outstanding in the statement of activities and are reported as interest expense

Amortization of debt premiums	17,796
Amortization of loss on refunding	(21,632)
Amortization of debt discount	(2,568)

Receivables not currently available are reported as revenue when collected or currently available in the fund financial statements but are recognized as revenue when earned in the government-wide financial statements

48,090

Internal service funds are used by the City to charge the cost of insurance to individual funds. The net revenue of the internal service fund is reported in the governmental activities.

(838)

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES

\$ 297,498

See accompanying notes to the financial statements.

CITY OF CEDARBURG

STATEMENT OF NET POSITION PROPRIETARY FUNDS As of December 31, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Totals	Internal Service Fund - Risk Management
ASSETS				
CURRENT ASSETS				
Cash and investments	\$ 7,154,932	\$ 2,857,978	\$ 10,012,910	\$ 1,000,388
Receivables:				
Accounts	1,454,239	1,588	1,455,827	21,745
Interest	8,506	-	8,506	-
Due from other funds	13,092	392,132	405,224	-
Materials and supplies	620,954	-	620,954	-
Prepayments	4,729	-	4,729	-
Other Assets - Commitment to community	44,786	-	44,786	-
Total Current Assets	<u>9,301,238</u>	<u>3,251,698</u>	<u>12,552,936</u>	<u>1,022,133</u>
NON-CURRENT ASSETS				
Restricted Assets - cash and investments	171	2,749,108	2,749,279	-
Preliminary survey and investigation	37,890	-	37,890	-
Non-utility property	49,377	-	49,377	-
Capital Assets				
Land	378,837	1,736,597	2,115,434	-
Construction in progress	21,035	8,200	29,235	-
Property, plant, and equipment	51,730,733	32,874,277	84,605,010	-
Less: Accumulated depreciation	<u>(17,080,945)</u>	<u>(22,808,356)</u>	<u>(39,889,301)</u>	<u>-</u>
Total Noncurrent Assets	<u>35,137,098</u>	<u>14,559,826</u>	<u>49,696,924</u>	<u>-</u>
Total Assets	<u>44,438,336</u>	<u>17,811,524</u>	<u>62,249,860</u>	<u>1,022,133</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pension related items	<u>644,271</u>	<u>239,273</u>	<u>883,544</u>	<u>-</u>

	Business-type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Totals	Internal Service Fund
LIABILITIES				
CURRENT LIABILITIES				
Accounts payable	\$ 857,344	\$ 53,672	\$ 911,016	\$ 97,322
Accrued payroll	-	26,348	26,348	-
Accrued interest payable	2,057	6,850	8,907	-
Deposits	56,824	-	56,824	-
Due to other funds	561,882	7,900	569,782	34,626
Current portion of general obligation debt	-	41,990	41,990	-
Other current liability	131,901	-	131,901	-
Total Current Liabilities	1,610,008	136,760	1,746,768	131,948
NONCURRENT LIABILITIES				
Compensated absences	332,864	43,596	376,460	-
Customer advances for construction	13,368	-	13,368	-
Deferred compensation	36,546	-	36,546	-
Net pension liability	79,344	27,351	106,695	-
General obligation debt	-	933,524	933,524	-
Total Noncurrent Liabilities	462,122	1,004,471	1,466,593	-
Total Liabilities	2,072,130	1,141,231	3,213,361	131,948
DEFERRED INFLOWS OF RESOURCES				
Unearned revenues	5,446	-	5,446	-
Pension related items	270,542	101,218	371,760	-
Total Deferred Inflows of Resources	275,988	101,218	377,206	-
NET POSITION				
Net investment in capital assets	35,049,660	10,835,204	45,884,864	-
Restricted	171	2,749,108	2,749,279	-
Unrestricted	7,684,658	3,224,036	10,908,694	890,185
TOTAL NET POSITION	\$ 42,734,489	\$ 16,808,348	\$ 59,542,837	\$ 890,185

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CITY OF CEDARBURG

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Totals	Internal Service Fund - Risk Management
OPERATING REVENUES				
Charges for services	\$ 13,743,967	\$ 2,574,525	\$ 16,318,492	\$ 318,864
Other operating revenues	158,014	-	158,014	31,689
Total Operating Revenues	13,901,981	2,574,525	16,476,506	350,553
OPERATING EXPENSES				
Operation and maintenance	10,821,480	1,451,923	12,273,403	404,177
Depreciation	1,437,566	1,124,400	2,561,966	-
Total Operating Expenses	12,259,046	2,576,323	14,835,369	404,177
Operating Income (Loss)	1,642,935	(1,798)	1,641,137	(53,624)
NONOPERATING REVENUES (EXPENSES)				
Investment income	63,696	34,017	97,713	52,786
Amortization expense	-	(1,343)	(1,343)	-
Interest expense	(444)	(18,288)	(18,732)	-
Nonoperating revenues (expenses)	(141,723)	71,227	(70,496)	-
Total Nonoperating Revenues (Expense)	(78,471)	85,613	7,142	52,786
Income (Loss) Before Capital Contributions and Transfers	1,564,464	83,815	1,648,279	(838)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital contribution	221,347	-	221,347	-
Transfers	(772,814)	-	(772,814)	-
Total Capital Contributions and Transfers	(551,467)	-	(551,467)	-
Change in Net Position	1,012,997	83,815	1,096,812	(838)
NET POSITION - Beginning of Year	41,721,492	16,724,533	58,446,025	891,023
NET POSITION - END OF YEAR	\$ 42,734,489	\$ 16,808,348	\$ 59,542,837	\$ 890,185

CITY OF CEDARBURG

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS For the Year Ended December 31, 2017

	Business - type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewer Utility	Totals	Internal Service Fund - Risk Management
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 13,671,470	\$ 2,693,323	\$ 16,364,793	\$ -
Paid to suppliers for goods and services	(9,529,072)	(1,032,005)	(10,561,077)	(314,942)
Paid to employees for services	(1,212,277)	(531,405)	(1,743,682)	-
Receipts from municipality	309,463	-	309,463	364,237
Net Cash Flows From Operating Activities	3,239,584	1,129,913	4,369,497	49,295
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(1,560,466)	(603,219)	(2,163,685)	(242,676)
Proceeds from sale and maturities of investment securities	1,549,267	591,642	2,140,909	235,377
Investment income	60,672	35,294	95,966	52,786
Net Cash Flows From Investing Activities	49,473	23,717	73,190	45,487
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Paid to municipality for tax equivalent	(765,000)	-	(765,000)	-
Transfers in (out)	(7,521)	-	(7,521)	-
Net Cash Flows From Noncapital Financing Activities	(772,521)	-	(772,521)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Debt retired	-	(55,000)	(55,000)	-
Interest paid	-	(27,809)	(27,809)	-
Acquisition and contraction of capital assets	(3,429,103)	(1,216,577)	(4,645,680)	-
Salvage on retirement of plant	13,363	-	13,363	-
Cost of removal of property retired	(177,304)	-	(177,304)	-
Impact fees received	19,564	-	19,564	-
Contributions in-aid-of construction	80,761	-	80,761	-
Net Cash Flows From Capital and Related Financing Activities	(3,492,719)	(1,299,386)	(4,792,105)	-
Net Change in Cash and Cash Equivalents	(976,183)	(145,756)	(1,121,939)	94,782
CASH AND CASH EQUIVALENTS - Beginning of Year	6,570,820	3,959,044	10,529,864	111,464
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,594,637	\$ 3,813,288	\$ 9,407,925	\$ 206,246

See accompanying notes to the financial statements.

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	Business - Type Activities - Enterprise Funds			Governmental Activities
	Light and Water Utility	Sewerage Department	Totals	Internal Service Fund - Risk Management
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	\$ 1,642,935	\$ (1,798)	\$ 1,641,137	\$ (53,624)
Miscellaneous nonoperating activities	(11,353)	71,227	59,874	-
Adjustments to Reconcile Operating Income to Net Cash Flows From Operating Activities				
Depreciation	1,437,566	1,235,913	2,673,479	-
Depreciation charged to clearing accounts	111,513	(111,513)	-	-
Changes in assets and liabilities:				
Accounts receivable	73,819	56,564	130,383	(15,485)
Due from other funds	(2,997)	(111,228)	(114,225)	63,795
Prepayments	(132)	-	(132)	-
Materials and supplies	(26,349)	-	(26,349)	-
Accounts payable	(137,979)	(31,357)	(169,336)	54,609
Accrued payroll and related benefits	33,585	(8,904)	24,681	-
Due to other funds	9,968	-	9,968	-
Deposits	1,515	-	1,515	-
Accrued interest on deposit	380	-	380	-
Pension related deferrals	101,133	27,809	128,942	-
Other current liabilities	5,980	3,200	9,180	-
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 3,239,584	\$ 1,129,913	\$ 4,369,497	\$ 49,295
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION - PROPRIETARY FUNDS				
Current - cash and investments - unrestricted	\$ 7,154,932	\$ 2,857,978	\$ 10,012,910	\$ 1,000,388
Non-current - cash and investments - restricted	171	2,749,108	2,749,279	-
Non-cash equivalents	(1,560,466)	(1,793,798)	(3,354,264)	(794,142)
CASH AND CASH EQUIVALENTS	\$ 5,594,637	\$ 3,813,288	\$ 9,407,925	\$ 206,246
NONCASH CAPITAL AND RELATED FINANCING ACTIVITIES				
Amortization of premiums	\$ -	\$ 1,343	\$ 1,343	\$ -
Developer financed additions to utility plant	\$ 3,042	\$ -	\$ 3,042	\$ -
Contributions receivable	\$ 149,379	\$ -	\$ 149,379	\$ -

CITY OF CEDARBURG

STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND As of December 31, 2017

	<u>Agency Fund</u>
	<u>Tax Collection Fund</u>
ASSETS	
Cash and investments	\$ 9,820,134
Taxes receivable	<u>6,088,244</u>
Total Assets	<u>\$ 15,908,378</u>
LIABILITIES	
Due to other governments	<u>\$ 15,908,378</u>

CITY OF CEDARBURG

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Cedarburg, Wisconsin ("the City") conform to accounting principles generally accepted in the United States of America as applicable to governmental units. The accepted standard-setting body for establishing governmental accounting and financial reporting principles is the Governmental Accounting Standards Board (GASB).

A. REPORTING ENTITY

This report includes all of the funds of the city. The reporting entity for the city consists of the primary government and its component units. Component units are legally separate organizations for which the primary government is financially accountable or 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. The primary government is financially accountable if (1) it appoints a voting majority of the organization's governing body and it is able to impose its will on that organization, (2) it appoints a voting majority of the organization's governing body and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, (3) the organization is fiscally dependent on and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. Certain legally separate, tax exempt organizations should also be reported as a component unit 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 or its component units, is entitled to, or has the ability to access, a majority of the economic resources received or held by the separate organization; and (3) the economic resources received or held by an individual organization that the primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to the primary government.

Component units are reported using one of two methods, discrete presentation or blending. Generally, component units should be discretely presented in a separate column in the financial statements. A component unit should be reported as part of the primary government using the blending method if it meets any one of the following criteria: (1) the primary government and the component unit have substantively the same governing body and a financial benefit or burden relationship exists, (2) the primary government and the component unit have substantively the same governing body and management of the primary government has operational responsibility for the component unit, (3) the component unit serves or benefits, exclusively or almost exclusively, the primary government rather than its citizens, or (4) the total debt of the component unit will be paid entirely or almost entirely from resources of the primary government.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

A. REPORTING ENTITY (cont.)

Discretely Presented Component Unit

Community Development Authority of the City

The government-wide financial statements include the Community Development Authority of the City ("CDA") as a component unit. The CDA is a legally separate organization. The board of the CDA is appointed by the Mayor and confirmed by the Common Council. Wisconsin Statutes provide for circumstances whereby the city can impose its will on the CDA, and also create a potential financial benefit to or burden on the city. The Community Development Authority of the City is part of the reporting entity of the City of Cedarburg. However, the CDA had no financial transactions during 2017 which are material to these financial statements. Also, the CDA does not own any assets nor is it liable for any debt. Therefore, no financial statements are presented in this report. The CDA does not issue separate financial statements.

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Government-Wide Financial Statements

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. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund Financial Statements

Financial statements of the city are organized into 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, deferred outflows of resources, liabilities, deferred inflows of resources, net position/fund balance, revenues, and expenditures/expenses.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

Funds are organized as major funds or nonmajor 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:

- a. Total assets/deferred outflows of resources, liabilities/deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10% of the corresponding total for all funds of that category or type, and
- b. The same element of the individual governmental or enterprise fund that met the 10% test is at least 5% of the corresponding total for all governmental and enterprise funds combined.
- c. In addition, any other governmental or enterprise fund that the city believes is particularly important to financial statement users may be reported as a major fund.

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

The city reports the following major governmental funds:

- General Fund - accounts for the city's primary operating activities. It is used to account for and report all financial resources except those accounted for and reported in another fund.
- Debt service fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for the payment of general long-term debt principal, interest, and related costs, other than TID or enterprise debt.
- Capital improvements fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

The city reports the following major enterprise funds:

- Light and Water Utility - accounts for operations of the electrical and water system.
- Sewer Utility - accounts for operations of the sewer system.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (cont.)

Fund Financial Statements (cont.)

The city reports the following nonmajor governmental funds:

Special Revenue Funds - used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes (other than debt service or capital projects).

Cemetery	Room Tax
Recreation Programs	Swimming Pool
Community Development Block Grant	Library
Park Impact Fee	
Rescue/EMS	

Capital Projects Fund - used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Tax Incremental Finance (TIF) District No. 3
Tax Incremental Finance (TIF) District No. 4

In addition, the city reports the following fund types:

Internal Service Fund - used to account for and report the financing of goods or services provided by one department or agency to other departments or agencies of the city, or to other governmental units, on a cost-reimbursement basis.

Risk Management

Agency Fund - used to account for and report assets held by the city in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Tax Collection Fund

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider are met. Special assessments are recorded as revenue when earned. Unbilled receivables are recorded as revenues when services are provided.

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 light and water and sewer utilities and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are both measurable and available. 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 60 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. 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 the resources and the amounts are available. Amounts owed to the city which are not available are recorded as receivables and unavailable revenues. Amounts received before eligibility requirements (excluding time requirements) are met are recorded as liabilities. Amounts received in advance of meeting time requirements are recorded as deferred inflows.

Special assessments are recorded as revenues when they become measurable and available as current assets. Annual installments due in future years are reflected as receivables and unavailable revenues. At December 31, 2017, there were \$430,735 and \$198,245 of City and Sewer Utility, respectively, unrecorded anticipated future assessments which are not recorded as receivables because collection is subject to certain events occurring in the future. No formal repayment schedule has been established.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (cont.)

Fund Financial Statements (cont.)

Revenues susceptible to accrual include property taxes, miscellaneous taxes, 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.

Proprietary and fiduciary fund financial statements (other than agency funds) are reported using the economic resources measurement focus and the 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 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 Light and Water and Sewer Utilities are charges to customers for sales and services. Special assessments are recorded as receivables and contribution revenue when levied. 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.

All Financial Statements

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, deferred outflows of resources, liabilities, and deferred inflows of resources 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, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY

1. Deposits and Investments

For purposes of the statement of cash flows, the city considers all highly liquid investments with an initial maturity of three months or less when acquired to be cash equivalents.

Investment of city funds is restricted by Wisconsin state statutes. Available investments are limited to:

- a. Time deposits in any credit union, bank, savings bank or trust company maturing in three years or less.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

1. Deposits and Investments (cont.)

- b. Bonds or securities of any county, city, drainage district, technical college district, village, town, or school district of the state. Also, bonds issued by a local exposition district, a local professional baseball park district, a local professional football stadium district, a local cultural arts district, the University of Wisconsin Hospitals and Clinics Authority, or the Wisconsin Aerospace Authority.
- c. Bonds or securities issued or guaranteed by the federal government.
- d. The local government investment pool.
- e. Any security maturing in seven years or less and having the highest or second highest rating category of a nationally recognized rating agency.
- f. Securities of an open-end management investment company or investment trust, subject to various conditions and investment options.
- g. Repurchase agreements with public depositories, with certain conditions.

The city has adopted an investment policy. That policy follows the state statute for allowable investments. The Policy addresses custodial credit risk by stating that deposits shall not exceed federal and/or state insurance coverage unless (a) they are collateralized by federal government securities at a rate of 110% of the investment; b) they are collateralized by local mortgages at a rate of 135% of the investments; or c) collateralization has been waived by the Common Council.

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 methods and inputs as outlined in Note III. A. 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 statement balance and carrying value is due to outstanding checks and/or deposits in transit.

The Wisconsin Local Government Investment Pool (LGIP) is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2017, the fair value of the city's share of the LGIP's assets was substantially equal to the amount as reported in these statements.

See Note III. A. for further information.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables

Property taxes are levied in December on the assessed value as of the prior January 1. In addition to property taxes for the city, taxes are collected for and remitted to the state and county governments as well as the local school districts and technical college district. Taxes for all state and local governmental units billed in the current year for the succeeding year are reflected as receivables and due to other taxing units on the accompanying statement of assets and liabilities - agency fund.

Property tax calendar - 2017 tax roll:

Lien date and levy date	December 2017
Tax bills mailed	December 2017
Payment in full, or	January 31, 2018
First installment due	January 31, 2018
Second installment due	July 31, 2018
Personal property taxes in full	January 31, 2018
Tax sale - 2017 delinquent real estate taxes	October 2020

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 the light and water and sewer utilities because they have the right by law to place substantially all delinquent bills on the tax roll, and other delinquent bills are generally not significant.

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 governmental-wide financial statements as internal balances.

In the governmental fund financial statements, advances to other funds are offset equally by a nonspendable fund balance account which indicates that they do not constitute expendable available financial resources and, therefore, are not available for appropriation or by a restricted fund balance account, if the funds will ultimately be restricted when the advance is repaid.

The city has received state grant funds for economic development loan programs to various businesses and individuals. The city records a loan receivable when the loan has been made and funds have been disbursed. The amount recorded as economic development loans receivable has not been reduced by an allowance for uncollectible accounts.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

2. Receivables (cont.)

It is the city's policy to record unavailable revenue for the net amount of the receivable balance. As loans are repaid, revenue is recognized. When new loans are made from the repayments, expenditures are recorded. Interest received from loan repayments is recognized as revenue when received in cash. Any unspent loan repayments at year end are presented as restricted fund balance in the fund financial statements.

3. Materials and Supplies and Prepaid Items

Governmental fund inventories, if material, are recorded at cost based on the FIFO method using the purchases method of accounting. Proprietary fund inventories are generally used for construction and/or for operation and maintenance work. They are not for resale. They are valued at cost based on weighted average, and charged to construction and/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.

4. 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.

5. Capital Assets

Government-Wide Statements

Capital assets, which include property, plant and equipment, are reported in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than \$5,000 for general and sewer capital and infrastructure assets and \$500 for light and water utility capital assets, and an estimated useful life in excess of one year. All capital assets are valued at historical cost, or estimated historical cost if actual amounts are unavailable. Donated capital assets are recorded at their estimated acquisition value at the date of donation.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

5. Capital Assets (cont.)

Government-Wide Statements (cont.)

Additions to and replacements of capital assets of business-type activities are recorded at original cost, which includes material, labor, overhead, and an allowance for the cost of funds used during construction when significant. For tax-exempt debt, the amount of interest capitalized equals the interest expense incurred during construction netted against any interest revenue from temporary investment of borrowed fund proceeds. No interest was capitalized during the current year. The cost of renewals and betterments relating to retirement units is added to plant accounts. The cost of property replaced, retired or otherwise disposed of, is deducted from plant accounts and, generally, together with removal costs less salvage, is charged to accumulated depreciation.

Depreciation of all exhaustible capital assets is recorded as an allocated expense in the statement of activities, with accumulated depreciation reflected in the statement of net position. Depreciation is provided over the assets' estimated useful lives using the straight-line method over the range of estimated useful lives by type of asset or is computed under that straight-line method using rates certified by the Public Service Commission for the Light and Water utility. The range of estimated useful lives by type of asset is as follows:

Buildings	25-99 Years
Land improvements	15 Years
Equipment	7-15 Years
Computer equipment	5-10 Years
Infrastructure - traffic signals	15 Years
Infrastructure - all other	60 Years
Vehicles	4-10 Years
Electric plant in service	5-40 Years
Water plant in service	4-77 Years
Sewer plant in service	10-80 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.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

6. Other Assets

Designated investments - the Light and Water Commission has internally designated \$2,250,125 of cash and investments for future construction projects and monthly operating reserves.

Commitment to community - the Light and Water Utility charges fees to all customers as required by the 1999 Energy Reliability Act and 2006 Act 141. Revenues generated from the fees are used to fund energy conservation and low-income energy assistance ("Commitment to Community") programs. The Utility is acting as an agent administering the program so net collections and expenses associated with the program are recorded as a current liability or asset on the statement of net position.

Preliminary survey and investigation - the balance represents initial project engineering costs related to utility plant construction. The balance will be capitalized upon commencement of the project.

Non-Utility property - the Light and Water Utility in 2006, 2008, and 2015 transferred infrastructure and land no longer in utility use; specifically, the SW, Layton, and Lincoln Substations land, building and equipment and land from a well on Fair Street that was abandoned long ago. These assets, excluding land, are fully depreciated at December 31, 2017. Costs to construct a fitness area and the cost of fitness equipment and flooring was recorded as nonutility property in 2011. Costs were partially offset in 2011 and will continue to be so in future years through fees collected from users of the fitness room. The utility dismantled and sold the switchgear at the former SW substation and removed other obsolete substation equipment in 2017, which reduced the value in non-utility property.

7. Deferred Outflows of Resources

A deferred outflow of resources represents a consumption of net position/fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until that future time.

A deferred charge on refunding arises from the advance refunding of debt. The difference between the cost of the securities placed in trust for future payments of the refunded debt and the net carrying value of that debt is deferred and amortized as a component of interest expense over the shorter of the term of the refunding issue or the original term of the refunded debt. The unamortized amount is reported as a deferred outflow of resources in the government-wide and proprietary fund financial statements.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

8. Compensated Absences

Under terms of employment, employees are granted sick leave and vacations in varying amounts. Only benefits considered to be vested are disclosed in these statements. Sick leave pay earned and not taken is cumulative. Sick leave is earned at the rate of 1.25 working days for each month of service up to a maximum of 15 days for police department employees and 12 days for all other employees per year and a total of 120 days. Upon retirement, disability, or death, the employee or their estate shall be paid, at the current wage rate, 50% of the accumulated unused sick leave pay benefits. All employees who have reached the maximum allotment of 120 sick days shall be compensated 30% of any sick days accumulated over 120. This compensation shall be paid in the first check of the following year at the previous year's rate. At December 31, 2017, 50% of the accumulated sick leave pay benefits estimated to be paid out for all employees is recorded as a liability in the government-wide financial statements.

All vested vacation and sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements, and are payable with expendable resources. Employees earn vacation in varying amounts based on length of service. Generally, City employees are not allowed to accumulate vacation pay. Light and Water Utility employees are allowed to accumulate unused vacation pay, which is recorded as an expense of the Light and Water Utility Enterprise Fund when earned.

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, 2017, are determined on the basis of current salary rates and include salary related payments.

9. Long-Term Obligations

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 bonds payable, accrued compensated absences, net pension liability and pollution remediation liability.

Long-term obligations for governmental funds are not reported as liabilities in the fund financial statements. The face value of debts (plus any premiums) are reported as other financing sources and payments of principal and interest are reported as expenditures. The accounting in proprietary funds is the same as it is in the government-wide statements.

10. Deferred Inflows of Resources

A deferred inflow of resources represents an acquisition of net position/fund balance that applies to a future period and therefore will not be recognized as an inflow of resources (revenue) until that future time.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

11. Equity Classifications

Government-Wide Statements

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

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent debt proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position 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.
- c. Unrestricted net position - All other net positions that do not meet the definitions 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 Statements

Governmental fund balances are displayed as follows:

- a. Nonspendable - Includes fund balance amounts that cannot be spent either because they are not in spendable form or because legal or contractual requirements require them to be maintained intact.
- b. Restricted - Consists of fund balances 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.
- c. Committed - Includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority. Fund balance amounts are committed through a formal action (resolution) of the Common Council. This formal action must occur prior to the end of the reporting period, but the amount of the commitment, which will be subject to the constraints, may be determined in the subsequent period. Any changes to the constraints imposed require the same formal action of the Common Council that originally created the commitment.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

11. Equity Classifications (cont.)

Fund Statements (cont.)

- d. Assigned - Includes spendable fund balance amounts that are intended to be used for specific purposes that do not meet the criteria to be classified as restricted or committed. The Common Council has, by resolution, adopted a financial policy authorizing the Administrator/Treasurer to assign amounts for a specific purpose. Assignments may take place after the end of the reporting period.
- e. Unassigned - Includes residual positive fund balance within the general fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those purposes.

Proprietary fund equity is classified the same as in the government-wide statements.

The city considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents / contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the city would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

See Note III. H. for further information.

12. Pension

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

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

D. ASSETS, DEFERRED OUTFLOWS OF RESOURCES, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION OR EQUITY (cont.)

13. Basis for Existing Rates

Sewer Utility

Sewer rates are changed on January 1 of each year. The rates as of January 1, 2017 remained the same as 2016 as \$5.22 per 1,000 gallons with a \$14 monthly connection fee. For January 1, 2018, the sewer use charge will increase to \$5.30 per 1,000 gallons with a \$14 monthly connection fee.

Electric Utility

Current electric rates were approved by the PSCW effective May 1, 2016. The rates are designed to provide a 5.0% return on rate base.

Water Utility

Current water rates were approved by the PSCW effective January 1, 2015 designed to provide a 5.5% return on rate base.

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. BUDGETARY INFORMATION

A budget has been adopted for the General Fund, Capital Improvement Fund, Debt Service Fund, Special Revenue Fund - Cemetery, Special Revenue Fund - Room Tax, Special Revenue Fund - Recreation Programs, Special Revenue Fund - Swimming Pool, Special Revenue Fund - Park Impact Fee and Special Revenue Fund - Library. A budget has not been formally adopted for Special Revenue Fund - Community Development Block Grant, Special Revenue Fund - Rescue/EMS, Capital Project Fund - TIF No. 3 Fund and Capital Project Fund - TIF No. 4. Wisconsin Statute 65.90 requires that an annual budget be adopted for all funds.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE II - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (cont.)

B. EXCESS EXPENDITURES AND OTHER FINANCING USES OVER APPROPRIATIONS

<u>Funds</u>	<u>Budgeted Expenditures</u>	<u>Actual Expenditures</u>	<u>Excess Expenditures Over Budget</u>
Special Revenue Fund - Room Tax	\$ 65,000	\$ 80,783	\$ 15,783
Special Revenue Fund - Recreation Programs	213,526	283,309	69,783
Special Revenue Fund - Swimming Pool	362,059	362,314	255

The city controls expenditures at the function level for the General Fund. For all other funds the City controls expenditures at the fund level. Some individual fund experienced expenditures which exceeded appropriations. The detail of those items can be found in the city's year-end budget to actual report.

C. DEFICIT BALANCES

Generally accepted accounting principles require disclosure of individual funds that have deficit balances at year end.

As of December 31, 2017, the following individual funds held a deficit balance:

<u>Fund</u>	<u>Amount</u>	<u>Reason</u>
Capital Project Fund - TIF District No. 3	\$ 24,516	Expenditures exceeded revenues
Capital Project Fund - TIF District No. 4	56,762	Expenditures exceeded revenues

TIF district deficits are anticipated to be funded with future incremental taxes levied over the life of the districts, which is 27 years for the districts created before October 1, 1995, and 23 years for districts created thereafter through September 30, 2004. Beginning October 1, 2004, the life of new districts varies by type of district (20-27 years) and may be extended in some cases. TIF District No. 3 and TIF District No. 4 fund deficits are anticipated to be funded with future contributions, general tax revenues, or long-term borrowing.

D. LIMITATIONS ON THE DISTRICT'S TAX LEVY

Wisconsin law limits the city's future tax levies. Generally the city is limited to its prior tax levy dollar amount (excluding TIF Districts), increased by the greater of the percentage change in the city's equalized value due to new construction or zero percent. Changes in debt service from one year to the next are generally exempt from this limit with certain exceptions. The city is required to reduce its allowable levy by the estimated amount of fee revenue it collects for certain services, if those services were funded in 2013 by the property tax levy. Levies can be increased above the allowable limits if the amount is approved by referendum.

CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS

A. DEPOSITS AND INVESTMENTS

The city maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the statement of net position and balance sheet as cash and investments.

The city's deposits and investments at year end were comprised of the following:

	Carrying Value	Statement Balances	Associated Risks
Deposits	\$ 27,310,965	\$ 27,658,709	Custodial credit
US agencies	4,773,486	4,773,486	Custodial credit, interest rate and investments highly sensitive to interest rate changes
State and local bonds	271,025	271,025	Credit, custodial credit, interest rate and investments highly sensitive to interest rate changes
Corporate bonds	587,587	587,587	Credit, custodial credit, interest rate, concentration of credit and investments highly sensitive to interest rate changes
LGIP	1,770,677	1,770,677	Credit
US treasuries	134,452	134,452	Custodial credit, interest rate and investments highly sensitive to interest rate changes
Petty cash	1,076	-	N/A
Total Deposits and Investments	<u>\$ 34,849,268</u>	<u>\$ 35,195,936</u>	
Reconciliation to financial statements			
Per statement of net position			
Unrestricted cash and investments	\$ 21,296,924		
Restricted cash and investments	3,732,210		
Per statement of assets and liabilities - agency fund			
Agency fund	<u>9,820,134</u>		
Total Deposits and Investments	<u>\$ 34,849,268</u>		

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Deposits in each local and area bank are insured by the FDIC in the amount of \$250,000 for time and savings accounts (including NOW accounts) and \$250,000 for demand deposit accounts (interest-bearing and noninterest-bearing). In addition, if deposits are held in an institution outside of the state in which the government is located, insured amounts are further limited to a total of \$250,000 for the combined amount of all deposit accounts.

Bank accounts are also insured by the State Deposit Guarantee Fund in the amount of \$400,000. However, due to the nature of this fund, recovery of material principal losses may not be significant to individual municipalities. This coverage has not been considered in computing custodial credit risk.

The Securities Investor Protection Corporation (SIPC), created by the Securities Investor Protection Act of 1970, is an independent government-sponsored corporation (not an agency of the U.S. government).

SIPC membership provides account protection up to a maximum of \$500,000 per customer, of which \$100,000 may be in cash. \$500,000 of the city's investments are covered by SIPC.

The city categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The valuation methods for recurring fair value measurements are as follows:

- Market Value

Investment Type	December 31, 2017			
	Level 1	Level 2	Level 3	Total
US agencies	\$ 4,773,486	\$ -	\$ -	\$ 4,773,486
US treasuries	134,452	-	-	134,452
State and local bonds	-	271,025	-	271,025
Corporate bonds	-	587,587	-	587,587
Total	<u>\$ 4,907,938</u>	<u>\$ 858,612</u>	<u>\$ -</u>	<u>\$ 5,766,550</u>

Custodial Credit Risk

Deposits

Custodial credit risk is the risk that in the event of a financial institution failure, the city's deposits may not be returned to the city.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Custodial Credit Risk (cont.)

Deposits (cont.)

As of December 31, 2017, \$25,954,242 of the city's total bank balances were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 1,124,998
Uninsured and collateral held by the pledging financial institution's trust department or agent not in the city's name	<u>24,829,244</u>
Total	<u>\$ 25,954,242</u>

Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the city will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

The city does not have any investments exposed to custodial credit risk.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations.

As of December 31, 2017, the city's investments were rated as follows:

<u>Investment Type</u>	<u>Moody's Investors Services</u>
State and Local Bonds	AA3 through AAA

The city also held investments in the following external pool which is not rated:

LGIP

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

A. DEPOSITS AND INVESTMENTS (cont.)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investment.

As of December 31, 2017, the city's investments were as follows:

Investment Type	Fair Value	Maturity (In Months)		
		Less than 1	1-3	4-6
US agencies	\$ 4,773,486	\$ 889,126	\$ 2,918,146	\$ 966,214
US treasuries	134,452	-	-	134,452
State and local bonds	271,025	-	-	271,025
Corporate bonds	587,587	198,987	292,629	95,971
Totals	<u>\$ 5,766,550</u>	<u>\$ 1,088,113</u>	<u>\$ 3,210,775</u>	<u>\$ 1,467,662</u>

Investments Highly Sensitive to Interest Rate Changes

At December 31, 2017, the city held \$4,773,486, \$134,452, \$271,025 and \$587,587 in US agencies, US treasuries, State and local bonds and corporate bonds respectively. With all fixed income securities, as interest rates rise, the values will fall. The longer the time to maturity, the more sensitive the value will be to a change in interest rates. The longest time to maturity on any holding is 6 years maturing September 6, 2024.

See Note I.D.1. for further information on deposit and investment policies.

B. RECEIVABLES

All of the receivables on the balance sheet are expected to be collected within one year, except for delinquent personal property taxes of \$43,423.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

B. RECEIVABLES (cont.)

Governmental funds report *unavailable or unearned revenue* 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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<u>Unearned</u>	<u>Unavailable</u>
Property taxes receivable for subsequent year	\$ 9,398,113	\$ -
Loan receivables	<u>-</u>	<u>140,234</u>
Total Unearned/Unavailable Revenue for Governmental Funds	<u>\$ 9,398,113</u>	<u>\$ 140,234</u>

C. RESTRICTED ASSETS

The following represent the balances of the restricted assets:

Equipment Replacement Account

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

Impact Fee Account

The light and water utility and sewer utility has received impact fees which must be spent in accordance with the local ordinance and state statutes. Any unspent funds must be refunded to the current property owner.

Community Development Block Grant

Restricted assets have been reported in connection with monies from the Community Development Block Grant (CDBG) federal program. These monies have been used to fund local community development activities in the City providing loans to local businesses. Outstanding loans have an interest rate of 2.00% and repayment goes through June 1, 2022.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

C. RESTRICTED ASSETS (cont.)

Following is a list of restricted assets at December 31, 2017:

	Restricted Assets
Equipment replacement account	\$ 2,465,208
Light and Water impact fee account	171
Sewer impact fee account	283,900
CDBG account	901,623
CDBG receivables	140,234
Park impact fee account	81,308
Total	<u>\$ 3,872,444</u>

D. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 8,239,524	\$ 10,000	\$ -	\$ 8,249,524
Construction in progress	8,228,707	687,477	8,642,698	273,486
Total Capital Assets Not Being Depreciated	<u>16,468,231</u>	<u>697,477</u>	<u>8,642,698</u>	<u>8,523,010</u>
Capital assets being depreciated				
Buildings and Improvements	15,794,293	8,703,059	21,432	24,475,920
Infrastructure	45,136,103	984,324	222,482	45,897,945
Vehicles	6,699,214	631,956	611,104	6,720,066
Machinery and Equipment	3,998,811	106,955	40,378	4,065,388
Total Capital Assets Being Depreciated	<u>71,628,421</u>	<u>10,426,294</u>	<u>895,396</u>	<u>81,159,319</u>
Total Capital Assets	<u>88,096,652</u>	<u>11,123,771</u>	<u>9,538,094</u>	<u>89,682,329</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental Activities (cont.)				
Less: Accumulated depreciation for				
Buildings and Improvements	(3,375,688)	(494,764)	14,316	(3,856,136)
Infrastructure	(15,648,923)	(752,267)	222,482	(16,178,708)
Vehicles	(4,278,789)	(520,510)	502,509	(4,296,790)
Machinery and Equipment	(2,406,655)	(157,188)	34,896	(2,528,947)
Total Accumulated Depreciation	<u>(25,710,055)</u>	<u>(1,924,729)</u>	<u>774,203</u>	<u>(26,860,581)</u>
Net Capital Assets Being Depreciated	<u>45,918,366</u>	<u>8,501,565</u>	<u>121,193</u>	<u>54,298,738</u>
Total Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 62,386,597</u>	<u>\$ 9,199,042</u>	<u>\$ 8,763,891</u>	<u>\$ 62,821,748</u>

Depreciation expense was charged to functions as follows:

Governmental Activities

General government	\$ 28,626
Public safety	305,310
Public works	1,153,249
Health and human services	2,071
Culture, recreation and education	<u>435,473</u>
Total Governmental Activities Depreciation Expense	<u>\$ 1,924,729</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Business-type Activities

	Beginning Balance	Additions	Deletions	Ending Balance
<u>Sewer</u>				
Capital assets not being depreciated				
Land	\$ 1,736,597	\$ -	\$ -	\$ 1,736,597
Construction in progress	1,288,594	149,089	1,429,483	8,200
Total Capital Assets Not Being Depreciated	3,025,191	149,089	1,429,483	1,744,797
Capital assets being depreciated				
Plant in service	30,714,009	3,752,878	1,592,610	32,874,277
Total Capital Assets Being Depreciated	30,714,009	3,752,878	1,592,610	32,874,277
Total Capital Assets	33,739,200	3,901,967	3,022,093	34,619,074
Less: Accumulated depreciation for				
Plant in service	(21,699,678)	(1,124,400)	15,722	(22,808,356)
Total Accumulated Depreciation	(21,699,678)	(1,124,400)	15,722	(22,808,356)
Net Capital Assets Being Depreciated	9,014,331	2,628,478	1,576,888	10,065,921
Net Sewer Capital Assets	\$ 12,039,522	\$ 2,777,567	\$ 3,006,371	\$ 11,810,718

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

D. CAPITAL ASSETS (cont.)

Business-type Activities (cont.)

	Beginning Balance	Additions	Deletions	Ending Balance
Light and Water				
Capital assets not being depreciated				
Land	\$ 378,837	\$ -	\$ -	\$ 378,837
Construction in progress	32,716	-	11,681	21,035
Total Capital Assets Not Being Depreciated	<u>411,553</u>	<u>-</u>	<u>11,681</u>	<u>399,872</u>
Capital assets being depreciated				
Plant in service	<u>49,371,221</u>	<u>3,174,909</u>	<u>815,397</u>	<u>51,730,733</u>
Total Capital Assets Being Depreciated	<u>49,371,221</u>	<u>3,174,909</u>	<u>815,397</u>	<u>51,730,733</u>
Total Capital Assets	<u>49,782,774</u>	<u>3,174,909</u>	<u>827,078</u>	<u>52,130,605</u>
Less: Accumulated depreciation for				
Plant in service	<u>(16,356,293)</u>	<u>(1,717,353)</u>	<u>992,701</u>	<u>(17,080,945)</u>
Total Accumulated Depreciation	<u>(16,356,293)</u>	<u>(1,717,353)</u>	<u>992,701</u>	<u>(17,080,945)</u>
Net Capital Assets Being Depreciated	<u>33,014,928</u>	<u>1,457,556</u>	<u>(177,304)</u>	<u>34,649,788</u>
Net Light and Water Capital Assets	<u>\$ 33,426,481</u>	<u>\$ 1,457,556</u>	<u>\$ (165,623)</u>	<u>\$ 35,049,660</u>
Business-type Capital Assets, Net of Accumulated Depreciation	<u>\$ 45,466,003</u>	<u>\$ 4,235,123</u>	<u>\$ 2,840,748</u>	<u>\$ 46,860,378</u>

Depreciation expense was charged to functions as follows:

Business-type Activities

Sewer	\$ 1,124,400
Light and Water	<u>1,437,566</u>
Total Business-type Activities Depreciation Expense	<u>\$ 2,561,966</u>

Depreciation expense may be different from business-type activity accumulated depreciation additions because of joint metering, salvage, cost of removal, internal allocations, or costs associated with the disposal of assets.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. 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:

Receivable Fund	Payable Fund	Amount
General Fund	Special Revenue Fund - Room Tax	\$ 240
General Fund	Capital Improvement Fund	2,723
General Fund	Special Revenue Fund - Cemetery	88
General Fund	Special Revenue Fund - CDBG	263
Special Revenue Fund - Library	General Fund	55,166
Special Revenue Fund - Recreation Programs	General Fund	103,680
Special Revenue Fund - Swimming Pool	General Fund	1,110
Special Revenue Fund - Park Impact Fee	General Fund	64,786
Debt Service Fund	General Fund	26,833
Capital Improvement Fund	Risk Management Fund	34,626
Sewer Utility	Capital Improvement Fund	33,059
Sewer Utility	General Fund	163,898
Sewer Utility	Light and Water Utility	195,175
General Fund	Light and Water Utility	363,070
Capital Improvement Fund	Light and Water Utility	3,637
Light and Water Utility	Sewer Utility	7,900
Light and Water Utility	General Fund	5,192
Total - Fund Financial Statements		1,061,446
Less: Fund eliminations		(896,888)
Total Internal Balances - Government-Wide Statement of Net Position		<u>\$ 164,558</u>
Receivable Fund	Payable Fund	Amount
Governmental Activities	Business-type Activities	\$ 366,707
Business-type Activities	Governmental Activities	(202,149)
Total Government-Wide Financial Statements		<u>\$ 164,558</u>

All amounts are due within one year.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Interfund Receivables/Payables (cont.)

The principal purpose of these interfunds is collecting items placed on tax roll. 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.

Advances

The general fund is advancing funds to the Capital Project Fund - TIF District No. 3 and the Capital Project Fund - TIF District No. 4. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. No repayment schedule has been established.

As of December 31, 2017, the General Fund has advanced \$24,227 to the Capital Project Fund - TIF District No. 3 and \$56,762 to the Capital Project Fund - TIF District No. 4.

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	Light and Water Utility	\$ 772,814	Property tax equivalent
Capital Improvement Fund	General Fund	100,000	Fund capital purchases
Debt Service Fund	Capital Improvement Fund	200,000	Debt service
Special Revenue Fund - Library Fund	Capital Improvement Fund	7,474	To fund operations
Special Revenue Fund - Recreation Programs	General Fund	1,000	To fund operations
Special Revenue Fund - Swimming Pool	General Fund	37,175	To fund operations
Special Revenue Fund - Swimming Pool	Special Revenue Fund - Recreation Programs	<u>13,900</u>	To fund operations
Total - Fund Financial Statements		1,132,363	
Less: Fund eliminations		<u>(359,549)</u>	
Total Transfers - Government-Wide Statement of Activities		<u>\$ 772,814</u>	

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

E. INTERFUND RECEIVABLES/PAYABLES, ADVANCES AND TRANSFERS (cont.)

Transfers (cont.)

<u>Fund Transferred To</u>	<u>Fund Transferred From</u>	<u>Amount</u>
Governmental Activities	Business-type Activities	\$ 772,814
Business-type Activities	Governmental Activities	-
Total Government-wide Financial Statements		<u>\$ 772,814</u>

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

F. LONG-TERM OBLIGATIONS

Long-term obligations activity for the year ended December 31, 2017, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Bonds and Notes Payable					
General obligation debt	\$ 16,951,111	\$ -	\$ 1,303,552	\$ 15,647,559	\$ 1,287,102
(Discounts)/Premiums	256,189	-	15,228	240,961	14,580
Sub-totals	<u>17,207,300</u>	<u>-</u>	<u>1,318,780</u>	<u>15,888,520</u>	<u>1,301,682</u>
Other Liabilities					
Accumulated sick pay	487,369	12,354	-	499,723	-
Pollution remediation liability	487,200	-	-	487,200	-
Net pension liability	539,835	-	255,208	284,627	-
Total Other Liabilities	<u>1,514,404</u>	<u>12,354</u>	<u>255,208</u>	<u>1,271,550</u>	<u>-</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 18,721,704</u>	<u>\$ 12,354</u>	<u>\$ 1,573,988</u>	<u>\$ 17,160,070</u>	<u>\$ 1,301,682</u>
Business-type Activities					
Bonds and Notes Payable					
General obligation debt	\$ 1,005,000	\$ -	\$ 55,000	\$ 950,000	\$ 40,000
(Discounts)/Premiums	26,857	-	1,343	25,514	1,990
Sub-totals	<u>1,031,857</u>	<u>-</u>	<u>56,343</u>	<u>975,514</u>	<u>41,990</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Business-type Activities (cont.)					
Other Liabilities					
Compensated absences	\$ 360,663	\$ 24,701	\$ 8,904	\$ 376,460	\$ -
Other long-term liabilities	62,665	-	12,751	49,914	-
Net pension liability	223,392	-	116,697	106,695	-
Total Other Liabilities	646,720	24,701	138,352	533,069	-
Total Business-type Activities Long-Term Liabilities	\$ 1,678,577	\$ 24,701	\$ 194,695	\$ 1,508,583	\$ 41,990

In accordance with Wisconsin Statutes, total general obligation indebtedness of the city may not exceed 5% of the equalized value of taxable property within the city's jurisdiction. The debt limit as of December 31, 2017, was \$65,457,365. Total general obligation debt outstanding at year end was \$16,597,559.

General Obligation Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the city. Notes and bonds in the governmental funds will be retired by future property tax levies or tax increments accumulated by the debt service fund. Business-type activities debt is payable by revenues from user fees of those funds or, if the revenues are not sufficient, by future tax levies.

Governmental Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2017
GO Notes	6/3/2015	3/1/2015	2.00%	\$ 3,470,000	\$ 3,020,000
GO Notes	9/5/2012	3/1/2027	0.50 - 2.20%	5,565,000	4,125,000
Build America Bonds	6/3/2010	3/15/2020	4.25%	800,000	272,559
GO Notes	5/18/2016	3/1/2036	1.50 - 3.00%	8,700,000	8,230,000
Total Governmental Activities - General Obligation Debt					\$ 15,647,559

Business-type Activities

General Obligation Debt	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance December 31, 2017
GO Notes	5/18/2016	3/1/2036	1.50 - 3.00%	\$ 1,005,000	\$ 950,000

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

F. LONG-TERM OBLIGATIONS (cont.)

General Obligation Debt (cont.)

Debt service requirements to maturity are as follows:

Years	Governmental Activities General Obligation Debt		Business-type Activities General Obligation Debt	
	Principal	Interest	Principal	Interest
2018	\$ 1,287,102	\$ 308,821	\$ 40,000	\$ 20,550
2019	1,365,804	285,919	45,000	19,813
2020	1,379,653	262,209	45,000	19,138
2021	1,390,000	236,563	45,000	18,462
2022	1,405,000	212,112	45,000	17,675
2023-2027	4,520,000	751,600	235,000	74,675
2028-2032	2,265,000	428,738	260,000	49,581
2033-2036	2,035,000	123,969	235,000	14,256
Totals	<u>\$ 15,647,559</u>	<u>\$ 2,609,931</u>	<u>\$ 950,000</u>	<u>\$ 234,150</u>

Other Debt Information

Estimated payments of compensated absences, pollution remediation and net pension liability are not included in the debt service requirement schedules. The compensated absences liability, pollution remediation liability, and net pension liability attributable to governmental activities will be liquidated primarily by the general fund.

Lessor - Operating Leases

The City of Cedarburg entered into various legal agreements to use a portion of the City's water tower to attach antennae. For the year ended December 31, 2017, the City received \$143,853. The terms of the leases are for five years, with a right to extend for four additional five-year terms. The following is a summary of projected revenues for the next five years.

Years	Governmental Activities Principal
2018	\$ 153,628
2019	161,310
2020	169,375
2021	177,844
2022	186,736
Totals	<u>\$ 848,893</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

G. POLLUTION REMEDIATION OBLIGATIONS

At year end December 31, 2017, the city was obligated to address the future pollution cleanup activities at Prochnow Landfill, due to federal or state laws and regulations. The city's obligation originated in to address the pollution remediation because the pollution created an imminent endangerment to public health or welfare or the environment. Examples of expected future remediation activity costs include legal services, site investigation, and required post-remediation monitoring costs. The amount reported as a pollution remediation obligation represents the current value of the cash flows expected to be paid for these activities. Any expected recoveries would be treated separately as a receivable when such reimbursements become measurable. As of December 31, 2017, the obligation was \$487,200. The city will recognize these liabilities and related expenses as an operating expense in the government-wide financial statements only when such costs become measurable. Because of this, the liability is subject to change as the city becomes aware of new information which may affect its estimate. Only when actual outlays are made are they recognized in the governmental fund financial statements as expenditures. This will also reduce the amount of the liability on the government-wide financial statements. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

H. NET POSITION/FUND BALANCES

Net position reported on the government wide statement of net position at December 31, 2017, includes the following:

Governmental Activities

Net Investment in Capital Assets

Land	\$ 8,249,524
Construction in progress	273,486
Other capital assets, net of accumulated depreciation	54,298,738
Less: Long-term debt outstanding	(15,647,559)
Plus: Unamortized refunding loss	102,751
Less: Unamortized debt premium	(240,961)
Total Net Investment in Capital Assets	<u>47,035,979</u>

Restricted

Community development	901,360
Park impact fees	146,094
Library	32,775
Total Restricted	<u>1,080,229</u>

Unrestricted

5,154,712

Total Governmental Activities Net Position

\$ 53,270,920

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (cont.)

Governmental Funds

Governmental fund balances reported on the fund financial statements at December 31, 2017, include the following:

	General Fund	Capital Improvement Fund	Debt Service Fund	Nonmajor Funds	Totals
Fund Balances					
Nonspendable:					
Noncurrent receivables	\$ 43,423	\$ -	\$ -	\$ -	\$ 43,423
Prepaid and inventory	18,341	-	-	-	18,341
Advance to other fund	80,989	-	-	-	80,989
Restricted for:					
Debt service	-	-	43,212	-	43,212
Park impact fees	-	-	-	146,094	146,094
Community development	-	-	-	901,360	901,360
Library	-	-	-	32,775	32,775
Assigned to:					
Revaluations	116,949	-	-	-	116,949
Subsequent year purchases	22,959	-	-	-	22,959
Subsequent years budget	487,100	-	-	-	487,100
Capital improvements	-	695,794	-	-	695,794
Cemetery	-	-	-	267,573	267,573
Room tax	-	-	-	462	462
Recreation programs	-	-	-	90,953	90,953
Swimming pool	-	-	-	15	15
Rescue/EMS	-	-	-	715,730	715,730
Unassigned (deficit):	<u>1,688,309</u>	<u>-</u>	<u>-</u>	<u>(81,278)</u>	<u>1,607,031</u>
Total Fund Balances (Deficit)	<u>\$ 2,458,070</u>	<u>\$ 695,794</u>	<u>\$ 43,212</u>	<u>\$ 2,073,684</u>	<u>\$ 5,270,760</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE III - DETAILED NOTES ON ALL FUNDS (cont.)

H. NET POSITION/FUND BALANCES (cont.)

Business-type Activities

Net Investment in Capital Assets	
Land	\$ 2,115,434
Construction in progress	29,235
Other capital assets, net of accumulated depreciation	44,715,709
Less: Long-term debt outstanding	(950,000)
Plus: Unamortized debt discount	(25,514)
Total Net Investment in Capital Assets	<u>45,884,864</u>
Restricted	
Light and Water Impact fees	171
Equipment replacement	2,465,208
Sewer impact fees	283,900
Total Restricted	<u>2,749,279</u>
Unrestricted	<u>10,908,694</u>
Total Business-type Activities Net Position	<u>\$ 59,542,837</u>

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION

A. EMPLOYEES' RETIREMENT SYSTEM

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 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>.

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.

Benefits provided. Employees who retire at or after age 65 (54 for protective occupation employees, 62 for elected officials and State executive participants) are entitled to receive an unreduced retirement benefit. The factors influencing the benefit are: (1) final average earnings, (2) years of creditable service, and (3) a formula factor.

Final average earnings is the average of the participant's three highest years' earnings. Creditable service is the creditable current and prior service expressed in years or decimal equivalents of partial years for which a participant receives earnings and makes contributions as required. The formula factor is a standard percentage based on employment category.

Employees may retire at age 55 (50 for protective occupation employees) and receive reduced benefits. Employees terminating covered employment before becoming eligible for a retirement benefit may withdraw their contributions and forfeit all rights to any subsequent benefits.

The WRS also provides death and disability benefits for employees.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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

Year	Core Fund Adjustment	Variable Fund Adjustment
2007	3.0%	10%
2008	6.6	0
2009	(2.1)	(42)
2010	(1.3)	22
2011	(1.2)	11
2012	(7.0)	(7)
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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 and Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category 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 \$459,037 in contributions from the city.

Contribution rates as of December 31, 2017 are:

<u>Employee Category</u>	<u>Employee</u>	<u>Employer</u>
General (Executives & Elected Officials)	6.8%	6.8%
Protective with Social Security	6.8%	11.0%
Protective without Social Security	6.8%	15.3%

Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the city reported a liability of \$391,322 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015 rolled forward to December 31, 2016. No material changes in assumptions or benefit terms occurred between the actuarial valuation date and the measurement date. The city's proportion of the net pension liability was based on the city's share of contributions to the pension plan relative to the contributions of all participating employers. At December 31, 2016, the city's proportion was 0.04747672%, which was an increase of 0.00050832% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the city recognized pension expense of \$1,003,287.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

At December 31, 2017, the city reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 149,211	\$ 1,230,673
Changes in assumptions	409,142	-
Net differences between projected and actual earnings on pension plan investments	1,947,874	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	14,303
Employer contributions subsequent to the measurement date	508,899	-
Totals	<u>\$ 3,015,126</u>	<u>\$ 1,244,976</u>

\$508,899 reported as deferred outflows 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, 2018. 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:	Deferred Outflows of Resources	Deferred Inflows of Resources
2018	\$ 911,833	\$ 397,134
2019	911,832	397,134
2020	746,931	396,625
2021	(65,048)	53,996
2022	679	87

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Actuarial assumptions. The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2015
Measurement Date of Net Pension Liability (Asset):	December 31, 2016
Actuarial Cost Method:	Entry Age
Asset Valuation Method:	Fair Market Value
Long-Term Expected Rate of Return:	7.2%
Discount Rate:	7.2%
Salary Increases:	
Inflation	3.2%
Seniority/Merit	0.2% - 5.6%
Mortality:	Wisconsin 2012 Mortality Table
Post-retirement Adjustments*:	2.1%

** No post-retirement adjustment is guaranteed. Actual adjustments are based on recognized investment return, actuarial experience and other factors. 2.1% is the assumed annual adjustment based on the investment return assumption and the post-retirement discount rate.*

Actuarial assumptions are based upon an experience study conducted in 2015 using experience from 2012 – 2014. The total pension liability for December 31, 2016 is based upon a roll-forward of the liability calculated from the December 31, 2015 actuarial valuation.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

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:

Core Fund Asset Class	Current Asset Allocation %	Destination Target Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
Global Equities	50%	45%	8.3%	5.4%
Fixed Income	24.5	37	4.2	1.4
Inflation Sensitive Assets	15.5	20	4.3	1.5
Real Estate	8	7	6.5	3.6
Private Equity/Debt	8	7	9.4	6.5
Multi-Asset	4	4	6.6	3.7
Total Core Fund	110	120	7.4	4.5
<u>Variable Fund Asset Class</u>				
U.S Equities	70	70	7.6	4.7
International Equities	30	30	8.5	5.6
Total Variable Fund	100	100	7.9	5.0

New England Pension Consultants Long Term US CPI (Inflation) Forecast: 2.75%

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

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

A. EMPLOYEES' RETIREMENT SYSTEM (cont.)

Single discount rate. A single discount rate of 7.20% was used to measure the total pension liability. This single discount rate was based on the expected rate of return on pension plan investments of 7.20% and a long term bond rate of 3.78%. Because of the unique structure of WRS, the 7.20% expected rate of return implies that a dividend of approximately 2.1% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the city's proportionate share of the net pension liability (asset) to changes in the discount rate. The following presents the city's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.20 percent, as well as what the city's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease to Discount Rate (6.20%)	Current Discount Rate (7.20%)	1% Increase to Discount Rate (8.20%)
City's proportionate share of the net pension liability (asset)	\$5,148,086	\$391,322	\$(3,271,602)

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>.

At December 31, 2017, the city reported a payable to the pension plan which represents contractually required contributions outstanding as of the end of the year.

B. RISK MANAGEMENT

The city is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; workers compensation; and health care of its employees. The city participates in a public entity risk pool called to provide coverage for losses from torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees. However, other risks, such as torts; theft of, damage to, or destruction of assets; errors and omission; workers compensation; and health care of its employees are accounted for and financed by the city in the general fund.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

B. RISK MANAGEMENT (cont.)

Public Entity Risk Pool

Wisconsin Municipal Insurance Commission (WMIC) Cities and Villages Mutual Insurance Company (CVMIC)

The WMIC is an intergovernmental cooperation commission created by contract under Section 66.30 of the Wisconsin Statutes. It was created in August, 1987 for the purpose of facilitating the organization, establishment and capitalization of the CVMIC, and has numerous cities and villages as members.

The CVMIC is a municipal mutual insurance company established on September 14, 1987 under Section 611.23 of the Wisconsin Statutes. The CVMIC provides liability insurance coverage to the cities and villages which make up the membership of the WMIC.

The CVMIC is self-insured up to a maximum of \$2,000,000 of each insurance risk. Losses paid by CVMIC plus administrative expenses will be recovered through premiums to the participating pool of municipalities. The city's share of such losses is not material.

Management of each organization consists of a board of directors or officers comprised of representatives elected by each of three classes of participants based on population. The city does not exercise any control over the activities of the agencies beyond the election of the officers and board.

Financial statements of WMIC and CVMIC can be obtained directly from CVMIC's offices.

The city pays an annual premium to CVMIC for its general liability insurance, which provides coverage up to \$5,000,000 per occurrence, less the city's retained liability. The city's retained liability is limited to \$17,500 per occurrence and an annual aggregate limit of \$70,000. An actuarially determined estimate has been recorded for this liability, as well as for claims incurred but not reported at December 31, 2017. A total liability of approximately \$92,170 at December 31, 2017, was recorded as claims payable in the insurance internal service fund. Changes in the fund's claims loss liability follow:

	Beginning Balance	Incurred Claims	Claims Paid/ Settled	Ending Balance
2016	\$ 4,464	\$ 643,707	\$ 605,615	\$ 42,556
2017	42,556	689,166	639,552	92,170

C. COMMITMENTS AND CONTINGENCIES

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments are only reported in governmental funds if it has matured. Claims and judgments are recorded in the government-wide statements and proprietary funds as expenses when the related liabilities are incurred.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

From time to time, the city is party to various pending claims and legal proceedings. Although the outcome of such matters cannot be forecasted with certainty, it is the opinion of management and the city attorney that the likelihood is remote that any such claims or proceedings will have a material adverse effect on the city's financial position or results of operations.

The city has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. Management believes such disallowances, if any, would be immaterial.

Long-Term Contracts - WPPI Energy

The electric utility is one of 51 WPPI Energy member municipalities located throughout the State of Wisconsin. On December 1, 1989, each initial WPPI Energy member commenced purchasing electric service from WPPI Energy under a long-term Power Supply Contract for Participating Members (long-term contract). Under the long-term contract, WPPI Energy is obligated to provide and sell, and each member is obligated to take and pay for, the electric power and energy required for the operation of each member's electric utility.

The long-term contract requires all WPPI Energy members to pay for power and energy requirements supplied or made available by WPPI Energy at rates sufficient to cover WPPI Energy's revenue requirement including power supply costs, administrative expenses and debt service. WPPI Energy's subsequent year's operating budget and rates are approved annually by its Board of Directors, consisting of representatives from each member. The members have agreed to charge rates to retail customers sufficient to meet their WPPI Energy obligations. The long-term contract provides that all payments to WPPI Energy constitute operating expenses of the utility payable from any operating and maintenance fund established for that system.

Forty-nine members, representing approximately 98% of WPPI Energy's existing load, have long-term contracts through December 31, 2055. The remaining two members have long-term contracts through December 31, 2037.

WPPI Energy's outstanding debt service obligation to be paid by its members through their wholesale power charges through the remainder of the long-term contract was \$411 million as of December 31, 2017.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

C. COMMITMENTS AND CONTINGENCIES (cont.)

Claims and Other Legal Procedures

During 2011, the light and water utility added an aeration system at Well #4 due to contamination by vinyl chloride. Parties believed to be responsible for the contamination were notified of the problem and the utility is seeking reimbursement from the potentially responsible parties for costs associated with the aeration system at Well #4 which the utility believes were necessitated because of contamination originating at the closed landfill. This process of seeking and obtaining reimbursement is expected to take several years. During 2014, as part of a water rate application with the PSCW the costs associated with the aeration system at Well #4 were reclassified as utility financed plant and the related contribution reversed allowing these costs to be recovered from rate payers until such time as reimbursement is received from the potentially responsible parties. Although the utility has financed all costs to date of the aeration system at Well #4, cost recovery is expected from the potentially responsible parties. Additional legal and consulting fees incurred after this date may be recoverable in the future.

In another matter, although the City has not been named responsible for the environmental contamination of a Superfund site, the industrial building poses a hazard that could well be a potential liability. The site will cost several millions to clean up. The immediate concern is the deterioration of the industrial building. The collapse of the roof and contamination hazards that exist inside the building create an obligation to protect the public safety of the City's residents. An engineering assessment indicates that a progressive collapse could affect surrounding properties. The EPA is still attempting to seek cooperation from the bankrupt company. To date, neither the EPA nor the company has committed to demolish the building. It is estimated that demolishing the building will cost approximately one million dollars.

D. SUBSEQUENT EVENTS

On February 27, 2018, the Joint Review Board approved Tax Incremental District No. 5 (St. Francis Borgia Site). TID No. 5 is a proposed 4.25 acres blighted area district to be created to facilitate redevelopment on five parcels owned by the St. Francis Borgia congregation consisting of a vacated elementary school building site and church rectory, a surface parking lot and a vacant parcel. These parcels are located near the south end of Cedarburg's Historic Downtown District located on both sides of Hamilton Road directly southeast of the Washington Avenue and Hamilton Road intersection. The redevelopment project consists of razing the St. Francis Borgia elementary school and church rectory followed by the necessary site preparation for the construction of two buildings supporting 60 high end apartment units, a building with 9 townhome style units and a single-family home site by HSI Properties. The City anticipates making total expenditures of approximately \$1.98 million to undertake the projects.

On March 16, 2018, the City issued State Trust Fund Loans with a 3.50% interest rate in the amount of \$300,000 to construct a monopole cell tower.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

E. EFFECT OF NEW ACCOUNTING STANDARDS ON CURRENT-PERIOD FINANCIAL STATEMENTS

The Governmental Accounting Standards Board (GASB) has approved the following:

- Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*
- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 85, *Omnibus 2017*
- Statement No. 86, *Certain Debt Extinguishment Issues*
- Statement No. 87, *Leases*

When they become effective, application of these standards may restate portions of these financial statements.

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CITY OF CEDARBURG

NOTES TO FINANCIAL STATEMENTS As of and for the Year Ended December 31, 2017

NOTE IV - OTHER INFORMATION (cont.)

F. MID-MORaine MUNICIPAL COURT

During 2002, the City became a member of the Mid-Moraine Municipal Court. The Court handles collection of fines, fees and penalties and then distributes them to the originating municipality. The City's share of court expenses is determined based on the number of citations and complaints filed on behalf of the City compared to that of the other participating municipalities. This agreement will terminate on April 30, 2021.

<u>Municipality</u>	<u>% Expenses Paid</u>
City of Cedarburg	2.81 %
Village of Grafton	7.40
Village of Thiensville	1.67
City of West Bend	25.84
Village of Germantown	11.96
City of Hartford	9.79
Village of Kewaskum	2.83
Village of Slinger	6.94
Village of Jackson	4.40
City of Port Washington	7.07
Village of Saukville	4.60
Town of Hartford	0.33
City of Mequon	11.45
Town of Trenton	2.38
Village of Newburg	0.11
Village of Fredonia	<u>0.42</u>
Total	<u>100.00 %</u>

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF CEDARBURG

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET TO ACTUAL - GENERAL FUND For the Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 5,869,616	\$ 5,869,616	\$ 5,869,661	\$ 45
Intergovernmental	983,469	983,469	1,056,400	72,931
Licenses and permits	429,335	414,010	372,141	(41,869)
Fines, forfeitures and penalties	67,500	67,500	52,233	(15,267)
Public charges for services	76,565	95,090	210,805	115,715
Intergovernmental charges for services	217,614	217,614	215,824	(1,790)
Investment income	31,400	31,400	54,616	23,216
Miscellaneous	162,972	189,772	179,472	(10,300)
Total Revenues	7,838,471	7,868,471	8,011,152	142,681
EXPENDITURES				
Current				
General government	1,068,915	1,093,494	1,053,802	39,692
Public safety	3,978,243	3,963,243	3,849,834	113,409
Public works	2,502,004	2,488,904	2,448,754	40,150
Culture, recreation and education	918,502	977,702	975,614	2,088
Conservation and development	87,880	87,880	86,451	1,429
Capital Outlay	97,434	97,434	221,368	(123,934)
Total Expenditures	8,652,978	8,708,657	8,635,823	72,834
Excess (deficiency) of revenues over (under) expenditures	(814,507)	(840,186)	(624,671)	215,515
OTHER FINANCING SOURCES (USES)				
Transfers in	798,464	798,464	772,814	(25,650)
Transfers out	(139,700)	(139,700)	(138,175)	1,525
Proceeds from sale of capital assets	-	-	2,122	2,122
Total Other Financing Sources (Uses)	658,764	658,764	636,761	(22,003)
Net Change in Fund Balance	\$ (155,743)	\$ (181,422)	12,090	\$ 193,512
FUND BALANCE - Beginning of Year			2,445,980	
FUND BALANCE - END OF YEAR			\$ 2,458,070	

CITY OF CEDARBURG

SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET) - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2017

WRS Fiscal Year End	Proportion of the Net Pension Liability/(Asset)	Proportionate Share of the Net Pension Liability/(Asset)	Covered Payroll	Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Covered Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
12/31/14	0.046698590%	\$ (1,146,730)	\$ 5,899,895	19.44%	102.74%
12/31/15	0.046968390%	\$ 763,227	\$ 6,094,159	12.52%	98.20%
12/31/16	0.047476720%	\$ 391,322	\$ 6,246,295	6.26%	99.12%

SCHEDULE OF EMPLOYER CONTRIBUTIONS - WISCONSIN RETIREMENT SYSTEM For the Year Ended December 31, 2017

City's Fiscal Year End	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 463,416	\$ 463,416	\$ -	\$ 6,094,159	7.60%
12/31/16	\$ 463,871	\$ 463,871	\$ -	\$ 6,246,295	7.43%
12/31/17	\$ 508,899	\$ 508,899	\$ -	\$ 6,313,813	8.06%

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CITY OF CEDARBURG

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION As of and for the Year Ended December 31, 2017

BUDGETARY INFORMATION

Budgetary information is derived from the annual operating budget and is presented using generally accepted accounting principles and the modified accrual basis of accounting.

The budgeted amounts presented include any amendments made. The city may authorize transfers of budgeted amounts within functions. Transfers between functions and changes to the overall budget must be approved by a two-thirds council action.

Appropriations lapse at year end unless specifically carried over. There was \$22,959 carried over to the following year. Budgets are adopted at the function level of expenditure for the general fund and total expenditures for the all other funds.

WISCONSIN RETIREMENT SYSTEM PENSION

The amounts determined for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

The city is required to present the last ten fiscal years of data; however accounting standards allow the presentation of as many years as are available until ten fiscal years are presented.

Changes of benefit terms. There were no changes of benefit terms for any participating employer in Wisconsin Retirement System.

Change of assumptions. There were no changes in the assumptions.

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See independent auditors' report.

SUPPLEMENTARY INFORMATION

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CITY OF CEDARBURG

NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEET As of December 31, 2017

	Special Revenue Funds			
	Cemetery Fund	Room Tax Fund	Recreation Programs Fund	Community Development Block Grant Fund
ASSETS				
Unrestricted cash and investments	\$ 269,028	\$ -	\$ -	\$ -
Restricted cash and investments	-	-	-	901,623
Receivables:				
Taxes	-	-	-	-
Accounts	995	22,472	-	-
Loans	-	-	-	140,234
Prepaid expenses	-	-	-	-
Due from other funds	-	-	103,680	-
Total Assets	<u>\$ 270,023</u>	<u>\$ 22,472</u>	<u>\$ 103,680</u>	<u>\$ 1,041,857</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE				
Liabilities				
Accounts payable	\$ 6	\$ 21,770	\$ 11,058	\$ -
Accrued liabilities	366	-	1,669	-
Due to other funds	88	240	-	263
Advance from other funds	-	-	-	-
Total Liabilities	<u>460</u>	<u>22,010</u>	<u>12,727</u>	<u>263</u>
Deferred Inflows of Resources				
Unavailable revenues	-	-	-	140,234
Unearned revenues	1,990	-	-	-
Total Deferred Inflows of Resources	<u>1,990</u>	<u>-</u>	<u>-</u>	<u>140,234</u>
Fund Balances (Deficit)				
Restricted	-	-	-	901,360
Assigned	267,573	462	90,953	-
Unassigned (deficit)	-	-	-	-
Total Fund Balances (Deficit)	<u>267,573</u>	<u>462</u>	<u>90,953</u>	<u>901,360</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)	<u>\$ 270,023</u>	<u>\$ 22,472</u>	<u>\$ 103,680</u>	<u>\$ 1,041,857</u>

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Special Revenue Funds				Capital Project Funds		Total Nonmajor Governmental Funds
Swimming Pool Fund	Park Impact Fee Fund	Library Fund	Rescue/EMS	TIF District No. 3	TIF District No. 4	
\$ 43,023	\$ -	\$ 452,431	\$ 655,025	\$ -	\$ -	\$ 1,419,507
-	81,308	-	-	-	-	982,931
26,654	-	276,363	-	-	-	303,017
-	-	68	72,733	-	-	96,268
-	-	-	-	-	-	140,234
-	-	126	-	-	-	126
1,110	64,786	55,166	-	-	-	224,742
<u>\$ 70,787</u>	<u>\$ 146,094</u>	<u>\$ 784,154</u>	<u>\$ 727,758</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,166,825</u>
\$ 31	\$ -	\$ 7,265	\$ -	\$ -	\$ -	\$ 40,130
1,089	-	21,920	12,028	-	-	37,072
-	-	-	-	-	-	591
-	-	-	-	24,227	56,762	80,989
<u>1,120</u>	<u>-</u>	<u>29,185</u>	<u>12,028</u>	<u>24,227</u>	<u>56,762</u>	<u>158,782</u>
-	-	-	-	-	-	140,234
69,652	-	722,194	-	289	-	794,125
<u>69,652</u>	<u>-</u>	<u>722,194</u>	<u>-</u>	<u>289</u>	<u>-</u>	<u>934,359</u>
-	146,094	32,775	-	-	-	1,080,229
15	-	-	715,730	-	-	1,074,733
-	-	-	-	(24,516)	(56,762)	(81,278)
<u>15</u>	<u>146,094</u>	<u>32,775</u>	<u>715,730</u>	<u>(24,516)</u>	<u>(56,762)</u>	<u>2,073,684</u>
<u>\$ 70,787</u>	<u>\$ 146,094</u>	<u>\$ 784,154</u>	<u>\$ 727,758</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,166,825</u>

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CITY OF CEDARBURG

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES For the Year Ended December 31, 2017

	Special Revenue Funds			
	Cemetery Fund	Room Tax Fund	Recreation Programs Fund	Community Development Block Grant Fund
REVENUES				
Taxes	\$ -	\$ 80,783	\$ -	\$ -
Intergovernmental	-	-	-	-
Fines, forfeitures and penalties	-	-	-	-
Public charges for services	20,450	-	263,031	-
Investment income (loss)	(193)	-	-	13,268
Miscellaneous	15,850	-	16,747	19,971
Total revenues	<u>36,107</u>	<u>80,783</u>	<u>279,778</u>	<u>33,239</u>
EXPENDITURES				
Current				
Public safety	-	-	-	-
Health and human services	45,107	-	-	-
Culture, recreation and education	-	-	269,410	-
Conservation and development	-	80,783	-	74,442
Capital Outlay	-	-	-	-
Total expenditures	<u>45,107</u>	<u>80,783</u>	<u>269,410</u>	<u>74,442</u>
Excess (deficiency) of revenues over expenditures	<u>(9,000)</u>	<u>-</u>	<u>10,368</u>	<u>(41,203)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,000	-
Transfers out	-	-	(13,900)	-
Sale of capital assets	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(12,900)</u>	<u>-</u>
Net Changes in Fund Balances (Deficits)	<u>(9,000)</u>	<u>-</u>	<u>(2,532)</u>	<u>(41,203)</u>
FUND BALANCES (Deficits) - Beginning of Year	<u>276,573</u>	<u>462</u>	<u>93,485</u>	<u>942,563</u>
FUND BALANCES (Deficits) - END OF YEAR	<u>\$ 267,573</u>	<u>\$ 462</u>	<u>\$ 90,953</u>	<u>\$ 901,360</u>

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Special Revenue Funds				Capital Project Funds		Total Nonmajor Governmental Funds
Swimming Pool Fund	Park Impact Fee Fund	Library Fund	Rescue/EMS Fund	TIF District No. 3	TIF District No. 4	
\$ 65,658	\$ -	\$ 707,306	\$ -	\$ 169	\$ -	\$ 853,916
-	-	205,284	9,091	-	-	214,375
-	-	21,072	-	-	-	21,072
240,065	112,038	2,392	428,256	-	-	1,066,232
-	579	-	3,072	-	-	16,726
5,531	-	14,385	300	-	-	72,784
<u>311,254</u>	<u>112,617</u>	<u>950,439</u>	<u>440,719</u>	<u>169</u>	<u>-</u>	<u>2,245,105</u>
-	-	-	301,634	-	-	301,634
-	-	-	-	-	-	45,107
322,826	-	892,844	-	-	-	1,485,080
-	-	-	-	1,069	56,762	213,056
39,488	-	-	73,962	-	-	113,450
<u>362,314</u>	<u>-</u>	<u>892,844</u>	<u>375,596</u>	<u>1,069</u>	<u>56,762</u>	<u>2,158,327</u>
<u>(51,060)</u>	<u>112,617</u>	<u>57,595</u>	<u>65,123</u>	<u>(900)</u>	<u>(56,762)</u>	<u>86,778</u>
51,075	-	7,474	-	-	-	59,549
-	-	-	-	-	-	(13,900)
-	-	-	18,000	-	-	18,000
<u>51,075</u>	<u>-</u>	<u>7,474</u>	<u>18,000</u>	<u>-</u>	<u>-</u>	<u>63,649</u>
15	112,617	65,069	83,123	(900)	(56,762)	150,427
-	33,477	(32,294)	632,607	(23,616)	-	1,923,257
<u>\$ 15</u>	<u>\$ 146,094</u>	<u>\$ 32,775</u>	<u>\$ 715,730</u>	<u>\$ (24,516)</u>	<u>\$ (56,762)</u>	<u>\$ 2,073,684</u>

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May 14, 2018

Ms. Christy Mertes, City Administrator/Treasurer
Cedarburg City Hall
PO Box 49
W63 N645 Washington Ave.
Cedarburg, WI 53012

Dear Christy:

Please find enclosed twelve (12) copies of the compiled financial statements of the City of Cedarburg Tax Incremental Districts No. 3 for the period ended December 31, 2017. An Accountants' Compilation Report is included with the financial statement.

The annual reporting requirements have changed since last year. Municipalities must e-file a TID Annual Report (Form PE-300). This is due July 2, 2018 for the 2017 reporting year. Please note that there are penalties for late submissions. Additional information and the online form can be found on the State of Wisconsin Department of Revenue website (www.revenue-wi.gov). You will no longer be required to file the compilation report with the overlying districts; instead, you are responsible to provide a copy of the TID Annual Report submitted on the DOR website to each overlying taxing district.

Please feel free to contact our office should you have any questions regarding the enclosed statements.

Sincerely,

BAKER TILLY VIRCHOW KRAUSE, LLP

Wendi Unger, CPA, Partner

Enclosures

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CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3
Cedarburg, Wisconsin

COMPILED
FINANCIAL STATEMENTS

Including Accountants' Compilation Report

As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3**

TABLE OF CONTENTS
As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

Accountants' Compilation Report	1
Tax Incremental District No. 3 – Balance Sheet	2
Tax Incremental District No. 3 – Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments	3
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Notes to Financial Statements	5 – 7

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ACCOUNTANTS' COMPILATION REPORT

To the Common Council
City of Cedarburg
Cedarburg, Wisconsin

Management is responsible for the accompanying Balance Sheet, Historical Summary of Project Costs, Project Revenues and Net Cost to be Recovered Through Tax Increments and Historical Summary of Sources, Uses, and Status of Funds of the City of Cedarburg's Tax Incremental District No. 3 ("District") as of and for the year ended December 31, 2017 and from the date of creation through December 31, 2017, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

As discussed in Note 1, the financial statements present only the transactions of the district and do not purport to, and do not, present fairly the financial position of the City of Cedarburg as of December 31, 2017, the changes in its financial position, or, where applicable, cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economical, or historical context.

Milwaukee, Wisconsin
May 14, 2018

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED
BALANCE SHEET
As of December 31, 2017

	Capital Projects Fund
	<u> </u>
ASSETS	\$ <u> </u> -
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	
Liabilities	
Advances from other fund	<u> 24,227</u>
Deferred Inflows of Resources	
Unearned property taxes	<u> 289</u>
Fund Balance (Deficit)	
Unassigned (deficit)	<u> (24,516)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)	\$ <u> </u> -

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES
AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
For the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

	Year Ended	From Date of Creation
PROJECT COSTS		
Project costs/administration	\$ 1,069	\$ 24,685
Total Project Costs	<u>1,069</u>	<u>24,685</u>
PROJECT REVENUES		
Tax increments	\$ 169	169
Total Sources of Funds	<u>169</u>	<u>169</u>
NET COST RECOVERABLE (RECOVERED) THROUGH TAX INCREMENTS – DECEMBER 31, 2017	<u>\$ 900</u>	<u>\$ 24,516</u>
RECONCILIATION OF RECOVERABLE COSTS		
Plus: Fund balance deficit		<u>\$ 24,516</u>

**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
For the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

	<u>Year Ended</u>	<u>From Date of Creation</u>
SOURCES OF FUNDS	<u>\$ 169</u>	<u>\$ 169</u>
USES OF FUNDS		
Project costs/administration	<u>1,069</u>	<u>24,685</u>
Total Uses of Funds	<u>1,069</u>	<u>24,685</u>
Excess (deficiency) of sources of funds over uses of funds	(900)	(24,516)
BEGINNING FUND BALANCE (DEFICIT)	<u>(23,616)</u>	<u>-</u>
ENDING FUND BALANCE (DEFICIT)	<u>\$ (24,516)</u>	<u>\$ (24,516)</u>

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICT NO. 3**

COMPILED
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Cedarburg's Tax Incremental District No. 3 (the "district") conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105.

The City of Cedarburg has implemented accounting principles generally accepted in the United States of America to the extent they apply in determining the scope of the activity of Tax Incremental District No. 3. The accompanying financial statements reflect all the significant operations of the City of Cedarburg's Tax Incremental District No. 3. The accompanying financial statements do not include the full presentation of the City of Cedarburg.

A. DESCRIPTION OF FUND AND LONG-TERM DEBT

This report contains the financial information of the City of Cedarburg's Tax Incremental District ("TID") No. 3. The summary statements were prepared from data recorded in the following fund:

Capital Projects

Detailed descriptions of the purpose of these funds and long-term debt can be found in the City of Cedarburg's basic financial statements.

The data was consolidated for purposes of this report. Therefore, the amounts shown in the accompanying statements will not directly correlate with amounts shown in the basic financial statements of the city.

The district was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called a tax increment.

The statutes allow the city to collect tax increments until the net project cost has been fully recovered, or until a specified number of years after the tax incremental district is created, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the City of Cedarburg. Project costs may be incurred up to five years before the unextended termination date of the district.

	<u>Creation Date</u>	<u>Last Date To Incur Project Costs</u>	<u>Last Year To Collect Increment</u>
TID No. 3	January 1, 2015	January 1, 2030	2035

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICTS NO. 3**

COMPILED
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

B. BASIS OF ACCOUNTING

The modified accrual basis of accounting was followed in the preparation of these statements. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e. both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Project costs, other than interest on long-term debt, are recorded when the related fund liability is incurred.

District increments are recorded as revenues in the year due. Intergovernmental aids and grants are recognized as revenues in the period the related expenditures are incurred, if applicable, or when the district is entitled to the aids.

Other general revenues are recognized when received in cash or when measurable and available under the criteria described above.

C. USE OF ESTIMATES

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 expenses during the reporting period. Actual results could differ from those estimates.

D. MEASUREMENT FOCUS

The measurement focus of all governmental funds is the funds flow concept. Under the funds flow concept, sources and uses of financial resources, including capital outlays, debt proceeds and debt retirements are reflected in operations. Resources not available to finance expenditures and commitments of the current period are recognized as unavailable or unearned revenue or as nonspendable fund equity. Liabilities for claims, judgments, compensated absences and pension contributions which will not be currently liquidated using expendable available financial resources are shown in the long-term debt footnote disclosure. The related expenditures are recognized when the liabilities are liquidated.

E. PROJECT PLAN BUDGET

The estimated revenues and expenditures of the district are adopted in the project plan. Those estimates are for the entire life of the district, and may not be comparable to interim results presented in this report.

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**CITY OF CEDARBURG
TAX INCREMENTAL DISTRICTS NO. 3**

COMPILED
NOTES TO FINANCIAL STATEMENTS
As of and for the Year Ended December 31, 2017 and
From the Date of Creation Through December 31, 2017

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

F. CLAIMS AND JUDGMENTS

Claims and judgments are recorded as liabilities if all the conditions of Governmental Accounting Standards Board pronouncements are met. The liability and expenditure for claims and judgments is only reported in governmental funds if it has matured. Claims and judgments are disclosed in the long-term debt footnote when the related liabilities are incurred. There were no significant claims or judgments at year end.

NOTE 2 – ADVANCE FROM CITY GENERAL FUND

The City of Cedarburg's General Fund is advancing funds to the district. The amount advanced is determined by the deficiency of revenues over expenditures and other financing sources since the district's inception. The City of Cedarburg is not currently charging the district interest on the advance. No repayment schedule has been established.

NOTE 3 – DEVELOPER AGREEMENT

The City has entered into an agreement to pay a developer an estimated \$310,234 at such time that a development project is completed, contingent upon the developer meeting all the terms and conditions set forth in the agreement. As of December 31, 2017, no development has occurred.

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May 14, 2018

Pre-Sale Report for

City of Cedarburg, Wisconsin

\$1,245,000 General Obligation Promissory Notes, Series 2018A



Prepared by:

Todd Taves, CIPMA
Senior Municipal Advisor/
Principal

And

Maureen Holsen, CIPMA
Municipal Advisor

Executive Summary of Proposed Debt

Proposed Issue:	\$1,245,000 General Obligation Promissory Notes, Series 2018A
Purposes:	The proposed issue includes financing for street and dam improvements included in the City's 2018 Capital Improvements Budget. Debt service will be paid from ad valorem property taxes.
Authority:	The Notes are being issued pursuant to Wisconsin Statute 67.12(12) and will be general obligations of the City for which its full faith, credit and taxing powers are pledged. The Notes count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Notes, the City's total General Obligation debt principal outstanding will be approximately \$16.8 million, which is 25.69% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$48.6 million. Following issuance of the Notes, the City expects to issue an additional \$4,342,500 in Taxable General Obligation Community Development Bonds which will increase debt limit utilization to 30.9% of the limit, and will leave approximately \$45 million in unused capacity.
Term/Call Feature:	The Notes are being issued for a 10-year term. Principal on the Notes will be due on March 1 in the years 2019 through 2028. Interest is payable every six months beginning March 1, 2019. The Notes maturing on and after March 1, 2026 will be subject to prepayment at the discretion of the City on March 1, 2025 or any date thereafter.
Bank Qualification:	Because the City is expecting to issue no more than \$10,000,000 in tax exempt debt during the calendar year, the City will be able to designate the Notes as "bank qualified" obligations. Bank qualified status broadens the market for the Notes, which can result in lower interest rates.
Rating:	The City's most recent bond issues were rated "Aa2" by Moody's Investors Service. The City will request a new rating for the Notes. If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating if the bond rating of the insurer is higher than that of the City.
Basis for Recommendation:	<p>Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Notes as a suitable option based on:</p> <ul style="list-style-type: none"> • The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City's objectives for term, structure and optional redemption. • The City having adequate General Obligation debt capacity to undertake this financing. • The nature of the projects being financed, which will not generate user or other fees that could be pledged to secure a revenue obligation.



Method of Sale/Placement:	<p>To obtain the lowest interest cost to the City, we will competitively bid the purchase of the Notes from local and national underwriters/banks. We have included an allowance for discount bidding equal to 1.00% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction. If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p> <p>Premium Bids: Under current market conditions, most investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.”</p> <p>For this issue of Notes, any premium amount received that is more than the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Notes.</p> <p>The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Notes intended to achieve the City’s objectives for this financing.</p>
Other Considerations:	<p>The Notes will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Notes. This makes your issue more marketable, which can result in lower borrowing costs. If the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.</p>
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time. We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.</p>
Continuing Disclosure:	<p>Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.</p>
Arbitrage Monitoring:	<p>Because the Notes are tax-exempt obligations, the City must ensure compliance with certain Internal Revenue Service (IRS) rules throughout the life of the issue. These rules apply to all gross proceeds of the issue, including initial bond proceeds and investment earnings in construction, escrow, debt service, and any reserve funds. How issuers spend bond proceeds and how they track interest earnings on funds (arbitrage/yield restriction</p>



	compliance) are common subjects of IRS inquiries. Your specific responsibilities will be detailed in the Tax Exemption Certificate prepared by your Bond Attorney and provided at closing. We recommend that you regularly monitor compliance with these rules and/or retain the services of a qualified firm to assist you.
Other Service Providers:	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, so their final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p>Bond Attorney: Quarles & Brady LLP</p> <p>Disclosure Counsel: Quarles & Brady LLP</p> <p>Paying Agent: Bond Trust Services (if term bond bid)</p> <p>Rating Agency: Moody's Investors Service</p>

This presale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.



Proposed Debt Issuance Schedule

Pre-Sale Review by Common Council:	May 14, 2018
Distribute Official Statement:	June 1, 2018
Conference with Rating Agency:	Week of May 28, 2018
Common Council Meeting to Award Sale of the Bonds:	June 11, 2018
Estimated Closing Date:	June 28, 2018

Attachments

Sources and Uses of Funds

Proposed Debt Service Schedule

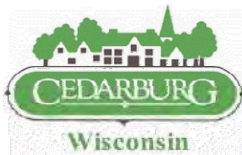
Bond Buyer Index

Ehlers Contacts

Municipal Advisors:	Todd Taves	(262) 796-6173
	Maureen Holsen	(262) 796-6170
Disclosure Coordinator:	Sue Porter	(262) 796-6167
Financial Analyst:	Kathy Myers	(262) 796-6177

The Official Statement for this financing will be mailed to the Common Council at their home address or e-mailed for review prior to the sale date.





2018 Financing Plan Sizing Worksheet



	Presale Estimates	
	Tax-Exempt	Taxable
	G.O. Notes Series 2018A	G.O. Bonds Series 2018B
	Sale 6-11-2018	TBD
	Dated 6-28-2018	TBD
Projects Funded¹		
Street Improvements	\$ 1,337,502	\$ -
Dam Improvements	\$ 287,500	\$ -
Cash Applied	\$ (437,502)	\$ -
TID No. 4 - Developer Assistance	\$ -	\$ 275,000
TID No. 4 - Project Gap Financing	\$ -	\$ 3,053,000
Subtotal Projects	\$ 1,187,500	\$ 3,328,000
Estimated Costs of Issuance & Discount		
Municipal Advisor (Ehlers)	\$ 15,800	\$ 23,000
Bond Counsel (Quarles & Brady LLP)	\$ 8,500	\$ 12,000
Disclosure Counsel (Quarles & Brady LLP)	\$ 5,100	\$ 7,200
Rating (Moody's Investor's Service)	\$ 12,000	\$ 12,000
Paying Agent (Bond Trust Services)	\$ 675	\$ 675
Maximum Underwriter's Discount ²	\$ 12,450	\$ 42,813
Total To Be Financed	\$ 1,242,025	\$ 3,425,688
Less Estimated Interest Earnings ³	\$ (990)	\$ (2,773)
Rounding	\$ 3,965	\$ 2,086
NET ISSUE SIZE	\$ 1,245,000	\$ 3,425,000

NOTES:

¹Street and dam improvements per C. Mertes e-mail dated 3-22-2018. TID No. 4 costs per Project Plan.

²Discount is 1.0% of 2018A Notes and 1.25% of 2018B Bonds.

³Assumes temporary investment of proceeds for one month at 1.0%.



Projected Debt Service Impact of Proposed 2018 Debt Issues



Existing Debt Only							Plus Estimated New Debt Service																	
	Equalized Value Projection ¹	Annual P&I Payment ²	Abatement Sources		Net Debt Service	Projected Tax Rate for Debt Service	Series 2018A G.O. Promissory Notes \$1,245,000 Dated 6-28-2018				Series 2018B Txbt G.O. Community Dev. Bonds \$3,425,000 Dated 9-1-2018				Less TID No. 4 Portion ⁷	Projected Debt Service Levy	Projected Tax Rate for Debt Service	Home Value	Taxes For Existing City Debt	Taxes For New Debt	Total Taxes For Debt	Change vs. Prior Year		
			BAB Credit ³	Sewer Fund ⁴			Prin (3/1)	Est. Rate ⁵	Interest	Total	Prin (3/1)	Est. Rate ⁶	Interest	Total										
Year																							YEAR	
2018	1,309,132,400	1,656,474	(3,787)	(60,550)	1,592,137	1.22									1,592,137	1.22	\$ 259,000	\$ 314.99		\$ 314.99			2018	
2019	1,341,361,381	1,752,610	(2,577)	(64,813)	1,685,221	1.26									2,067,671	1.54	\$ 261,770	\$ 328.88	\$ 74.64	\$ 403.51	\$ 88.52		2019	
2020	1,374,383,794	1,742,073	(1,319)	(64,138)	1,676,616	1.22									2,058,656	1.50	\$ 264,570	\$ 322.75	\$ 73.54	\$ 396.29	\$ (7.22)		2020	
2021	1,408,219,171	1,726,099		(63,463)	1,662,636	1.18								(5,461)	2,033,511	1.44	\$ 267,399	\$ 315.71	\$ 70.42	\$ 386.13	\$ (10.16)		2021	
2022	1,442,887,528	1,715,861		(62,675)	1,653,186	1.15								(5,516)	2,027,843	1.41	\$ 270,259	\$ 309.65	\$ 70.17	\$ 379.82	\$ (6.31)		2022	
2023	1,478,409,370	1,321,911		(61,775)	1,260,136	0.85								(5,571)	1,637,967	1.11	\$ 273,149	\$ 232.82	\$ 69.81	\$ 302.63	\$ (77.19)		2023	
2024	1,514,805,710	1,315,536		(60,875)	1,254,661	0.83								(5,627)	1,630,131	1.08	\$ 276,071	\$ 228.66	\$ 68.43	\$ 297.09	\$ (5.54)		2024	
2025	1,552,098,076	1,283,811		(59,975)	1,223,836	0.79								(55,330)	1,551,796	1.00	\$ 279,023	\$ 220.01	\$ 58.96	\$ 278.97	\$ (18.12)		2025	
2026	1,590,308,527	925,374		(64,025)	861,349	0.54	130,000	2.700%	9,595	139,595	155,000	3.250%	85,378	240,378	(95,601)	1,145,721	0.72	\$ 282,007	\$ 152.74	\$ 50.43	\$ 203.17	\$ (75.80)		2026
2027	1,629,459,665	915,011		(63,025)	851,986	0.52	135,000	2.800%	5,950	140,950	160,000	3.310%	80,212	240,212	(146,204)	1,086,944	0.67	\$ 285,023	\$ 149.03	\$ 41.10	\$ 190.13	\$ (13.04)		2027
2028	1,669,574,648	637,386		(62,025)	575,361	0.34	140,000	2.900%	2,030	142,030	165,000	3.350%	74,800	239,800	(202,278)	754,913	0.45	\$ 288,072	\$ 99.27	\$ 30.98	\$ 130.25	\$ (59.87)		2028
2029	1,710,677,205	601,513		(61,025)	540,488	0.32					170,000	3.400%	69,146	239,146	(204,301)	575,333	0.34	\$ 291,153	\$ 91.99	\$ 5.93	\$ 97.92	\$ (32.33)		2029
2030	1,752,791,649	601,513		(60,025)	541,488	0.31					175,000	3.430%	63,255	238,255	(206,344)	573,399	0.33	\$ 294,266	\$ 90.91	\$ 5.36	\$ 96.26	\$ (1.66)		2030
2031	1,795,942,891	600,669		(63,906)	536,763	0.30					180,000	3.470%	57,131	237,131	(208,407)	565,486	0.31	\$ 297,414	\$ 88.89	\$ 4.76	\$ 93.65	\$ (2.62)		2031
2032	1,840,156,455	598,313		(62,600)	535,713	0.29					185,000	3.510%	50,761	235,761	(210,491)	560,982	0.30	\$ 300,594	\$ 87.51	\$ 4.13	\$ 91.64	\$ (2.01)		2032
2033	1,885,458,494	599,325		(61,156)	538,169	0.29					195,000	3.560%	44,043	239,043	(212,596)	564,616	0.30	\$ 303,809	\$ 86.72	\$ 4.26	\$ 90.98	\$ (0.66)		2033
2034	1,931,875,805	603,500		(64,500)	539,000	0.28					200,000	3.610%	36,962	236,962	(214,722)	561,240	0.29	\$ 307,058	\$ 85.67	\$ 3.53	\$ 89.21	\$ (1.77)		2034
2035	1,979,435,845	601,475		(62,700)	538,775	0.27					210,000	3.660%	29,509	239,509	(216,869)	561,415	0.28	\$ 310,342	\$ 84.47	\$ 3.55	\$ 88.02	\$ (1.18)		2035
2036	2,028,166,745	603,925		(60,900)	543,025	0.27					215,000	3.720%	21,667	236,667	(219,038)	560,654	0.28	\$ 313,661	\$ 83.98	\$ 2.73	\$ 86.71	\$ (1.31)		2036
2037	2,078,097,330					0.00					225,000	3.800%	13,393	238,393	(221,228)	17,165	0.01	\$ 317,016	\$ -	\$ 2.62	\$ 2.62	\$ (84.09)		2037
2038	2,129,257,136					0.00					235,000	3.880%	4,559	239,559	(223,441)	16,118	0.01	\$ 320,406	\$ -	\$ 2.43	\$ 2.43	\$ (0.19)		2038
2039	2,181,676,424																						2039	
TOTALS		19,802,378	(7,682)	(1,184,150)	18,610,546		1,245,000		173,219	1,418,219	3,425,000		1,348,956	4,773,956	(2,659,023)	22,143,698							TOTALS	

NOTES

¹Valuation shown for 2018 is actual (1-1-2017 TID OUT EV). Thereafter, assumes a 2.46% annual increase (five-year historical average).

²Total principal and interest due on outstanding General Obligation Bonds, Notes and State Trust Fund Loans issued by the City through May 1, 2018.

³Credit received equal to 35% of the interest payment due on the City's 2010 State Trust Fund Loan (Build Amercia Bond - Direct Payment). Assumes a 6.6% reduction in the credit amount (FY18 amount) due to federal sequestration.

⁴Sanitary sewer allocated portion of the Series 2016A Bonds.

⁵Estimated rates are Village of Germantown (Aa2) 3-22-2018 reoffering yields plus 0.25%.

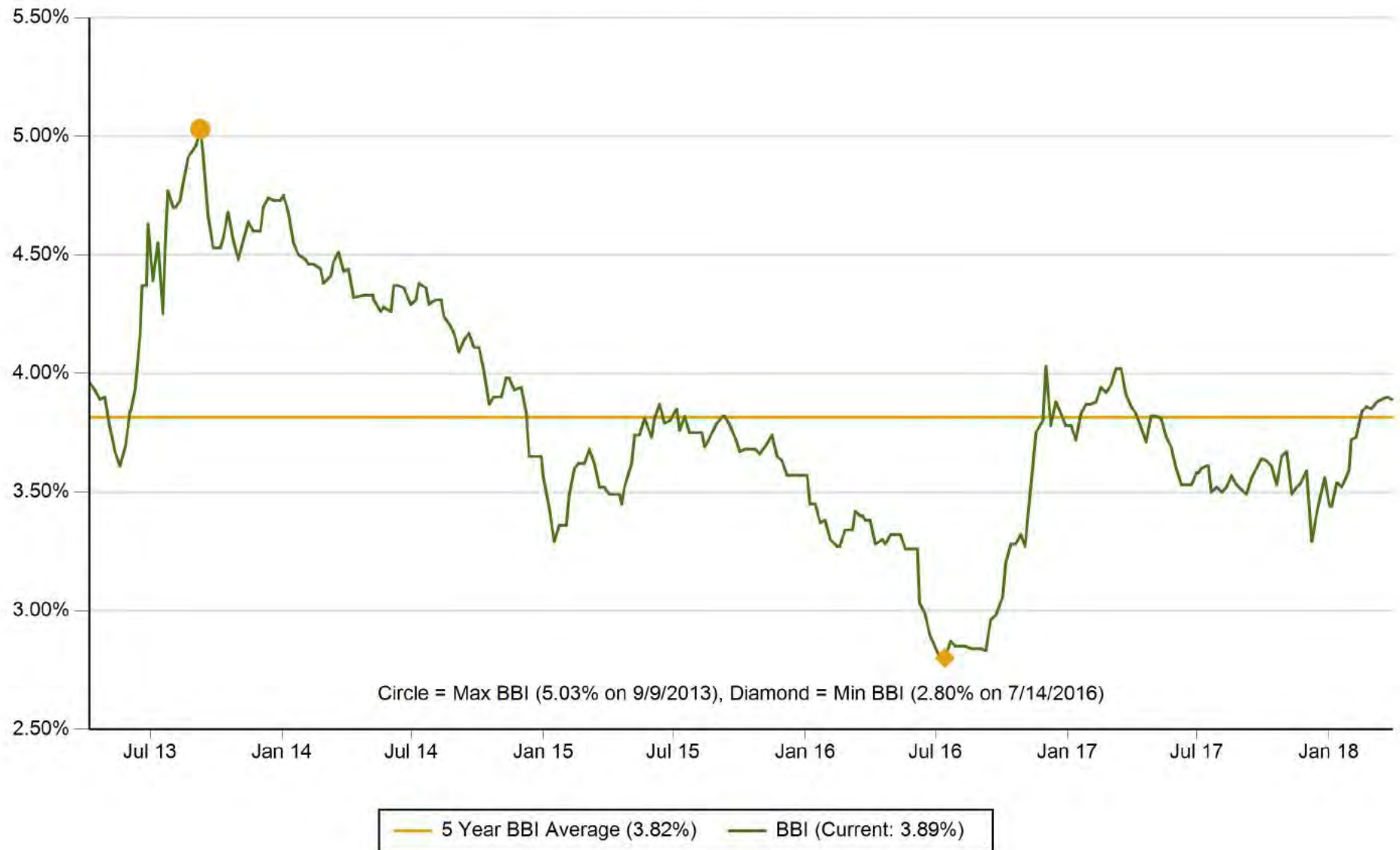
⁶Estimated rates are Taxable BVAL AA yield curve from 1-3-2018 plus 0.35%.

⁷Reflects TID No. 4 tax increment collections available to offset a portion of the Series 2018A G.O. Bond debt service as projected in the TID No. 4 Project Plan.

Presale Estimate

5 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates April, 2013 - April, 2018



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

May 14, 2018

Pre-Sale Report for

City of Cedarburg, Wisconsin

\$3,425,000 Taxable General Obligation Community
Development Bonds, Series 2018B



Prepared by:

Todd Taves, CIPMA
Senior Municipal Advisor/
Principal

And

Maureen Holsen, CIPMA
Municipal Advisor

Executive Summary of Proposed Debt

Proposed Issue:	\$3,425,000 Taxable General Obligation Community Development Bonds, Series 2018B
Purposes:	The proposed issue includes financing to pay the costs of developer assistance and project gap financing as identified in the development agreement for the Amcast redevelopment site (Tax Increment District No. 4). Debt service will be paid from ad valorem property taxes, with annual debt service payments to be abated in part or in full by tax increment revenues to the extent available.
Authority:	The Bonds are being issued pursuant to Wisconsin Statute 67.04 and will be general obligations of the City for which its full faith, credit and taxing powers are pledged. The Bonds count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Bonds, and including the \$1,245,000 General Obligation Promissory Notes, Series 2018A the City expects to issue in advance of the Bonds, the City's total General Obligation debt principal outstanding will be approximately \$20 million, which is 30.9% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$45 million.
Term/Call Feature:	The Bonds are being issued for a 20-year term. Principal on the Bonds will be due on March 1 in the years 2019 through 2038. Interest is payable every six months beginning March 1, 2019. The Bonds maturing on and after March 1, 2026 will be subject to prepayment at the discretion of the City on March 1, 2025 or any date thereafter.
Bank Qualification:	Because the Bonds are taxable obligations they will not be designated as "bank qualified" obligations.
Rating:	The City's most recent bond issues were rated "Aa2" by Moody's Investors Service. The City will request a new rating for the Bonds. If the winning bidder on the Bonds elects to purchase bond insurance, the rating for the issue may be higher than the City's bond rating if the bond rating of the insurer is higher than that of the City.
Basis for Recommendation:	<p>Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Bonds as a suitable option based on:</p> <ul style="list-style-type: none"> • The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City's objectives for term, structure and optional redemption. • The City having adequate General Obligation debt capacity to undertake this financing. • The nature of the project being financed, which is not expected to generate tax increments in amounts sufficient to be pledged to secure a revenue obligation. • The Project Plan for Tax Incremental District No. 4 which identified issuance of General Obligation Bonds to finance these costs.



Method of Sale/Placement:	<p>To obtain the lowest interest cost to the City, we will competitively bid the purchase of the Bonds from local and national underwriters/banks. We have included an allowance for discount bidding equal to 1.25% of the principal amount of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction. If the Bonds are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to lower your borrowing amount.</p> <p>Premium Bids: Under current market conditions, most investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid in excess of face value is considered “reoffering premium.”</p> <p>For this issue of Bonds, any premium amount received that is more than the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and used to pay a portion of the interest payments due on the Bonds.</p> <p>The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids, but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Bonds intended to achieve the City’s objectives for this financing.</p>
Other Considerations:	<p>The Bonds will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to “term up” some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Bonds. This makes your issue more marketable, which can result in lower borrowing costs. If the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.</p>
Review of Existing Debt:	<p>We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time. We will continue to monitor the market and the call dates for the City’s outstanding debt and will alert you to any future refunding opportunities.</p>
Continuing Disclosure:	<p>Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the “MSRB”), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds, and has contracted with Ehlers to prepare and file the reports.</p>
Arbitrage Monitoring:	<p>The Bonds are taxable obligations and are therefore not subject to IRS arbitrage and yield restriction requirements.</p>



Risk Factors:	The City expects to abate a portion of the City debt service with tax incremental revenues. In the event these revenues are not available, the City is obligated to levy property taxes in an amount sufficient to make all debt payments.
Other Service Providers:	<p>This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, so their final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.</p> <p>Bond Attorney: Quarles & Brady LLP</p> <p>Disclosure Counsel: Quarles & Brady LLP</p> <p>Paying Agent: Bond Trust Services (if term bond bid)</p> <p>Rating Agency: Moody's Investors Service</p>

This presale report summarizes our understanding of the City's objectives for the structure and terms of this financing as of this date. As additional facts become known or capital markets conditions change, we may need to modify the structure and/or terms of this financing to achieve results consistent with the City's objectives.



Proposed Debt Issuance Schedule

Pre-Sale Review by Common Council:	May 14, 2018
Distribute Official Statement:	To Be Determined.
Conference with Rating Agency:	To Be Determined.
Common Council Meeting to Award Sale of the Bonds:	To Be Determined.
Estimated Closing Date:	To Be Determined.

Attachments

Sources and Uses of Funds

Proposed Debt Service Schedule

TID No. 4 Cash Flow Projection

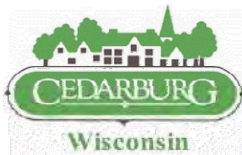
Bond Buyer Index

Ehlers Contacts

Municipal Advisors:	Todd Taves	(262) 796-6173
	Maureen Holsen	(262) 796-6170
Disclosure Coordinator:	Sue Porter	(262) 796-6167
Financial Analyst:	Kathy Myers	(262) 796-6177

The Official Statement for this financing will be mailed to the Common Council at their home address or e-mailed for review prior to the sale date.





2018 Financing Plan Sizing Worksheet



	Presale Estimates	
	Tax-Exempt	Taxable
	G.O. Notes Series 2018A	G.O. Bonds Series 2018B
	Sale 6-11-2018	TBD
	Dated 6-28-2018	TBD
Projects Funded¹		
Street Improvements	\$ 1,337,502	\$ -
Dam Improvements	\$ 287,500	\$ -
Cash Applied	\$ (437,502)	\$ -
TID No. 4 - Developer Assistance	\$ -	\$ 275,000
TID No. 4 - Project Gap Financing	\$ -	\$ 3,053,000
Subtotal Projects	\$ 1,187,500	\$ 3,328,000
Estimated Costs of Issuance & Discount		
Municipal Advisor (Ehlers)	\$ 15,800	\$ 23,000
Bond Counsel (Quarles & Brady LLP)	\$ 8,500	\$ 12,000
Disclosure Counsel (Quarles & Brady LLP)	\$ 5,100	\$ 7,200
Rating (Moody's Investor's Service)	\$ 12,000	\$ 12,000
Paying Agent (Bond Trust Services)	\$ 675	\$ 675
Maximum Underwriter's Discount ²	\$ 12,450	\$ 42,813
Total To Be Financed	\$ 1,242,025	\$ 3,425,688
Less Estimated Interest Earnings ³	\$ (990)	\$ (2,773)
Rounding	\$ 3,965	\$ 2,086
NET ISSUE SIZE	\$ 1,245,000	\$ 3,425,000

NOTES:

¹Street and dam improvements per C. Mertes e-mail dated 3-22-2018. TID No. 4 costs per Project Plan.

²Discount is 1.0% of 2018A Notes and 1.25% of 2018B Bonds.

³Assumes temporary investment of proceeds for one month at 1.0%.



Projected Debt Service Impact of Proposed 2018 Debt Issues



Existing Debt Only							Plus Estimated New Debt Service																	
	Equalized Value Projection ¹	Annual P&I Payment ²	Abatement Sources		Net Debt Service	Projected Tax Rate for Debt Service	Series 2018A G.O. Promissory Notes \$1,245,000 Dated 6-28-2018				Series 2018B Txbt G.O. Community Dev. Bonds \$3,425,000 Dated 9-1-2018				Less TID No. 4 Portion ⁷	Projected Debt Service Levy	Projected Tax Rate for Debt Service	Home Value	Taxes For Existing City Debt	Taxes For New Debt	Total Taxes For Debt	Change vs. Prior Year		
			BAB Credit ³	Sewer Fund ⁴			Prin (3/1)	Est. Rate ⁵	Interest	Total	Prin (3/1)	Est. Rate ⁶	Interest	Total										
Year																							YEAR	
2018	1,309,132,400	1,656,474	(3,787)	(60,550)	1,592,137	1.22									1,592,137	1.22	\$ 259,000	\$ 314.99		\$ 314.99			2018	
2019	1,341,361,381	1,752,610	(2,577)	(64,813)	1,685,221	1.26									2,067,671	1.54	\$ 261,770	\$ 328.88	\$ 74.64	\$ 403.51	\$ 88.52		2019	
2020	1,374,383,794	1,742,073	(1,319)	(64,138)	1,676,616	1.22									2,058,656	1.50	\$ 264,570	\$ 322.75	\$ 73.54	\$ 396.29	\$ (7.22)		2020	
2021	1,408,219,171	1,726,099		(63,463)	1,662,636	1.18								(5,461)	2,033,511	1.44	\$ 267,399	\$ 315.71	\$ 70.42	\$ 386.13	\$ (10.16)		2021	
2022	1,442,887,528	1,715,861		(62,675)	1,653,186	1.15								(5,516)	2,027,843	1.41	\$ 270,259	\$ 309.65	\$ 70.17	\$ 379.82	\$ (6.31)		2022	
2023	1,478,409,370	1,321,911		(61,775)	1,260,136	0.85								(5,571)	1,637,967	1.11	\$ 273,149	\$ 232.82	\$ 69.81	\$ 302.63	\$ (77.19)		2023	
2024	1,514,805,710	1,315,536		(60,875)	1,254,661	0.83								(5,627)	1,630,131	1.08	\$ 276,071	\$ 228.66	\$ 68.43	\$ 297.09	\$ (5.54)		2024	
2025	1,552,098,076	1,283,811		(59,975)	1,223,836	0.79								(55,330)	1,551,796	1.00	\$ 279,023	\$ 220.01	\$ 58.96	\$ 278.97	\$ (18.12)		2025	
2026	1,590,308,527	925,374		(64,025)	861,349	0.54	130,000	2.700%	9,595	139,595	155,000	3.250%	85,378	240,378	(95,601)	1,145,721	0.72	\$ 282,007	\$ 152.74	\$ 50.43	\$ 203.17	\$ (75.80)		2026
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2028	1,669,574,648	637,386		(62,025)	575,361	0.34	140,000	2.900%	2,030	142,030	165,000	3.350%	74,800	239,800	(202,278)	754,913	0.45	\$ 288,072	\$ 99.27	\$ 30.98	\$ 130.25	\$ (59.87)		2028
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TOTALS		19,802,378	(7,682)	(1,184,150)	18,610,546		1,245,000		173,219	1,418,219	3,425,000		1,348,956	4,773,956	(2,659,023)	22,143,698							TOTALS	

NOTES

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⁶Estimated rates are Taxable BVAL AA yield curve from 1-3-2018 plus 0.35%.

⁷Reflects TID No. 4 tax increment collections available to offset a portion of the Series 2018A G.O. Bond debt service as projected in the TID No. 4 Project Plan.

Presale Estimate

City of Cedarburg

Tax Increment District #4

Cash Flow Projection

Year	Projected Revenues					Expenditures								Balances			Year	
	Tax Increments	Interest Earnings ¹	Proceeds of Long Term Debt	City Levy & Advances for TID Debt & Projects ²	Total Revenues	Taxable G.O. Development Bond 3,425,000				Developer Assistance & Project Gap Financing	Finance Related Expense ⁴	Repayment of City Advances	Admin.	Total Expenditures	Annual	Cumulative		Principal Outstanding
						Dated Date:	09/01/18	Prin (4/1)	Est. Rate ³									
2018		2,773	3,425,000	17,895	3,445,668					3,233,000	97,668		20,000	3,350,668	95,000	95,000	3,425,000	2018
2019				240,430	240,430	125,000	2.350%	113,430	238,430	64,500			2,000	304,930	(64,500)	30,500	3,300,000	2019
2020	0			242,285	242,285	130,000	2.580%	110,285	240,285	30,500			2,000	272,785	(30,500)	0	3,170,000	2020
2021	5,461			233,391	238,853	130,000	2.700%	106,853	236,853				2,000	238,853	0	0	3,040,000	2021
2022	5,516			234,671	240,187	135,000	2.830%	103,187	238,187				2,000	240,187	0	0	2,905,000	2022
2023	5,571			235,634	241,205	140,000	2.960%	99,205	239,205				2,000	241,205	0	0	2,765,000	2023
2024	5,627			236,273	241,900	145,000	3.080%	94,900	239,900				2,000	241,900	0	0	2,620,000	2024
2025	55,330			186,952	242,282	150,000	3.180%	90,282	240,282				2,000	242,282	0	0	2,470,000	2025
2026	95,601			146,777	242,378	155,000	3.250%	85,378	240,378				2,000	242,378	0	0	2,315,000	2026
2027	146,204			96,008	242,212	160,000	3.310%	80,212	240,212				2,000	242,212	0	0	2,155,000	2027
2028	202,278			39,522	241,800	165,000	3.350%	74,800	239,800				2,000	241,800	0	0	1,990,000	2028
2029	204,301			36,845	241,146	170,000	3.400%	69,146	239,146				2,000	241,146	0	0	1,820,000	2029
2030	206,344			33,911	240,255	175,000	3.430%	63,255	238,255				2,000	240,255	0	0	1,645,000	2030
2031	208,407			30,723	239,131	180,000	3.470%	57,131	237,131				2,000	239,131	0	0	1,465,000	2031
2032	210,491			27,270	237,761	185,000	3.510%	50,761	235,761				2,000	237,761	0	0	1,280,000	2032
2033	212,596			28,447	241,043	195,000	3.560%	44,043	239,043				2,000	241,043	0	0	1,085,000	2033
2034	214,722			24,240	238,962	200,000	3.610%	36,962	236,962				2,000	238,962	0	0	885,000	2034
2035	216,869			24,640	241,509	210,000	3.660%	29,509	239,509				2,000	241,509	0	0	675,000	2035
2036	219,038			19,629	238,667	215,000	3.720%	21,667	236,667				2,000	238,667	0	0	460,000	2036
2037	221,228			19,165	240,393	225,000	3.800%	13,393	238,393				2,000	240,393	0	0	235,000	2037
2038	223,441			18,118	241,559	235,000	3.880%	4,559	239,559				2,000	241,559	0	0	0	2038
2039	225,675				225,675							223,675	2,000	225,675	0	0	0	2039
2040	227,932				227,932							225,932	2,000	227,932	0	0	0	2040
2041	230,211				230,211							228,211	2,000	230,211	0	0	0	2041
2042	232,513				232,513							230,513	2,000	232,513	0	0	0	2042
2043	234,838				234,838							232,838	2,000	234,838	0	0	0	2043
2044	237,187				237,187							235,187	2,000	237,187	0	0	0	2044
2045	239,558				239,558							237,558	2,000	239,558	0	0	0	2045
2046	241,954				241,954							231,954	10,000	241,954	0	0	0	2046
Total	4,528,892	2,773	3,425,000	2,172,828	10,129,492	3,425,000		1,348,956	4,773,956	3,328,000	97,668	1,845,868	84,000	10,129,492				Total

(1,845,868) Repayment of City Advances
326,959 Unrecovered Portion
539,386 Plus 1% Interest Accrued on Advance Amounts
866,345 Net Total City Contribution

Maturities Subject to Optional Redemption (Callable)

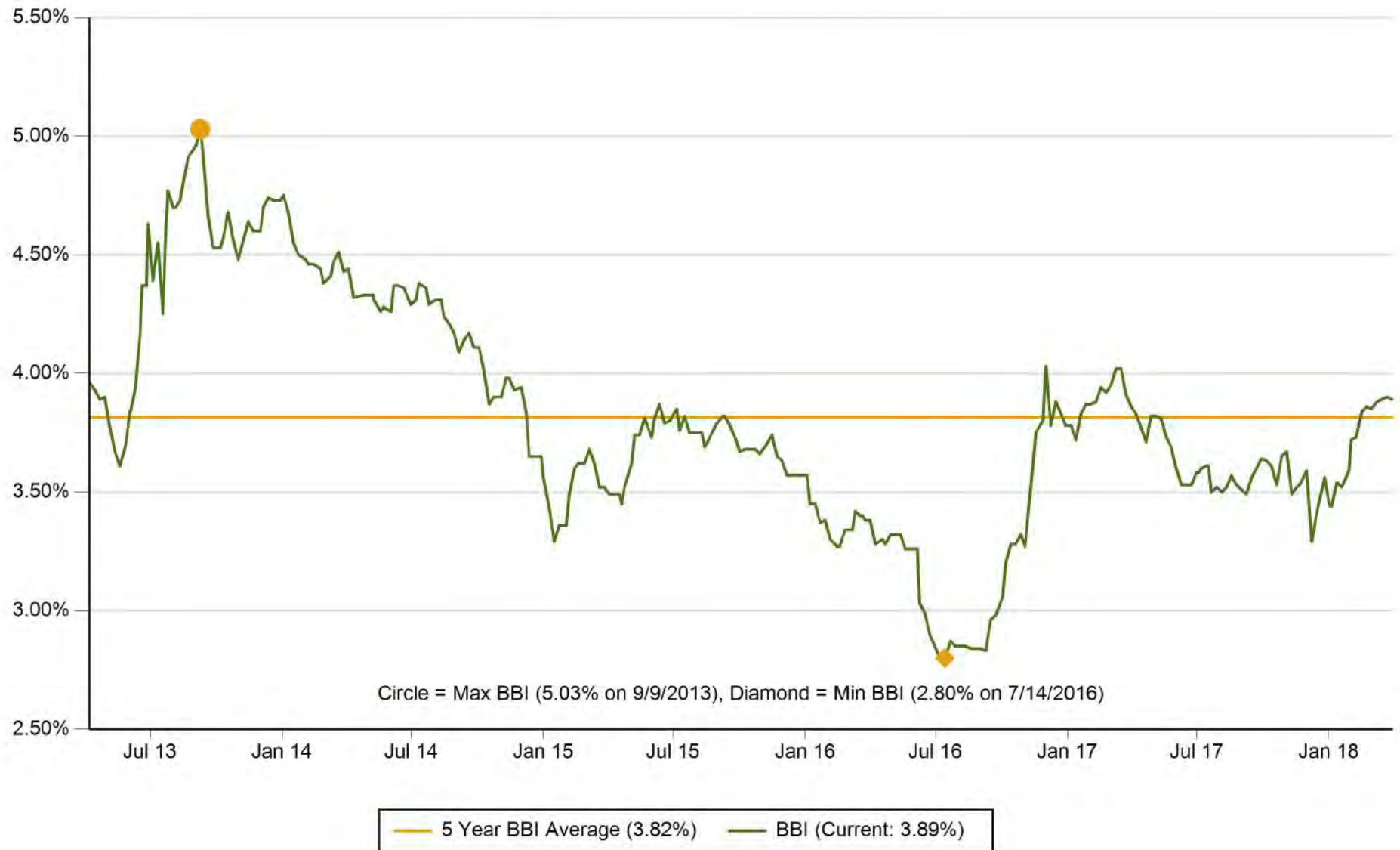
Projected TID Closure

Notes:

- ¹Estimated interest earnings on temporary investment of bond proceeds.
- ²Estimated amount of City tax levy or other revenue needed to pay TID debt service and administrative costs. Negative figures shown for 2038 through 2045 reflect potential to recoup a portion of prior contributions to the TID after debt is retired.
- ³Estimated rates are Taxable BVAL AA yield curve from 1-3-2018 plus 0.35%.
- ⁴Includes underwriting discount, bond counsel, disclosure counsel, rating fee, paying agent and municipal advisor.

5 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates April, 2013 - April, 2018



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

CITY OF CEDARBURG

RESOLUTION NO. 2018-12

RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY
\$1,245,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2018A

WHEREAS the City of Cedarburg, Ozaukee County, Wisconsin (the "City") is presently in need of approximately \$1,245,000 for public purposes, including financing street and dam improvements included in the City's 2018 Capital Improvements Budget; and

WHEREAS it is desirable to borrow said funds through the issuance of general obligation promissory notes pursuant to Section 67.12(12), Wisconsin Statutes.

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

Section 1. The Notes. The City shall issue its "General Obligation Promissory Notes, Series 2018A" in an approximate amount of \$1,245,000 (the "Notes") for the purposes above specified.

Section 2. Sale of Notes. The Common Council hereby authorizes and directs that the Notes be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Notes as may have been received and take action thereon.

Section 3. Notice of Note Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Notes to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk shall cause an Official Statement concerning this issue to be prepared by Ehlers. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.

Adopted, approved and recorded May 14, 2018.

Michael J. O'Keefe
Mayor

ATTEST:

Constance K. McHugh
City Clerk

(SEAL)

CITY OF CEDARBURG

RESOLUTION NO. 2018-13

INITIAL RESOLUTION AUTHORIZING GENERAL
OBLIGATION BONDS IN AN AMOUNT NOT TO EXCEED
\$3,425,000 FOR COMMUNITY DEVELOPMENT PROJECTS
IN TAX INCREMENTAL DISTRICT NO. 4

BE IT RESOLVED by the Common Council of the City of Cedarburg, Ozaukee County, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed \$3,425,000 for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs included in the project plan for the City's Tax Incremental District No. 4.

Adopted, approved and recorded May 14, 2018.

Michael J. O'Keefe
Mayor

ATTEST:

Constance K. McHugh
City Clerk

(SEAL)

CITY OF CEDARBURG

RESOLUTION NO. 2018-14

RESOLUTION DIRECTING PUBLICATION OF NOTICE TO ELECTORS
RELATING TO BOND ISSUE

WHEREAS, an initial resolution authorizing general obligation bonds has been adopted by the Common Council of the City of Cedarburg, Ozaukee County, Wisconsin (the "City") and it is now necessary that said initial resolution be published to afford notice to the residents of the City of its adoption;

NOW, THEREFORE, BE IT RESOLVED that the City Clerk shall, within 15 days, publish a notice to the electors in substantially the form attached hereto in the official City newspaper as a class 1 notice under ch. 985, Wis. Stats.

Adopted, approved and recorded May 14, 2018.

Michael J. O'Keefe
Mayor

ATTEST:

Constance K. McHugh
City Clerk

(SEAL)

CITY OF CEDARBURG

RESOLUTION NO. 2018-15

RESOLUTION PROVIDING FOR THE SALE OF NOT TO EXCEED
\$3,425,000 TAXABLE GENERAL OBLIGATION COMMUNITY
DEVELOPMENT BONDS, SERIES 2018B

WHEREAS, the City of Cedarburg, Ozaukee County, Wisconsin (the "City") has adopted an initial resolution (the "Initial Resolution") authorizing the issuance of general obligation bonds for the following public purpose and in the following not to exceed amount: \$3,425,000 for community development projects in the City's Tax Incremental District No. 4;

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

WHEREAS, due to certain provisions contained in the Internal Revenue Code of 1986, as amended, it is necessary to issue such general obligation community development bonds on a taxable rather than tax-exempt basis; and

WHEREAS, the Common Council of the City hereby finds and determines that taxable general obligation community development bonds in an amount not to exceed \$3,425,000 should be issued pursuant to the Initial Resolution.

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

Section 1. Issuance of the Bonds. The bonds authorized by the Initial Resolution shall be designated "Taxable General Obligation Community Development Bonds, Series 2018B" (the "Bonds") and the City shall issue Bonds in an amount not to exceed \$3,425,000 for the purpose above specified.

Section 2. Sale of the Bonds. The Common Council hereby authorizes and directs that the Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Bonds as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) is hereby authorized and directed to cause the sale of the Bonds to be publicized at such times and in such manner as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall also cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.

Adopted, approved and recorded May 14, 2018.

Michael J. O'Keefe
Mayor

ATTEST:

Constance K. McHugh
City Clerk

(SEAL)

Cedarburg Police

Memo

To: Mayor O'Keefe and Cedarburg Common Council
From: Thomas J Frank, Chief of Police *ryf*
Date: May 4, 2018
Re: Recommendation to deny application for operator's license to serve fermented malt beverages and intoxication liquors

It is my recommendation to deny the license application submitted by Christopher R Hall [REDACTED] based on his arrest and conviction record.

2010 Felony conviction of a \$5,000.00 property crime. Mr. Hall pawned the property in Cedarburg and was uncooperative with officers.

02/26/12 underage alcohol violation and probation violation in the City of Cedarburg. Was uncooperative with officer.



May 4, 2018

Christopher R. Hall
W66 N447 Grant Avenue
Cedarburg, WI 53012

Dear Mr. Hall:

This letter is in regards to your recent application for an Operator's License in the City of Cedarburg. Please be advised that Police Chief Thomas Frank is recommending the Common Council deny your application based on the following arrest and conviction record:

- 2010 felony conviction of a property crime
- 2012 underage alcohol violation

The Common Council will consider your application on **Monday, May 14, 2018 at 7:00 p.m.** You are being provided with an opportunity to be present at this meeting to provide any additional information to the Council. Chief Frank or his representative will also be present at the meeting. The meeting will take place in the Council Chambers of City Hall, W63 N645 Washington Avenue.

Please feel free to contact me at (262) 375-7606 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Constance K. McHugh". The signature is fluid and cursive, with the first name "Constance" being more prominent.

Constance K. McHugh
City Clerk

Cc: Chief Thomas Frank
City Administrator/Treasurer Christy Mertes
City Attorney Michael Herbrand

CITY OF CEDARBURG

MEETING DATE: May 14, 2018

ITEM NO: 9. F.

TITLE: Consider request to begin the process to hire a Police Officer due to an anticipated retirement; and action thereon

ISSUE SUMMARY: With an officer's anticipated retirement in October, the Cedarburg Police Department will be one officer position below the usual staffing level of 20. I am requesting permission to begin the process to hire a patrol officer. The process to hire an officer will run 6 to 9 months in length.

STAFF RECOMMENDATION: Authorize the hiring of one officer to fill the vacancy created by the retirement.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION:

BUDGETARY IMPACT: Positive impact as the new officer will generally take 4 years to reach the top pay level.

ATTACHMENTS: None

INITIATED/REQUESTED BY: Chief Thomas J. Frank

FOR MORE INFORMATION CONTACT: Chief Frank, 375-7620

CITY OF CEDARBURG

MEETING DATE: May 14, 2018

ITEM NO: 9. G.

TITLE: Consider 2017 Compliance Maintenance Annual Report (CMAR) for the Wastewater Treatment Plant and Resolution No. 2018-16 accepting the Report; and action thereon (Public Works & Sewerage Comm., 5/10/18)

ISSUE SUMMARY: The CMAR is a DNR summary report used to determine the effectiveness of the sewerage system to meet DNR permit limits and to indicate areas of the system that may need improvement. In 2017, no points were deducted from any categories in the report. No action for improvement in the system is needed.

STAFF RECOMMENDATION: Acceptance of the 2017 CMAR and adoption of the Resolution.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION: The Public Works and Sewerage Commission met on May10, 2018 and discussed the CMAR summary and asked to move it to the City Council for action.

BUDGETARY IMPACT: None

ATTACHMENTS:

- Resolution No. 2018-16
- 2017 Compliance Maintenance Annual Report Summary

INITIATED/REQUESTED BY: Eric Hackert, CWRC Superintendent

FOR MORE INFORMATION, CONTACT: Eric Hackert, 262-375-7900.

**CITY OF CEDARBURG
RESOLUTION NO. 2018-16**

2017 Compliance Maintenance Annual Report – Wastewater Treatment Facility

WHEREAS, the Wisconsin Department of Natural Resources requires that the City of Cedarburg submit an annual Compliance Maintenance Report for its wastewater treatment facility; and

WHEREAS, the compliance maintenance program requires the adoption of a resolution by the governing body of the entity operating the wastewater treatment facility;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Cedarburg authorizes the appropriate municipal officers to inform the Department of Natural resources that the following actions were taken by the City of Cedarburg Common Council:

1. Reviewed the Compliance Maintenance Annual Report which is attached to this resolution.
2. No further action is necessary.

Passed and adopted this 14th day of May, 2018.

Michael J. O’Keefe, Mayor

Attest:

Constance K. McHugh, City Clerk

Approved as to form:

Michael P. Herbrand, City Attorney

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Influent Flow and Loading

1. Monthly Average Flows and (C)BOD Loadings

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

Outfall No. 701	Influent Monthly Average Flow, MGD	x	Influent Monthly Average (C)BOD Concentration mg/L	x	8.34	=	Influent Monthly Average (C)BOD Loading, lbs/day
January	2.0554	x	181	x	8.34	=	3,102
February	2.0361	x	182	x	8.34	=	3,088
March	2.7079	x	154	x	8.34	=	3,480
April	3.2933	x	116	x	8.34	=	3,185
May	2.9265	x	105	x	8.34	=	2,556
June	2.1809	x	168	x	8.34	=	3,058
July	1.9644	x	192	x	8.34	=	3,150
August	1.8260	x	193	x	8.34	=	2,941
September	1.6515	x	220	x	8.34	=	3,034
October	1.6158	x	202	x	8.34	=	2,716
November	1.5510	x	264	x	8.34	=	3,419
December	1.4647	x	350	x	8.34	=	4,274

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

2.1 Verify the design flow and loading for your facility.

Design	Design Factor	x	%	=	% of Design
Max Month Design Flow, MGD	5.788	x	90	=	5.2092
		x	100	=	5.788
Design (C)BOD, lbs/day	4587	x	90	=	4128.3
		x	100	=	4587

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

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

3

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

3. Flow Meter

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

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

2017-02-22

☐ No

If No, please explain:

4. Sewer Use Ordinance

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

☒ Yes

☐ No

If No, please explain:

4.2 Was it necessary to enforce the ordinance?

☐ Yes

☒ No

If Yes, please explain:

5. Septage Receiving

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

Septic Tanks

Holding Tanks

Grease Traps

☐ Yes

☒ Yes

☐ Yes

☒ No

☐ No

☒ No

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

Septic Tanks

☐ Yes

0 gallons

☒ No

Holding Tanks

☒ Yes

4634400 gallons

☐ No

Grease Traps

☐ Yes

0 gallons

☒ No

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

Plant performance was slightly enhanced with increase in influent BOD.

6. Pretreatment

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

☐ Yes

☒ No

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

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

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:
5/1/2018 2017

<div><div><input type="radio"/> Yes</div><div><input checked="" type="radio"/> No</div></div> <div>If yes, describe the types of wastes received and any procedures or other restrictions that were in place to protect the facility from the discharge of hauled industrial wastes.</div> <div></div>	
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Total Points Generated	3
Score (100 - Total Points Generated)	97
Section Grade	A

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Effluent Quality and Plant Performance (BOD/CBOD)

1. Effluent (C)BOD Results

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

Outfall No. 001	Monthly Average Limit (mg/L)	90% of Permit Limit > 10 (mg/L)	Effluent Monthly Average (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	15	13.5	4	1	0	0
February	15	13.5	4	1	0	0
March	15	13.5	4	1	0	0
April	15	13.5	4	1	0	0
May	10	10	4	1	0	0
June	10	10	3	1	0	0
July	10	10	4	1	0	0
August	10	10	3	1	0	0
September	10	10	2	1	0	0
October	10	10	2	1	0	0
November	15	13.5	3	1	0	0
December	15	13.5	5	1	0	0

* Equals limit if limit is ≤ 10

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

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

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

2. Flow Meter Calibration

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

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

2017-02-22

☐ No

If No, please explain:

3. Treatment Problems

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

n/a

4. Other Monitoring and Limits

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

☐ Yes

☒ No

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

<p>If Yes, please explain:</p> <div></div> <p>4.2 At any time in the past year was there a failure of an effluent acute or chronic whole effluent toxicity (WET) test?</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p> <p>If Yes, please explain:</p> <div></div> <p>4.3 If the biomonitoring (WET) test did not pass, were steps taken to identify and/or reduce source(s) of toxicity?</p> <p><input type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p><input checked="" type="radio"/> N/A</p> <p>Please explain unless not applicable:</p> <div></div>	
--	--

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

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Effluent Quality and Plant Performance (Total Suspended Solids)

1. Effluent Total Suspended Solids Results

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

Outfall No. 001	Monthly Average Limit (mg/L)	90% of Permit Limit >10 (mg/L)	Effluent Monthly Average (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance	90% Permit Limit Exceedance
January	15	13.5	4	1	0	0
February	15	13.5	4	1	0	0
March	15	13.5	4	1	0	0
April	15	13.5	3	1	0	0
May	15	13.5	3	1	0	0
June	15	13.5	2	1	0	0
July	15	13.5	1	1	0	0
August	15	13.5	2	1	0	0
September	15	13.5	2	1	0	0
October	15	13.5	2	1	0	0
November	15	13.5	2	1	0	0
December	15	13.5	5	1	0	0

* Equals limit if limit is ≤ 10

Months of Discharge/yr	12		
Points per each exceedance with 12 months of discharge:		7	3
Exceedances		0	0
Points		0	0
Total Number of Points			0

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

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

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

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

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Effluent Quality and Plant Performance (Ammonia - NH3)

1. Effluent Ammonia Results

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

Outfall No. 001	Monthly Average NH3 Limit (mg/L)	Weekly Average NH3 Limit (mg/L)	Effluent Monthly Average NH3 (mg/L)	Monthly Permit Limit Exceed ance	Effluent Weekly Average for Week 1	Effluent Weekly Average for Week 2	Effluent Weekly Average for Week 3	Effluent Weekly Average for Week 4	Weekly Permit Limit Exceed ance
January	6.4		.012157895	0					
February	6.4		.013	0					
March	6.4		.007941176	0					
April	4		.015176471	0					
May	3.3		.312947368	0					
June	3.3		.024625	0					
July	3.3		.002833333	0					
August	3.3		.016611111	0					
September	3.3		.0298125	0					
October	5.7		.026052632	0					
November	6.4		.025411765	0					
December	6.4		.043941176	0					
Points per each exceedance of Monthly average:									10
Exceedances, Monthly:									0
Points:									0
Points per each exceedance of weekly average (when there is no monthly average):									2.5
Exceedances, Weekly:									0
Points:									0
Total Number of Points									0

NOTE: Limit exceedances are considered for mothly OR weekly averages but not both. When a monthly average limit exists it will be used to determine exceedances and generate points. This will be true even if a weekly limit also exists. When a weekly average limit exists and a monthly limit does not exist, the weekly limit will be used to determine exceedances and generate points.

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

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

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Effluent Quality and Plant Performance (Phosphorus)

1. Effluent Phosphorus Results

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

Outfall No. 001	Monthly Average phosphorus Limit (mg/L)	Effluent Monthly Average phosphorus (mg/L)	Months of Discharge with a Limit	Permit Limit Exceedance
January	1	0.242	1	0
February	1	0.310	1	0
March	1	0.319	1	0
April	.8	0.429	1	0
May	.8	0.253	1	0
June	.8	0.143	1	0
July	.8	0.168	1	0
August	.8	0.303	1	0
September	.8	0.513	1	0
October	.8	0.378	1	0
November	.8	0.142	1	0
December	.8	0.214	1	0
Months of Discharge/yr			12	
Points per each exceedance with 12 months of discharge:				10
Exceedances				0
Total Number of Points				0

0

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

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

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

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

Compliance Maintenance Annual Report

Cedarburg Wastewater Treatment Facility

Last Updated: Reporting For:

5/1/2018

2017

Biosolids Quality and Management

1. Biosolids Use/Disposal

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

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

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

1.1.1 If you checked Other, please describe:

3. Biosolids Metals

Number of biosolids outfalls in your WPDES permit:

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

Outfall No. 002 - AEROBIC LIQUID SLUDGE

Parameter	80% of Limit	H.Q. Limit	Ceiling Limit	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	80% Value	High Quality	Ceiling
Arsenic		41	75		.98		.49				3.27			1.66			0	0
Cadmium		39	85		<.6		1				1.85			<2.1			0	0
Copper		1500	4300		798		793				965			973			0	0
Lead		300	840		14.4		15.4				28.9			15.3			0	0
Mercury		17	57		.3		.666				.548			.528			0	0
Molybdenum	60		75		6.2		6.97				7.34			7.4		0		0
Nickel	336		420		<5.9		18.2				29.4			28.8		0		0
Selenium	80		100		<17.7		<8.26				<18.5			<16.1		0		0
Zinc		2800	7500		269		303				515			488			0	0

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

Exceedence Points

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

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

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

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

Exceedence Points

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

3.1.4 Were biosolids land applied which exceeded the ceiling limit?

- Yes (20 Points)
- No (0 Points)

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

0

4. Pathogen Control (per outfall):

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

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	143,679
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	304,457
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	179,924
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	221,281
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	185,185
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	222,833
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	512,821
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	486,522
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	375,722
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	458,501
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	664,557
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	424,649
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	304,457
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	512,821
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	486,522
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	375,722
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	458,501
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	664,557
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 03/31/2017
Density:	424,649
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	01/01/2017 - 06/30/2017
Density:	400,000
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	143,679
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	400,000
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	179,924
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	221,281
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	185,185
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 12/31/2017
Density:	222,833
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	143,679
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	400,000
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	179,924
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	221,281
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	185,185
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	222,833
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Density:	143,679
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	400,000
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	179,924
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	221,281
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	185,185
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	04/01/2017 - 06/30/2017
Density:	222,833
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	144,382
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	134,466
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	73,099
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	63,694
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	52,743
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	38,435
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	276,292
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	178,140
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	90,580
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	257,827
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	372,405
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	243,665
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 09/30/2017
Density:	38,435
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	38,435
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	111,111
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	52,743
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	63,694
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	73,099
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	38,435
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	07/01/2017 - 12/31/2017
Density:	134,466
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	10/01/2017 - 12/31/2017
Density:	144,382
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	10/01/2017 - 12/31/2017
Density:	243,665
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	10/01/2017 - 12/31/2017
Density:	372,405
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

Outfall Number:	002
Biosolids Class:	B
Bacteria Type and Limit:	Fecal Coliform
Sample Dates:	10/01/2017 - 12/31/2017
Density:	257,827
Sample Concentration Amount:	CFU/G TS
Requirement Met:	Yes
Land Applied:	No
Process:	
Process Description:	

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Outfall Number:	002		
Biosolids Class:	B		
Bacteria Type and Limit:	Fecal Coliform		
Sample Dates:	10/01/2017 - 12/31/2017		
Density:	90,658		
Sample Concentration Amount:	CFU/G TS		
Requirement Met:	Yes		
Land Applied:	No		
Process:			
Process Description:			
Outfall Number:	002	0	
Biosolids Class:	B		
Bacteria Type and Limit:	Fecal Coliform		
Sample Dates:	10/01/2017 - 12/31/2017		
Density:	178,140		
Sample Concentration Amount:	CFU/G TS		
Requirement Met:	Yes		
Land Applied:	No		
Process:			
Process Description:			
Outfall Number:	002		
Biosolids Class:	B		
Bacteria Type and Limit:	Fecal Coliform		
Sample Dates:	10/01/2017 - 12/31/2017		
Density:	276,292		
Sample Concentration Amount:	CFU/G TS		
Requirement Met:	Yes		
Land Applied:	No		
Process:			
Process Description:			
4.2 If exceeded Class B limit or did not meet the process criteria at the time of land application.			
4.2.1 Was the limit exceeded or the process criteria not met at the time of land application?			
<input type="radio"/> Yes (40 Points)			
<input checked="" type="radio"/> No			
If yes, what action was taken?			
<div></div>			
5. Vector Attraction Reduction (per outfall):			
5.1 Verify the following information. If any of the information is incorrect, use the Report Issue button under the Options header in the left-side menu.			

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Outfall Number:	002
Method Date:	03/31/2017
Option Used To Satisfy Requirement:	Injection when land apply
Requirement Met:	Yes
Land Applied:	No
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	06/30/2017
Option Used To Satisfy Requirement:	Injection when land apply
Requirement Met:	Yes
Land Applied:	No
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	06/30/2017
Option Used To Satisfy Requirement:	Injection when land apply
Requirement Met:	Yes
Land Applied:	No
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	06/30/2017
Option Used To Satisfy Requirement:	Injection when land apply
Requirement Met:	Yes
Land Applied:	No
Limit (if applicable):	
Results (if applicable):	

Outfall Number:	002
Method Date:	12/31/2017
Option Used To Satisfy Requirement:	Injection when land apply
Requirement Met:	Yes
Land Applied:	No
Limit (if applicable):	
Results (if applicable):	

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Outfall Number:	002		0
Method Date:	09/30/2017		
Option Used To Satisfy Requirement:	Injection when land apply		
Requirement Met:	Yes		
Land Applied:	No		
Limit (if applicable):			
Results (if applicable):			
Outfall Number:	002		0
Method Date:	12/31/2017		
Option Used To Satisfy Requirement:	Injection when land apply		
Requirement Met:	Yes		
Land Applied:	No		
Limit (if applicable):			
Results (if applicable):			
Outfall Number:	002		0
Method Date:	12/31/2017		
Option Used To Satisfy Requirement:	Injection when land apply		
Requirement Met:	Yes		
Land Applied:	No		
Limit (if applicable):			
Results (if applicable):			
5.2 Was the limit exceeded or the process criteria not met at the time of land application?			
<input type="radio"/> Yes (40 Points)			
<input checked="" type="radio"/> No			
If yes, what action was taken?			
<input type="text"/>			
6. Biosolids Storage			
6.1 How many days of actual, current biosolids storage capacity did your wastewater treatment facility have either on-site or off-site?			
<input checked="" type="radio"/> >= 180 days (0 Points)			
<input type="radio"/> 150 - 179 days (10 Points)			
<input type="radio"/> 120 - 149 days (20 Points)			
<input type="radio"/> 90 - 119 days (30 Points)			
<input type="radio"/> < 90 days (40 Points)			
<input type="radio"/> N/A (0 Points)			
6.2 If you checked N/A above, explain why.			
<input type="text"/>			
7. Issues			
7.1 Describe any outstanding biosolids issues with treatment, use or overall management:			
<input type="text" value="n/a"/>			

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

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Staffing and Preventative Maintenance (All Treatment Plants)

<p>1. Plant Staffing</p> <p>1.1 Was your wastewater treatment plant adequately staffed last year?</p> <p><input type="radio"/> Yes</p> <p><input checked="" type="radio"/> No</p> <p>If No, please explain:</p> <div style="border: 1px solid black; padding: 5px; min-height: 30px;">We were short two operators due to them taking other positions. We were fully staffed by the end of the year.</div> <p>Could use more help/staff for:</p> <div style="border: 1px solid black; padding: 5px; min-height: 20px;">n/a</div> <p>1.2 Did your wastewater staff have adequate time to properly operate and maintain the plant and fulfill all wastewater management tasks including recordkeeping?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No</p> <p>If No, please explain:</p> <div style="border: 1px solid black; padding: 5px; min-height: 20px;"></div>	
<p>2. Preventative Maintenance</p> <p>2.1 Did your plant have a documented AND implemented plan for preventative maintenance on major equipment items?</p> <p><input checked="" type="radio"/> Yes (Continue with question 2)</p> <p><input type="radio"/> No (40 points)</p> <p>If No, please explain, then go to question 3:</p> <div style="border: 1px solid black; padding: 5px; min-height: 20px;"></div> <p>2.2 Did this preventative maintenance program depict frequency of intervals, types of lubrication, and other tasks necessary for each piece of equipment?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No (10 points)</p> <p>2.3 Were these preventative maintenance tasks, as well as major equipment repairs, recorded and filed so future maintenance problems can be assessed properly?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> Paper file system</p> <p><input type="radio"/> Computer system</p> <p><input checked="" type="radio"/> Both paper and computer system</p> <p><input type="radio"/> No (10 points)</p>	0
<p>3. O&M Manual</p> <p>3.1 Does your plant have a detailed O&M and Manufacturer Equipment Manuals that can be used as a reference when needed?</p> <p><input checked="" type="radio"/> Yes</p> <p><input type="radio"/> No</p>	
<p>4. Overall Maintenance /Repairs</p> <p>4.1 Rate the overall maintenance of your wastewater plant.</p> <p><input type="radio"/> Excellent</p> <p><input checked="" type="radio"/> Very good</p> <p><input type="radio"/> Good</p> <p><input type="radio"/> Fair</p> <p><input type="radio"/> Poor</p> <p>Describe your rating:</p>	

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The treatment center is showing signs of it's age, but continues to operate as designed.	
--	--

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

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Operator Certification and Education

1. Operator-In-Charge

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

- ☒ Yes (0 points)
- ☐ No (20 points)

Name:

ERIC HACKERT

Certification No:

10352

0

2. Certification Requirements

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

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

0

2.2 Was the operator-in-charge certified at the appropriate level and subclass(es) to operate this plant? (Note: Certification in subclass SS, N and A5 not required in 2016; subclass SS is basic level only.)

- ☒ Yes (0 points)
- ☐ No (20 points)

3. Succession Planning

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

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

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

0

4. Continuing Education Credits

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4.1 If you had a designated operator-in-charge, was the operator-in-charge earning Continuing Education Credits at the following rates? OIT and Basic Certification: <input type="radio"/> Averaging 6 or more CECs per year. <input type="radio"/> Averaging less than 6 CECs per year. Advanced Certification: <input checked="" type="radio"/> Averaging 8 or more CECs per year. <input type="radio"/> Averaging less than 8 CECs per year.	
---	--

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

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Financial Management

1. Provider of Financial Information

Name:

Christy Mertes, City Administrator/Treasurer

Telephone:

262-375-7606

(XXX) XXX-XXXX

E-Mail Address
(optional):

cmertes@ci.cedarburg.wi.us

2. Treatment Works Operating Revenues

2.1 Are User Charges or other revenues sufficient to cover O&M expenses for your wastewater treatment plant AND/OR collection system ?

● Yes (0 points)

○ No (40 points)

If No, please explain:

2.2 When was the User Charge System or other revenue source(s) last reviewed and/or revised?
Year:

2017

● 0-2 years ago (0 points)

○ 3 or more years ago (20 points)

○ N/A (private facility)

2.3 Did you have a special account (e.g., CWP required segregated Replacement Fund, etc.) or financial resources available for repairing or replacing equipment for your wastewater treatment plant and/or collection system?

● Yes (0 points)

○ No (40 points)

0

REPLACEMENT FUNDS [PUBLIC MUNICIPAL FACILITIES SHALL COMPLETE QUESTION 3]

3. Equipment Replacement Funds

3.1 When was the Equipment Replacement Fund last reviewed and/or revised?

Year:

2017

● 1-2 years ago (0 points)

○ 3 or more years ago (20 points)

○ N/A

If N/A, please explain:

3.2 Equipment Replacement Fund Activity

3.2.1 Ending Balance Reported on Last Year's CMAR

\$ 2,594,235.87

3.2.2 Adjustments - if necessary (e.g. earned interest, audit correction, withdrawal of excess funds, increase making up previous shortfall, etc.)

\$ 0.00

3.2.3 Adjusted January 1st Beginning Balance

\$ 2,594,235.87

3.2.4 Additions to Fund (e.g. portion of User Fee, earned interest, etc.)

+

\$ 231,514.91

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3.2.5 Subtractions from Fund (e.g., equipment replacement, major repairs - use description box 3.2.6.1 below*)

-

\$ 460,136.87

3.2.6 Ending Balance as of December 31st for CMAR Reporting Year

\$ 2,365,613.91

All Sources: This ending balance should include all Equipment Replacement Funds whether held in a bank account(s), certificate(s) of deposit, etc.

3.2.6.1 Indicate adjustments, equipment purchases, and/or major repairs from 3.2.5 above.

Replaced UV bulbs on Bank (A). Purchased new jetter/vac truck. Rebuilt raw pumps and check valves. Replaced two bearings on the oxidation ditch. Purchased new lawnmower/snowblower. Purchased new mainline televising camera and push camera.

3.3 What amount should be in your Replacement Fund?

\$ 2,365,613.91

Please note: If you had a CWWFP loan, this amount was originally based on the Financial Assistance Agreement (FAA) and should be regularly updated as needed. Further calculation instructions and an example can be found by clicking the SectionInstructions link under Info header in the left-side menu.

3.3.1 Is the December 31 Ending Balance in your Replacement Fund above, (#3.2.6) equal to, or greater than the amount that should be in it (#3.3)?

☒ Yes

☐ No

If No, please explain.

4. Future Planning

4.1 During the next ten years, will you be involved in formal planning for upgrading, rehabilitating, or new construction of your treatment facility or collection system?

☒ Yes - If Yes, please provide major project information, if not already listed below.

☐ No

Project #	Project Description	Estimated Cost	Approximate Construction Year
1	Madison - Walnut to Pine	35000	2019
2	St. John Ave will have 1444 ft of sewer replaced and 2 manholes.	190000	2023
3	Highland Drive will have 2135 ft of forcemain and sewer replaced and upsized and 7 manholes will be replaced.	290000	2020
4	Sunnyside - Edgewater to Highland	153500	2021
5	Hilgen/Jackson - Washington to Spring	125000	2021
6	Portland Road - Hilbert to Highland	45000	2019
7	Fair St - Evergreen to Washington	70000	2024
8	Sommerset Road Pioneer to Wirth	70000	2020
9	New lift Station and force main at Highland Rd	1,250,000	2018
10	New digester blower with level monitoring controls	80000	2018
11	Cambridge Ave., Lexington St., Aspen Dr., Willowbrooke Dr. Lynwood Lane, Arbor Drive, Crescent Drive and Glenwood Drive.	250000	2019
12	New Bar Screen and Washer press.	150000	2019

5. Financial Management General Comments

none.

ENERGY EFFICIENCY AND USE

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6. Collection System

6.1 Energy Usage

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

COLLECTION SYSTEM PUMPAGE: Total Power Consumed

Number of Municipally Owned Pump/Lift Stations:

	Electricity Consumed (kWh)	Natural Gas Consumed (therms)
January	25,733	100
February	23,163	79
March	27,180	54
April	24,757	54
May	22,575	21
June	19,204	16
July	17,878	40
August	19,072	20
September	18,009	17
October	17,261	21
November	17,760	14
December	21,537	76
Total	254,129	512
Average	21,177	43

6.1.2 Comments:

none.

6.2 Energy Related Processes and Equipment

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

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

6.2.2 Comments:

none.

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

● No

○ Yes

Year:

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By Whom:

Describe and Comment:

6.4 Future Energy Related Equipment

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

Installing new submersible pumps and variable speed drives at Highland Lift station.

7. Treatment Facility

7.1 Energy Usage

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

TREATMENT PLANT: Total Power Consumed/Month

	Electricity Consumed (kWh)	Total Influent Flow (MG)	Electricity Consumed/Flow (kWh/MG)	Total Influent BOD (1000 lbs)	Electricity Consumed/Total Influent BOD (kWh/1000lbs)	Natural Gas Consumed (therms)
January	110,189	63.72	1,729	96.16	1,146	1,298
February	87,314	57.01	1,532	86.46	1,010	979
March	99,766	83.94	1,189	107.88	925	665
April	84,289	98.80	853	95.55	882	652
May	105,879	90.72	1,167	79.24	1,336	216
June	106,108	65.43	1,622	91.74	1,157	25
July	106,546	60.90	1,750	97.65	1,091	4
August	105,595	56.61	1,865	91.17	1,158	2
September	98,263	49.55	1,983	91.02	1,080	5
October	92,888	50.09	1,854	84.20	1,103	6
November	85,698	46.53	1,842	102.57	836	140
December	100,116	45.41	2,205	132.49	756	610
Total	1,182,651	768.71		1,156.13		4,602
Average	98,554	64.06	1,633	96.34	1,040	384

7.1.2 Comments:

none.

7.2 Energy Related Processes and Equipment

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

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

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☒ Mechanical Sludge Processing

☒ Nitrification

☒ SCADA System

☒ UV Disinfection

☒ Variable Speed Drives

☐ Other:

7.2.2 Comments:

none.

7.3 Future Energy Related Equipment

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

Replace aerobic digester blower. Replacing Bar screen and washer/press.

8. Biogas Generation

8.1 Do you generate/produce biogas at your facility?

● No

○ Yes

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

☐ Flared Off

☐ Building Heat

☐ Process Heat

☐ Generate Electricity

☐ Other:

9. Energy Efficiency Study

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

○ No

● Yes

☒ Entire facility

Year:

2017

By Whom:

Focus on Energy

Describe and Comment:

none.

☐ Part of the facility

Year:

By Whom:

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Describe and Comment:	

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

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Sanitary Sewer Collection Systems

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

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

☒ Yes

☐ No

If No, explain:

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

☒ Yes

☐ No (30 points)

☐ N/A

If No or N/A, explain:

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

☒ Goals [NR 210.23 (4)(a)]

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

Clean 50% of sanitary sewer system. Clean 100% of the storm catch basins. Visually inspect all 11 lift stations weekly. Clean all lift station and plant wet wells 2 times per year. Root foam 2500 feet of sanitary system annually. Inspect 30% of manholes annually and repair as needed. Televis 25 % of the sanitary sewer system each year. Repair small sanitary sewer leaks with lining as identified. Continue with our 10 year sewer replacement program.

Did you accomplish them?

☒ Yes

☐ No

If No, explain:

☒ Organization [NR 210.23 (4) (b)]

Does this chapter of your CMOM include:

☒ Organizational structure and positions (eg. organizational chart and position descriptions)

☒ Internal and external lines of communication responsibilities

☒ Person(s) responsible for reporting overflow events to the department and the public

☒ Legal Authority [NR 210.23 (4) (c)]

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

Cedarburg Sewer Ordinance

If you have a Sewer Use Ordinance or other similar document, when was it last reviewed and revised? (MM/DD/YYYY) 2017-11-09

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

☒ Private property inflow and infiltration

☒ New sewer and building sewer design, construction, installation, testing and inspection

☒ Rehabilitated sewer and lift station installation, testing and inspection

☒ Sewage flows satellite system and large private users are monitored and controlled, as necessary

☒ Fat, oil and grease control

☒ Enforcement procedures for sewer use non-compliance

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

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

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- ☒ Equipment and replacement part inventories
- ☒ Up-to-date sewer system map
- ☒ A management system (computer database and/or file system) for collection system information for O&M activities, investigation and rehabilitation
- ☒ A description of routine operation and maintenance activities (see question 2 below)
- ☒ Capacity assessment program
- ☒ Basement back assessment and correction
- ☒ Regular O&M training
- ☒ Design and Performance Provisions [NR 210.23 (4) (e)]
What standards and procedures are established for the design, construction, and inspection of the sewer collection system, including building sewers and interceptor sewers on private property?
 - ☒ State Plumbing Code, DNR NR 110 Standards and/or local Municipal Code Requirements
 - ☒ Construction, Inspection, and Testing
 - ☐ Others:

0

- ☒ Overflow Emergency Response Plan [NR 210.23 (4) (f)]
Does your emergency response capability include:
 - ☒ Responsible personnel communication procedures
 - ☒ Response order, timing and clean-up
 - ☒ Public notification protocols
 - ☒ Training
 - ☒ Emergency operation protocols and implementation procedures
- ☒ Annual Self-Auditing of your CMOM Program [NR 210.23 (5)]
- ☒ Special Studies Last Year (check only those that apply):
 - ☒ Infiltration/Inflow (I/I) Analysis
 - ☐ Sewer System Evaluation Survey (SSES)
 - ☐ Sewer Evaluation and Capacity Management Plan (SECAP)
 - ☒ Lift Station Evaluation Report
 - ☐ Others:

2. Operation and Maintenance

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

Cleaning	<input type="text" value="50"/>	% of system/year
Root removal	<input type="text" value="8"/>	% of system/year
Flow monitoring	<input type="text" value="10"/>	% of system/year
Smoke testing	<input type="text" value="0"/>	% of system/year
Sewer line televising	<input type="text" value="24"/>	% of system/year
Manhole inspections	<input type="text" value="35"/>	% of system/year
Lift station O&M	<input type="text" value="52"/>	# per L.S./year
Manhole rehabilitation	<input type="text" value="3"/>	% of manholes rehabbed
Mainline rehabilitation	<input type="text" value="6"/>	% of sewer lines rehabbed

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Private sewer inspections % of system/year

Private sewer I/I removal % of private services

River or water crossings % of pipe crossings evaluated or maintained

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

none.

3. Performance Indicators

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

Total actual amount of precipitation last year in inches

Annual average precipitation (for your location)

Miles of sanitary sewer

Number of lift stations

Number of lift station failures

Number of sewer pipe failures

Number of basement backup occurrences

Number of complaints

Average daily flow in MGD (if available)

Peak monthly flow in MGD (if available)

Peak hourly flow in MGD (if available)

3.2 Performance ratios for the past year:

Lift station failures (failures/year)

Sewer pipe failures (pipe failures/sewer mile/yr)

Sanitary sewer overflows (number/sewer mile/yr)

Basement backups (number/sewer mile)

Complaints (number/sewer mile)

Peaking factor ratio (Peak Monthly: Annual Daily Avg)

Peaking factor ratio (Peak Hourly: Annual Daily Avg)

4. Overflows

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

Date	Location	Cause	Estimated Volume (MG)
None reported			

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

5. Infiltration / Inflow (I/I)

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

☐ Yes

☒ No

If Yes, please describe:

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

☐ Yes

☒ No

If Yes, please describe:

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

Continuing to monitor flow, and continuing to replace infrastructure as needed.

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

The city annually repairs or replaces mainline sewer. We have begun a program to spot repair and fix leaking manholes with our own staff.

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

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Grading Summary

WPDES No: 0020222

SECTIONS	LETTER GRADE	GRADE POINTS	WEIGHTING FACTORS	SECTION POINTS
Influent	A	4	3	12
BOD/CBOD	A	4	10	40
TSS	A	4	5	20
Ammonia	A	4	5	20
Phosphorus	A	4	3	12
Biosolids	A	4	5	20
Staffing/PM	A	4	1	4
OpCert	A	4	1	4
Financial	A	4	1	4
Collection	A	4	3	12
TOTALS			37	148
GRADE POINT AVERAGE (GPA) = 4.00				

Notes:

A = Voluntary Range (Response Optional)

B = Voluntary Range (Response Optional)

C = Recommendation Range (Response Required)

D = Action Range (Response Required)

F = Action Range (Response Required)

CITY OF CEDARBURG

MEETING DATE: May 14, 2018

ITEM NO: 9. H.

TITLE: Consider process/policy when “Class B” liquor licenses become available; and action thereon

ISSUE SUMMARY: The “Class B” liquor of Silver Creek Brewery will become available on July 1st when its existing license from the City expires. Following changes made by 2011 Wis. Act 32, a brewery may sell fermented malt beverages at retail without having to obtain a municipal beer license; *a brewery that held a liquor license as of June 1, 2011 may continue to sell intoxicating liquor without a municipal liquor license; a brewery may not sell intoxicating liquor unless it has been “grandfathered in.”* Silver Creek Brewery has held a brewery permit from the Department of Revenue for several years, and is "grandfathered in" to sell intoxicating liquor at the brewery premises under sec. 125.29(3)(h), Wis. Stats. without a municipal license.

Therefore, this license will be available if the Council would like to grant it to another business.

At the request of Council Member Arnett, the Clerk’s Office has been keeping a “waiting list” for those interested in obtaining a liquor license. Currently there are two people on the waiting list; one of those has recently expressed interest in obtaining a full liquor license for a Vietnamese restaurant in the south end of the City. The Clerk’s Office is seeking direction as to how to proceed when this license becomes available and for other liquor licenses that may become available in the future. I.e. should we contact the two businesses on the waiting, should we advertise, etc....

STAFF RECOMMENDATION: N/A

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION: N/A

BUDGETARY IMPACT: \$500 annual “Class B” liquor license fee.

ATTACHMENTS: None

INITIATED/REQUESTED BY: Connie McHugh, 375-7606

FOR MORE INFORMATION CONTACT: Connie McHugh

CITY OF CEDARBURG

MEETING DATE: May 14, 2018

ITEM NO: 9. I.

TITLE: Consider request for funds to add power at Cedar Creek Park for Summer Sounds; and action thereon

ISSUE SUMMARY: Summer Sounds, Inc. has requested that we add power to the current electric box at Cedar Creek Park to accommodate the vendors during the Friday night concerts. Lyneis electric proposes to build a portable unit that is similar to the ones they have built for festivals. This is a cheaper alternative to adding a new electric box at the site.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION: None

BUDGETARY IMPACT: \$1,160, plus electrical costs, which are not budgeted

ATTACHMENTS: Quote from Lyneis Electric

INITIATED/REQUESTED BY: Summer Sounds, Inc.

FOR MORE INFORMATION CONTACT: Mikko Hilvo, Director of Parks, Recreation, & Forestry

A Lyneis Electric LLC.

*7806 Pleasant Valley Rd
Saukville, Wisconsin 53080*

May 8, 2018

City of Cedarburg
W63 N645 Washington Ave.
Cedarburg, WI 53012
Mikko Hilvo

Re: Electrical Wiring For Electrical Cart for City Park:

We propose to furnish labor and material to wire the following:

- 1) One (1) weather proof cart with weather proof panel and weather proof 120 volt GFCI receptacles, and cord for hook up, for temporary hook up at City Park;
- 2) One (1) weather proof receptacle on 100 amp breaker on existing pedestal.

The above for the sum of:

\$1160.00

ANY ADDITIONS OR CHANGES TO THIS PROPOSAL MUST BE ACCOMPANIED BY A SIGNED CHANGE ORDER. THESE CHANGES WILL BE CONSIDERED "EXTRAS" AND WILL BE BILLED ON A TIME AND MATERIAL BASIS.

Due to rapid fluctuations in material costs the above proposal may be withdrawn by us if not accepted within thirty (30) days.

Payment schedule: 100% upon completion of our work.

Interest charges of 1-½% per month will be rendered on all balances after ten (10) days.

If full payment is not received within 15 days, a one-time processing fee may be added to the previous balance and the account may be referred to a collection agency.

NOTICE OF LIEN RIGHTS REQUIRED BY WISCONSIN LAW. As required by the Wisconsin Construction Lien Law, builders hereby notifies owner that persons or companies furnishing labor or materials for the construction on owner's land may have lien rights on owner's land and building if not paid. Those entitled to lien rights, in addition to the undersigned builder, are those who contract directly with the owner or those who give the owner notice within 60 days after they first furnish labor or materials for the construction. Accordingly, owner probably will receive notices from those who furnish labor or materials for the construction, and should give a copy of each notice

*Telephone: (262) 689.0666
alyneis@hotmail.com*

email:

received to his mortgage lender, if any. Builder agrees to cooperate with the owner and his lender, if any, to see that all potential lien claimants are duly paid.

A Lyneis Electric LLC

By: _____

Andrew Lyneis
ME/CEI 160551
EC 1319176

NOTE: If this bid meets with your approval, please sign the following and return one copy to our office.

The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified.

Acceptance dated: _____, 2018

Signed: _____

CITY OF CEDARBURG

MEETING DATE: May 14, 2018

ITEM NO: 9. J.

TITLE: Consider quote received for construction of the Prairie View Park Shelter; and action thereon

ISSUE SUMMARY: Recent bid opening for construction of the prairie view shelter received zero bids. With the shelter already on order and being delivered in late May I reached out to two companies that the City has done work with in the past to see if they are interested in the project. One company said that they would not have time this year to do the work. The other did provide us a quote. It is my recommendation that we contract with Dahlman construction company. Their quote is well within the budgeted amount for this project.

BOARD, COMMISSION OR COMMITTEE RECOMMENDATION: None

BUDGETARY IMPACT: \$85,920 – capital improvements

ATTACHMENTS: Quote from Dahlman Construction

INITIATED/REQUESTED BY: Summer Sounds, Inc.

FOR MORE INFORMATION CONTACT: Mikko Hilvo, Director of Parks, Recreation, & Forestry



May 7, 2018

City of Cedarburg
Parks, Recreation, and Forestry
P.O. Box 49
W63N645 Washington Ave.
Cedarburg, WI 53012

Attn: Mikko Hilvo

Re: Prairie View Park Shelter, Prairie View Park, Cedarburg

Dear Mikko:

We propose to furnish the necessary labor and materials to construct the park shelter per plans 1,2,2A, 3, 4, 5, 6 by Cedar Forest Products dated 4/23/2018 all for the sum of Eighty-Five Thousand Nine Hundred Twenty and No/100 (85,920.00) Dollars:

- | | |
|--|-------------|
| 1. Construct and install bathroom pavilion | \$73,166.00 |
| a. Temporary fence around construction area | |
| b. Excavation and backfill. Install erosion control silt socks around work area. | |
| c. Allowance of \$2,000 for bedrock excavation | |
| d. Concrete footings and foundations | |
| e. Unload owner supplied park shelter package | |
| f. Carpentry – install owner supplied cedar posts, laminated cedar timber walls, 2x4 stud walls, laminated SYP beams, 2x6 T&G wood decking, felt paper, doors, frames, hardware, FRP walls, toilet accessories | |
| g. Metal roofing – install owner supplied metal panels and accessories | |
| h. Painting – Paint (3) hollow metal doors and frames and seal 2x6 T&G decking | |
| i. Plumbing – install owner supplied plumbing fixtures. Supply and install supply, sewer, and vent piping to complete plumbing work. Supply and install floor drain in storage room for winterization work | |
| j. Electrical – install owner supplied light fixtures, receptacles, and lighting controls. Supply and install conduit and wire. Supply and install new underground service with 200 amp Cutler Hammer 42 circuit panel in storage room | |
| k. Building permit allowance of \$200 | |
| 2. Install concrete slab under and around shelter | \$10,281.00 |
| a. Traffic bond base 4" thick | |
| b. Pour and finish low chert concrete 4" thick with fiber mesh | |
| 3. Grade and seed area around new structure. 50' x 60' area less the 25' x 40' shelter slab | \$2,315.00 |
| 4. Install water spigot in storage area | \$158.00 |
| | ----- |
| Total | \$85,920.00 |

Please note we have not included bedrock excavation beyond the \$2,000 allowance, sealing the cedar posts, sealing the laminated cedar timber walls, installing asphalt or concrete paths from the shelter slab to the parking lot or playground, Cedarburg Light and Water Fees, watering the new grass, or supplying the park shelter package.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Dahlman Construction Company

A handwritten signature in black ink, appearing to read "J.S. Dahlman", written over the printed name.

J.S. Dahlman

President

CHAPTER 5

Ethics Code

(Ord. 2004-08)

2-5-1	Declaration of Policy
2-5-2	Responsibility of Public Office
2-5-3	Dedicated Service
2-5-4	Fair and Equal Treatment
2-5-5	Conflict of Interest
2-5-6	Advisory Opinion
2-5-7	Jurisdiction and Application
2-5-8	Sanctions
2-5-9	Distribution of Ethics Code

SEC. 2-5-1 DECLARATION OF POLICY.

The proper operation of democratic government requires that public officials and employees be independent, impartial and responsible to the people; that government decisions and policy be made in proper channels of the governmental structure; that public office is not to be used for personal gain; and that the public have confidence in the integrity of its government. In recognition of these goals, there is established in this Chapter a code of ethics for all City of Cedarburg officials and employees whether elected or appointed, paid or unpaid, including members of Council as well as boards, committees and commissions of the City (City agencies). The purpose of this Ethics Code is to establish guidelines for ethical standards of conduct for all such officials and employees by setting forth those acts or actions that are incompatible with the best interests of the City of Cedarburg and by directing disclosure by such officials and employees of private financial or other interests in matters affecting the City.

SEC. 2-5-2 RESPONSIBILITY OF PUBLIC OFFICE.

Public officials and employees are agents of public purpose and hold office for the benefit of the public. They are bound to uphold the Constitution of the United States and the Constitution of this State and carry out impartially the laws of the nation, state and municipality, to observe in their official acts the highest standards of morality and to discharge faithfully the duties of their office regardless of personal considerations, recognizing that the public interest must be their prime concern.

SEC. 2-5-3 DEDICATED SERVICE.

- (a) Officials and employees should adhere to the rules of work, professionalism and performance established as the standard for their positions by the appropriate authority.
- (b) Officials and employees should not exceed their authority or breach the law or ask others to do so, and they should work in full cooperation with other public officials and employees unless prohibited from so doing by law or by officially recognized confidentiality of their

work.

SEC. 2-5-4 FAIR AND EQUAL TREATMENT.

- (a) **Use of Public Property.** No official or employee shall request or permit the unauthorized use of City-owned vehicles, equipment, materials or property for personal convenience or profit.
- (b) **Fundraising.** With the exception of fundraising for purposes of raising money for City departmental programming, equipment, or capital projects, which may occur subject to Council approval and all provisions of this Code and the State Statutes, the following shall be prohibited:
 - (1) No official or employee shall request or permit the use of city resources, city time or city equipment for the purpose of fundraising.
 - (2) No official or employee shall use his or her position, authority or influence, whether possessed or anticipated, to represent themselves as a city official or employee for private or public fundraising. (Ord. 2015-13)
- (b) **Obligations to Citizens.** No official or employee shall grant any special consideration, treatment or advantage to any citizen beyond that which is available to every other citizen.

SEC. 2-5-5 CONFLICT OF INTEREST.

- (a) **Financial and Personal Interest Prohibited.** No official or employee, whether paid or unpaid, shall engage in any business or transaction or shall act in regard to financial or other personal interest, direct or indirect, which is incompatible with the proper discharge of official duties in the public interest contrary to the provisions of this Chapter or which would tend to impair independence of or action in the performance of official duties.
- (b) **Definitions.**
 - (1) Financial Interest. Any interest which shall yield, directly or indirectly, a monetary or other material benefit to the officer or employee or to any person employing or retaining the services of the officer or employee.
 - (2) Personal Interest. Any interest arising from blood or marriage relationships or from close business or political associations, whether or not any financial interest is involved.
 - (3) Person. Any individual or legal entity.
- (c) **Specific Conflicts Enumerated.**
 - (1) Incompatible Employment. No official or employee shall engage in or accept private employment or render service for private interest when such employment or service is incompatible with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties, unless otherwise permitted by law.
 - (2) Disclosure of Confidential Information. No official or employee shall, without proper legal authorization, disclose confidential information concerning the property, government or affairs of the City, nor shall such information be used to advance the financial or other private interests of the official or employee or others.

(3) Gifts and Favors.

- a. No public official or employee may use his or her public office to "obtain financial gain" or "anything of value" for the private benefit of himself or herself, for his or her immediate family, or for an organization with which he or she is associated.
- b. No person may directly or indirectly offer or give "anything of value" to a local public official or employee if it could reasonably be expected to affect that official's vote, official action or judgment, or if it could be construed as a reward for any official action or inaction on the part of the local public official or employee. No local public official or employee may accept "anything of value" tendered under such circumstances. "Anything of value" is defined as "money or property, favor, service, payment, advance, forbearance, loan or promise of future employment". Legal campaign contributions are exempt from the definitions. An official or employee is not to accept hospitality if, after consideration of the surrounding circumstances, it could reasonably be concluded that such hospitality would not be extended were it not for the fact that the guest, or a member of the guest's immediate family, was a City official or employee. This includes any discount on the price of admission, parking, or use of a box at a stadium that is tax exempt from general property taxes. Participation in celebrations, grand openings, open houses, informational meetings and similar events are excluded from this prohibition. This paragraph further shall not be construed to prevent candidates for elective office from accepting hospitality from citizens for the purpose of supporting the candidate's campaign.
- c. No local public official or employee may take any official action that affects a matter in which the public official or employee, a member of his or her immediate family, or an organization with which the official or employee is associated has a substantial financial interest.
- d. No local public official or employee may use his or her office or position in any way that produces or assists in producing a substantial benefit, either directly or indirectly, for the official or employee, any members of his or her immediate family, or an organization with which the official or employee is associated.

(4) Representing Private Interests Before City Agencies or Courts. No officer or employee shall appear on behalf of any private person (other than him or herself, his or her spouse or minor children) before any City agency. However, members of the Common Council may appear before City agencies on behalf of constituents in the course of their duties as representatives of the electorate or in the performance of public or civic obligations.

(d) **Contracts with the City.** No City officer or employee who, in his capacity as such officer or employee, participates in the making of a contract in which he has a private pecuniary interest, direct or indirect, or performs in regard to that contract with some function requiring the exercise of discretion on his part shall enter into any contract with the City unless it is within the confines of Sec. 946.13

(e) **Disclosure of Interest in Legislation.**

- (1) Any member of the Common Council who has a financial interest or personal interest in any proposed legislation before the Common Council shall disclose on the records of the Common Council or the Ethics Board created by this Chapter the nature and extent of such interest.
- (2) Any other official or employee who has a financial interest or personal interest in any proposed legislative action of the Common Council or who serves on a board or committee, shall disclose the nature and extent of such interest.
- (3) If there is a conflict of interest for any official or employee, he or she must refrain from participating in any way including discussion, deliberations or action on the item.

SEC. 2-5-6 ADVISORY OPINION.

Any questions as to the interpretation of any provisions of this Code of Ethics Chapter shall be referred to the Personnel Committee serving as the Ethics Board or the City Attorney. The fact that a person seeks an advisory opinion and abides by the material facts as stated, is evidence of intent to comply with the Ethics Code.

SEC. 2-5-7 JURISDICTION AND APPLICATION.

- (a) The Personnel Committee shall have administrative jurisdiction over this Code of Ethics Chapter and shall be deemed the Ethics Board pursuant to Section 19.59 (3)(d) Wis. Stats. for that purpose. An individual may request an advisory opinion on the propriety of any matter to which he or she is or may become a party. However, the Personnel Committee has complete discretion as to whether to issue such an opinion. All requests and advisory opinions to the Ethics Board must be in writing.
- (b) The Personnel Committee may make recommendations with respect to amendments to this Code of Ethics Chapter.
- (c) Upon the sworn complaint of any person alleging facts which, if true, would constitute improper conduct under the provisions of this Chapter, the Personnel Committee shall conduct an investigation of the facts of the complaint; if the investigation indicates there may be a reasonable basis for the complaint justifying further investigation, the Committee shall conduct a public hearing in accordance with the common law requirements of due process, including notice, an opportunity to be heard, an opportunity to cross-examine witnesses and to present testimony and other evidence in support of the accused's position and an opportunity to be represented by counsel or other representatives at the expense of the accused. The Committee shall make written findings of fact and issue a written decision concerning the propriety of the conduct of the subject official or employee and shall refer the matter to the Common Council for final disposition.
- (d) In the event a member of the Personnel Committee is allegedly involved in an Ethics Code violation, the Mayor, subject to the confirmation of the Common Council, shall appoint another Council Member to temporarily replace the member of the Committee who is under investigation.

SEC. 2-5-8 SANCTIONS.

A determination that an official's or employee's actions constitute improper conduct under the provisions of this Chapter may constitute a cause of suspension, removal from office or employment or other action permitted by law.

SEC. 2-5-9 DISTRIBUTION OF ETHICS CODE.

- (a) The City Clerk shall cause a copy of this Code of Ethics to be distributed to every public official and employee of the City of Cedarburg within thirty (30) days after enactment of this Chapter. Each public official and employee elected, appointed or engaged thereafter shall be furnished a copy before entering upon his duties.
- (b) Each public official, the Mayor, the Chairman of each Board, Commission or Committee and, through the City Administrator, the Head of each Department shall, between May 1 and May 31 each year, review the provisions of this Code with his fellow Council, Board, Commission, Committee members or subordinates as the case may be and certify to the City Clerk by June 15 that such annual review had been undertaken. A copy of this Ethics Code Chapter shall be continuously posted on each department bulletin board wherever situated.

CITY OF CEDARBURG
TRANSFER LIST
4/28/18-5/11/18

Date	Amount	Transfer to
PWSB CHECKING ACCOUNT		
4/30/2018	\$107,966.07	WRS-March remittance
5/1/2018	\$647.58	Elavon-charge for April transactions
5/1/2018	\$1,500.00	Pitney Bowes-postage
5/2/2018	\$82,897.78	WCA-May health insurance premiums
5/2/2018	\$5,453.47	MetLife-May dental insurance premiums
5/2/2018	\$569.39	Superior Vision-May vision insurance premiums
5/2/2018	\$911.88	Aflac-April premiums
5/3/2018	\$2,724.15	Minnesota Life-June life insurance premiums
5/4/2018	\$2,485.20	Light & Water-April usage charges
5/9/2018	\$187,000.00	PWSB Payroll
5/9/2018	\$3,150.65	ICMA-contributions for 4/22/18-5/5/18
5/9/2018	\$4,431.36	North Shore Bank-contributions for 4/22/18-5/5/18
5/9/2018	\$5,725.18	Health Savings Accounts-contributions for 4/22/18-5/5/18
5/9/2018	\$495.00	Police Association-contributions for 4/22/18-5/5/18
5/11/2018	\$1,277.67	Light & Water-April usage charges
5/11/2018	\$695.31	Light & Water-April usage charges
	<u>\$407,930.69</u>	

PWSB PAYROLL ACCOUNT

5/11/2018	\$132,590.01	Payroll for 4/22/18-5/5/18
5/11/2018	\$54,636.97	Payroll taxes for 4/22/18-5/5/18
	<u>\$187,226.98</u>	

PWSB MONEY MARKET ACCOUNT

4/30/2018	\$84,792.46	PWSB Capital Money Market Account
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PWSB INTERNAL SERVICE MONEY MARKET ACCOUNT

4/30/2018	\$12,159.20	PWSB Money Market Account
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CITY OF CEDARBURG
*Check Detail Register©

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		Check Amt	Invoice	Comment
111300 PWSB Checking				
Unpaid ADP, LLC.				
E 100-515600-210	PROFESSIONAL SERVICES	\$601.29	512628002	TREAS-4/9/18 PROCESSING CHARGES
E 100-515600-210	PROFESSIONAL SERVICES	\$530.80	512628272	TREAS-4/7/18 PROCESSING CHARGES
E 100-515600-210	PROFESSIONAL SERVICES	\$432.60	512628346	TREAS-WORKFORCE NOW PROCESSING CHARGES
Total ADP, LLC.		\$1,564.69		
Unpaid AIRGAS USA LLC				
E 100-533210-353	MAINTENANCE PARTS	\$49.60	9950813300	DPW-ACETYLENE CYLINDER RENTALS
Total AIRGAS USA LLC		\$49.60		
Unpaid AT&T				
E 100-533210-225	TELEPHONE/COMMUNICATIO	\$36.63	262375760304	DPW-PHONE
E 260-555110-225	TELEPHONE/COMMUNICATIO	\$141.51	262375760304	LIBR-PHONE
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$50.54	262375760304	CWRC-PHONE
E 100-518100-225	TELEPHONE/COMMUNICATIO	\$49.90	262375760304	CH-PHONE
E 100-522230-225	TELEPHONE/COMMUNICATIO	\$39.91	262375760304	FD-PHONE
Total AT&T		\$318.49		
Unpaid AT&T LONG DISTANCE				
E 260-555110-225	TELEPHONE/COMMUNICATIO	\$37.08	836841746	LIBR-LONG DISTANCE
E 100-522110-225	TELEPHONE/COMMUNICATIO	\$4.59	836841746	PD-LONG DISTANCE
G 100-156200	DUE FROM LIGHT & WATER	\$80.20	836841746	L&W-LONG DISTANCE
Total AT&T LONG DISTANCE		\$121.87		
Unpaid B&B TRAILERS, INC.				
E 400-555510-811	VEHICLE REPLACEMENTS	\$5,000.00	25133	PARKS-PO#PKS 794-18' FLAT DECK TRAILER
E 100-533311-240	REPAIR AND MAINTENANCE	\$1,859.00	25133	DPW-PO#PKS 794-18' FLAT DECK TRAILER
Total B&B TRAILERS, INC.		\$6,859.00		
Unpaid BEYER S HARDWARE STORE				
E 100-533210-353	MAINTENANCE PARTS	\$95.81	138585	DPW-HEATER/FAN/SPOT REMOVER
E 100-533210-353	MAINTENANCE PARTS	\$39.94	138592	DPW-TUBING/INSERT ADAPTER/GALV NIPPLES
E 100-533210-353	MAINTENANCE PARTS	\$33.52	138598	DPW-FEBREZE/TOILET BOLT CAP/BROOM
E 100-533210-353	MAINTENANCE PARTS	\$34.09	138602	DPW-MPT ADAPTER/STRAINER/TUBING
E 100-533210-353	MAINTENANCE PARTS	\$80.97	138611	DPW-AA BATTERIES/TWR HEATER/FAN
E 100-533210-353	MAINTENANCE PARTS	\$32.89	138676	DPW-GALV CAP/FLANGES
E 100-518100-240	REPAIR AND MAINTENANCE	\$17.47	138684	COMPLEX-PICTURE HANGERS
E 100-518100-240	REPAIR AND MAINTENANCE	\$4.94	138694	COMPLEX-MPT CHR AERATOR
E 220-555390-347	SUPPLIES AND EXPENSES	\$13.49	138744	REC-AAA BATTERIES
Total BEYER S HARDWARE STORE		\$353.12		
Unpaid BUBLITZ PLUMBING & HEATING				
E 100-533210-350	OPERATING SUPPLIES	\$102.50	18534	DPW-SERVICE TO ROOFTOP HEATING SYSTEM
Total BUBLITZ PLUMBING & HEATING		\$102.50		
Unpaid BUSINESS CARD				
E 100-555510-240	REPAIR AND MAINTENANCE	\$104.54	1690	PARKS-APPLE ONLINE STORE-APPLE PENCIL



CITY OF CEDARBURG

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APRIL 2018

		Check Amt	Invoice	Comment
E 100-555510-240	REPAIR AND MAINTENANCE	(\$5.54)	1690	PARKS-CREDIT-TAX REFUNDED-APPLE ONLINE
E 100-555510-240	REPAIR AND MAINTENANCE	\$49.90	1690	PARKS-AMAZON MKTPLACE-IPAD FOLIO
E 601-573850-390	OTHER EXPENSES	\$99.83	1764	CWRC-AMAZON PRIME MEMBERSHIP RENL
E 601-573825-372	SAFETY EQUIPMENT	\$39.99	1764	CWRC-AMAZON.COM-UNIFORMS
E 601-573850-330	TRAVEL & TRAINING	\$128.75	1764	CWRC-WWOA REGISTRATIONS
E 601-573825-372	SAFETY EQUIPMENT	\$92.97	1764	CWRC-AMAZON.COM
E 601-573825-372	SAFETY EQUIPMENT	\$43.20	1764	CWRC-AMAZONMKTPLACE
E 220-555390-347	SUPPLIES AND EXPENSES	\$50.00	1873	REC-PLUGNPAY/SURVEYMONKEY
E 220-555390-347	SUPPLIES AND EXPENSES	\$244.01	1873	REC-AMAZON.COM/GO DADDY
E 220-555390-347	SUPPLIES AND EXPENSES	\$901.00	1873	REC-ROCKINJUMP/FACEBOOK
E 220-555390-372	SAFETY EQUIPMENT	\$55.00	1873	REC-AMERICAN RED CROSS
E 220-555390-394	POMS EXPENSES	\$154.00	1873	REC-OMNI-POMS KEYCHAINS
E 240-555320-340	MAINTENANCE SUPPLIES	\$171.03	1873	POOL-WRISTCO.COM/AMAZON.COM
E 240-555320-340	MAINTENANCE SUPPLIES	(\$5.13)	1873	POOL-CREDIT-WRISTCO SALES TAXES
E 240-555320-380	EQUIPMENT/CAPITAL OUTLA	\$494.78	1873	POOL-LOWE'S-CHAISE LOUNGE CHAIR
E 100-555140-310	OFFICE SUPPLIES	\$55.98	1873	SR CTR-AMAZON.COM-BALLS
E 100-522310-330	TRAVEL & TRAINING	\$414.15	3367	B.I.-CONSTRUCTION BOOK
E 100-533110-330	TRAVEL & TRAINING	\$390.00	3367	ENG-AMERICAN PW-REGISTRATIONS
E 100-513100-390	OTHER EXPENSES	\$97.20	3367	MICHAELS-MAYOR KINZEL'S PICTURE
E 100-533210-353	MAINTENANCE PARTS	\$177.69	6193	DPW-AMAZON MKTPLACE
E 100-533210-353	MAINTENANCE PARTS	\$3.29	6193	DPW-AMAZON.COM
E 100-533730-344	RECYCLING EXPENSES	\$47.99	6193	DPW-AMAZON DASH CAMERA
E 100-533210-350	OPERATING SUPPLIES	\$37.95	6193	DPW-AMAZON SANDISK CARD
E 100-533210-350	OPERATING SUPPLIES	\$11.39	6193	DPW-OFFICEMAX/DEPOT-CAR CHARGER/DESKPAD
E 100-533210-350	OPERATING SUPPLIES	\$78.00	6193	DPW-CONLEY PUBLISHING-NEWS GRAPHIC
E 100-519200-335	LEADERSHIP DEVELOPMENT	\$34.99	6193	EE MTG-CVMIC TRNG-4/11/18-DEF. DRVG
Total BUSINESS CARD		\$3,966.96		
Unpaid CDW GOVERNMENT, INC.				
E 100-522110-310	OFFICE SUPPLIES	\$189.51	MGF5066	PD-BROTHER ROLL THERMAL PAPER
E 100-522110-380	EQUIPMENT/CAPITAL OUTLA	\$2,430.45	MJG3859	PD-DELL 3050/MS OFFICE 2016
Total CDW GOVERNMENT, INC.		\$2,619.96		
Unpaid CINTAS FIRST AID & SAFETY				
E 100-533210-353	MAINTENANCE PARTS	\$60.83	5010530702	DPW-FIRST AID SUPPLIES
Total CINTAS FIRST AID & SAFETY		\$60.83		
Unpaid COMPUTER EXPLORERS				
E 220-555390-290	MAINT/CONTRACTED SERVIC	\$320.00	442203	REC-APRIL CLASS-PIRATES, ALIENS 4/2-5/18
E 220-555390-290	MAINT/CONTRACTED SERVIC	\$440.00	442204	REC-APRIL CLASS-STREAM SAMPLER-4/2-5/18
E 220-555390-290	MAINT/CONTRACTED SERVIC	\$280.00	442205	REC-APRIL CLASS-STREAM SAMPLER 7-12 YRS 4/2-5/18
E 220-555390-290	MAINT/CONTRACTED SERVIC	\$200.00	442206	REC-APRIL CLASS-LEGOS, CARS/CATAPULTS 4/2-5/18
Total COMPUTER EXPLORERS		\$1,240.00		
Unpaid CONSTANT CONTACT, INC.				
E 100-514700-380	EQUIPMENT/CAPITAL OUTLA	\$70.00	190926297	IT-EMAIL PLUS 4/17/18 TO 5/16/18



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		Check Amt	Invoice	Comment
Total CONSTANT CONTACT, INC.				
		\$70.00		
Unpaid	EGELHOFF LAWNMOWER SERVICE			
E 100-555510-380	EQUIPMENT/CAPITAL OUTLA	\$359.88	239242	PARKS-HANDHELD BLOWER/BATTERY PACK
Total EGELHOFF LAWNMOWER SERVICE		\$359.88		
Unpaid	EHLERS & ASSOCIATES			
E 351-566710-212	ATTORNEY/CONSULTANT	\$6,475.00	76616	2018 ARRABELLE-JAN & FEB SERVICES
Total EHLERS & ASSOCIATES		\$6,475.00		
Unpaid	ENERGENECS			
E 601-573830-340	MAINTENANCE SUPPLIES	\$147.49	0035922-IN	CWRC-CONNECTORS
Total ENERGENECS		\$147.49		
Unpaid	FIVE CORNERS DODGE			
E 100-522120-240	REPAIR AND MAINTENANCE	\$72.61	38737	PD-VEH#8-OIL/FILTER CHANGE
Total FIVE CORNERS DODGE		\$72.61		
Unpaid	FOX VALLEY TECH COLLEGE-PO2277			
E 100-522110-330	TRAVEL & TRAINING	\$225.00	WILEAP CON	PD-AMY FISCHER ID# 300001223
Total FOX VALLEY TECH COLLEGE-PO2277		\$225.00		
Unpaid	GEMPLER S			
E 100-555510-240	REPAIR AND MAINTENANCE	\$18.99	SI04143153	PARKS-PLANT STAKES
E 100-555510-240	REPAIR AND MAINTENANCE	\$26.76	SI04141087	PARKS-PLANT STAKES
Total GEMPLER S		\$45.75		
Unpaid	GENERAL COMMUNICATIONS, INC.			
E 100-533311-363	SIGNS	\$830.00	253539	DPW-LITHIUM POLYMER BATTERIES
Total GENERAL COMMUNICATIONS, INC.		\$830.00		
Unpaid	GLOBAL RENTAL CO., INC			
E 100-555510-290	MAINT/CONTRACTED SERVIC	\$350.00	3239757	PARKS-DELIVERY/PU CHARGE FOR AT37G
Total GLOBAL RENTAL CO., INC		\$350.00		
Unpaid	GOLD, SHERINA			
R 220-467329	SUMMER SOCCER	\$65.00	REFUND	REC-REFUND FOR SOCCER CANCELLATION
Total GOLD, SHERINA		\$65.00		
Unpaid	GRAINGER			
E 100-555510-240	REPAIR AND MAINTENANCE	\$151.29	9764644333	PARKS-ELECTRIC FENCE/POST DRIVER
Total GRAINGER		\$151.29		
Unpaid	HOME DEPOT CREDIT SERVICES			
E 100-533210-350	OPERATING SUPPLIES	\$66.81	1582202	DPW-PHONE HOLDER/BUNGEE CORDS/T-HANDLE RATCHETS
E 100-533311-363	SIGNS	\$268.94	1583710	DPW-MILW SHOCKWAVE BIT HOLDERS
Total HOME DEPOT CREDIT SERVICES		\$335.75		



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		Check Amt	Invoice	Comment
Unpaid	JAMES IMAGING SYSTEMS, INC.			
E 100-514700-385	EQUIPMENT OUTLAY	\$239.71	22460721	1ST FLOOR COPIER RENTAL
E 100-514700-385	EQUIPMENT OUTLAY	\$239.71	22460721	2ND FLOOR-COPIER RENTAL
E 100-555510-350	OPERATING SUPPLIES	\$207.78	22460721	REC-COPIER RENTAL
	Total JAMES IMAGING SYSTEMS, INC.	\$687.20		
Unpaid	KASDORF, LEWIS & SWIETLIK, SC			
E 700-519400-552	Insurance Claims 2016	\$34.00	512890	ISF-SHABANI V CEDARBURG ALBI057535 1/15/2016
	Total KASDORF, LEWIS & SWIETLIK, SC	\$34.00		
Unpaid	LAWSON PRODUCTS			
E 601-573830-340	MAINTENANCE SUPPLIES	\$141.62	9305744104	CWRC-BOX BLUE TOWELS BULLDOG WYPERS
	Total LAWSON PRODUCTS	\$141.62		
Unpaid	MASTER PRINTWEAR			
E 220-555390-394	POMS EXPENSES	\$527.00	2454	REC-POMS APPAREL
	Total MASTER PRINTWEAR	\$527.00		
Unpaid	MEQUON VACUUM CENTER			
E 100-518100-240	REPAIR AND MAINTENANCE	\$89.00	K836758	COMPLEX-SERVICE TO XP18 SENSOR
	Total MEQUON VACUUM CENTER	\$89.00		
Unpaid	MID MORAINÉ MUNICIPAL COURT			
R 100-451101	COURT PENALTIES & COSTS	\$626.00	BOND	PD-A.J. VAN DER VELLEN 5/12/1985 GERMANTOWN PD CASESE C9809B7DB8 AND C9809B7DB7; CPD CASE 18-6891
	Total MID MORAINÉ MUNICIPAL COURT	\$626.00		
Unpaid	MINOR S GARDEN CENTER			
E 100-555510-341	TREES AND SUPPLIES	\$780.00	0151393	PARKS-ASSORTED GLEDITISIA B&B
	Total MINOR S GARDEN CENTER	\$780.00		
Unpaid	NOETZEL, KATE			
R 220-467310	SUMMER/WINTER REC FEES	\$50.00	REFUND	REC-REFUND FOR ARCHERY CANCELLATION
	Total NOETZEL, KATE	\$50.00		
Unpaid	NORTH CENTRAL LABORATORIES			
E 601-573825-370	LAB SUPPLIES	\$135.05	405320	CWRC-GLASS FLASKS/STOPPERS
E 601-573825-370	LAB SUPPLIES	\$95.91	405465	CWRC-60CC SYRINGES
E 601-573825-370	LAB SUPPLIES	\$277.74	405498	CWRC-BUFFER SOLUTION
	Total NORTH CENTRAL LABORATORIES	\$508.70		
Unpaid	OFFICE DEPOT			
E 601-573825-312	COMPUTER/COPIER SUPPLIE	\$133.16	124062697001	CWRC-S35 CANON TONER
E 100-515600-310	OFFICE SUPPLIES	\$20.79	125187149001	TREAS-6.5X9.5 KRAFT ENVELOPES
E 100-515600-310	OFFICE SUPPLIES	\$27.04	125187149001	TREAS-7.5 X10.5 KRAFT ENV/CALC RIBBONS & SPOOLS
E 100-522310-310	OFFICE SUPPLIES	\$24.99	125187149001	B.I.-DYMO ADDRESS LABELS
	Total OFFICE DEPOT	\$205.98		



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		Check Amt	Invoice	Comment
Unpaid	OLSEN S PIGGLY WIGGLY			
E 100-555510-240	REPAIR AND MAINTENANCE	\$14.38	34706	PARKS-CANOLA OIL
Total	OLSEN S PIGGLY WIGGLY	\$14.38		
Unpaid	ONTECH SYSTEMS, INC			
E 100-514700-380	EQUIPMENT/CAPITAL OUTLA	\$2,045.00	34470	IT-SONIC WALL NETWORK SECURITY
Total	ONTECH SYSTEMS, INC	\$2,045.00		
Unpaid	OZAUKEE ACE HARDWARE			
E 100-518100-350	OPERATING SUPPLIES	\$8.58	154712	COMPLEX V BELTS/SPRING CLAMPS/SCREWS
Total	OZAUKEE ACE HARDWARE	\$8.58		
Unpaid	PACE ANALYTICAL SERVICES, INC.			
E 601-573825-217	OUTSIDE LAB TESTING	\$253.00	1840049976	CWRC-INFLUENT/BIOSOLIDS TESTING
Total	PACE ANALYTICAL SERVICES, INC.	\$253.00		
Unpaid	POMP S TIRE SERVICE, INC.			
E 100-533450-380	EQUIPMENT/CAPITAL OUTLA	\$2,449.35	950255180	DPW-BEAD PRESS SYSTEM KIT
Total	POMP S TIRE SERVICE, INC.	\$2,449.35		
Unpaid	PURPLE COW ORGANICS			
E 100-555510-240	REPAIR AND MAINTENANCE	\$168.00	9495	PARKS-PURPLE COW CLASSIC COMPOST
Total	PURPLE COW ORGANICS	\$168.00		
Unpaid	QUALITY RESOURCE GROUP, INC			
E 100-522110-380	EQUIPMENT/CAPITAL OUTLA	\$55.85	1476415	PD-ICE MOUNTAIN
Total	QUALITY RESOURCE GROUP, INC	\$55.85		
Unpaid	QUALITY STATE OIL CO., INC.			
G 221-161500	FUEL INVENTORY	\$4,668.84	1238615	DPW-REG UNLD GAS
G 221-161500	FUEL INVENTORY	\$4,884.60	1238616	DPW-CLEAR ULSD #2
E 100-533210-351	GAS AND OIL EXPENSE	\$69.26	2382215	DPW-NL RFG
Total	QUALITY STATE OIL CO., INC.	\$9,622.70		
Unpaid	R.A. SMITH NATIONAL			
E 601-573850-215	ENGINEERING	\$480.00	136500	CWRC-HIGHLAND LS-3/1-31/18 ENGINEERING
Total	R.A. SMITH NATIONAL	\$480.00		
Unpaid	RECOGNITION SPECIALISTS, INC.			
E 100-513100-343	AWARDS, SUPPLIES	\$10.00	31334	MAYOR-PLASTIC SIGN-O'KEEFE
Total	RECOGNITION SPECIALISTS, INC.	\$10.00		
Unpaid	REGISTRATION FEE TRUST-TV & RP			
R 100-451301	PARKING VIOLATIONS	\$180.00	UNPD CITATI	PD-36 UNPAID CITATIONS
Total	REGISTRATION FEE TRUST-TV & RP	\$180.00		
Unpaid	RNOW INC			
E 601-573835-296	COLLECTION SYSTEM TELEVI	\$542.87	2018-53542	CWRC-BOB-4HGI DATA OVERLAY BOARD



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		Check Amt	Invoice	Comment
Total RNOW INC				
		\$542.87		
Unpaid	SCHOESSOW, CARY			
E 100-555510-363	SIGNS	\$210.00	3452	PARKS-10 MIL COROPLAST SIGNS
Total SCHOESSOW, CARY		\$210.00		
Unpaid	SE PARK & REC COUNCIL-JACKSON			
E 220-555390-320	PROF PUBLICATIONS AND DU	\$30.00		MEMBERSHIP REC-DEPT/AGENCY MEMBERSHIP
Total SE PARK & REC COUNCIL-JACKSON		\$30.00		
Unpaid	SETTLERS INN			
E 100-514200-310	OFFICE SUPPLIES	\$630.66	3965-3	ELECTION-FOOD FOR 4/3/18 ELECTION
Total SETTLERS INN		\$630.66		
Unpaid	SHEFFIELD, MARY			
E 100-566310-210	PROFESSIONAL SERVICES	\$2,252.50	CONTRACT	ECON DEVELOP.-APRIL 2018 SERVICES
Total SHEFFIELD, MARY		\$2,252.50		
Unpaid	SHORT ELLIOTT HENDRICKSON INC			
E 400-518100-806	CITY HALL IMPROVEMENTS	\$3,583.92	348964	MONOPOLE-ADDITIONAL CONSTRUCTION COSTS
Total SHORT ELLIOTT HENDRICKSON INC		\$3,583.92		
Unpaid	STAPLES ADVANTAGE			
E 100-514100-310	OFFICE SUPPLIES	\$200.82	8049440334	CLERKS-CDR/CAT ENV/DABNSEAL/FILE JACKETS
Total STAPLES ADVANTAGE		\$200.82		
Unpaid	STREICHER S POLICE EQUIPMENT			
E 100-522120-240	REPAIR AND MAINTENANCE	\$160.00	11310167	PD-30-MINUTE W/WIRE STAND
E 100-522110-346	UNIFORMS	\$51.96	11310168	PD-9MM PRACTICE
Total STREICHER S POLICE EQUIPMENT		\$211.96		
Unpaid	SUPERIOR CHEMICAL CORP.			
E 601-573830-340	MAINTENANCE SUPPLIES	\$111.20	187212	CWRC-HEALTHY HANDS RUGGED 4 CLEANSER/DISPENSOR
Total SUPERIOR CHEMICAL CORP.		\$111.20		
Unpaid	TIME WARNER CABLE-PO BOX 4639			
E 100-533210-350	OPERATING SUPPLIES	\$166.71	707258501041	DPW-INTERNET
E 100-555510-220	Internet	\$166.71	707258501414	PARKS-INTERNET
Total TIME WARNER CABLE-PO BOX 4639		\$333.42		
Unpaid	U. S. CELLULAR			
E 100-522410-225	TELEPHONE/COMMUNICATIO	\$26.10	243754301	EM-CARD
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$20.50	243754301	CWRC-HIGHLAND LS
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	WWTP-TABLET
E 100-522310-225	TELEPHONE/COMMUNICATIO	\$46.60	243754301	B.I.-M BAIER
E 100-533210-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	DPW-J BUBLITZ-TABLET
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$1.18	243754301	CWRC-W HESS
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$41.60	243754301	CWRC-E HACKERT



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		Check Amt	Invoice	Comment
E 100-555510-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	PARKS-K LEGAULT-TABLET
E 100-555510-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	PARKS-D SCHWANTES-TABLET
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$53.37	243754301	CWRC-E HACKERT-TABLET
E 601-573825-225	TELEPHONE/COMMUNICATIO	(\$74.99)	243754301	CWRC-CREDIT-E HACKERT-RTND TABLET-REPLACED
E 100-555510-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	PARKS-J PETERSON-TABLET
E 100-522410-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	EM-TABLET
E 100-522410-225	TELEPHONE/COMMUNICATIO	\$26.10	243754301	EM-CARD
E 100-555510-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	PARKS-K WESTPHAL-TABLET
E 100-533210-225	TELEPHONE/COMMUNICATIO	\$16.10	243754301	DPW-IPAD PRO 12.9
E 100-533110-225	TELEPHONE/COMMUNICATIO	\$1.34	243754301	ENG-T WIZA
E 100-533210-225	TELEPHONE/COMMUNICATIO	\$41.60	243754301	DPW-B HINTZ
E 100-518100-225	TELEPHONE/COMMUNICATIO	\$8.78	243754301	COMPLEX-J BUNTROCK
E 100-533110-225	TELEPHONE/COMMUNICATIO	\$1.82	243754301	ENG-M WIESER
E 100-522410-225	TELEPHONE/COMMUNICATIO	\$0.50	243754301	EM-CELL
E 100-555145-225	TELEPHONE/COMMUNICATIO	\$2.58	243754301	SR VAN-CELL
E 100-555510-225	TELEPHONE/COMMUNICATIO	\$41.60	243754301	PARKS-K WESTPHAL-CELL
E 601-573825-225	TELEPHONE/COMMUNICATIO	\$41.60	243754301	CWRC-WWTP DUTY PHONE
Total U. S. CELLULAR		\$409.08		
Unpaid UNIFIRST CORPORATION				
E 100-533210-350	OPERATING SUPPLIES	\$48.20	096 1008082	DPW-UNIFORMS
E 100-533210-350	OPERATING SUPPLIES	\$63.81	096 1008092	DPW-MATS/WIPERS
E 100-533210-350	OPERATING SUPPLIES	\$48.20	096 1009121	DPW-UNIFORMS
E 100-533210-350	OPERATING SUPPLIES	\$48.20	096 1010203	DPW-UNIFORMS
E 601-573825-372	SAFETY EQUIPMENT	\$48.35	096 1011262	CWRC-UNIFORMS
E 100-533210-350	OPERATING SUPPLIES	\$48.20	096 1011267	DPW-UNIFORMS
E 100-518100-240	REPAIR AND MAINTENANCE	\$37.58	096 1011278	COMPLEX-MATS/MOPS
E 100-522100-240	REPAIR AND MAINTENANCE	\$42.05	096 1011279	PD-MATS/MOPS
Total UNIFIRST CORPORATION		\$384.59		
Unpaid WI DNR-HUNTER SAFETY				
E 100-522110-347	SUPPLIES AND EXPENSES	\$95.00	REGISTRATIO	PD-DNR PORTION OF HUNTER SAFETY REG. FEES-SPRING 2018
Total WI DNR-HUNTER SAFETY		\$95.00		
Unpaid WISCONSIN KENWORTH				
E 700-519400-523	INSURANCE CLAIMS - 2018	\$1,104.90	M774410	FD-VEH#152-REPLACEMENT HEADLIGHT
Total WISCONSIN KENWORTH		\$1,104.90		
Unpaid ZUERN BUILDING PRODUCTS				
E 100-555510-240	REPAIR AND MAINTENANCE	\$340.50	75690	PARKS-2X10 TREATED #1 GC SYP
Total ZUERN BUILDING PRODUCTS		\$340.50		
111300 PWSB Checking		\$55,762.57		



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Fund Summary

111300 PWSB Checking

100 GENERAL FUND	\$22,921.51
220 RECREATION PROGRAMS FUND	\$3,329.50
221 FUEL SYSTEM - WASH BAY	\$9,553.44
240 SWIMMING POOL FUND	\$660.68
260 LIBRARY FUND	\$178.59
351 TIF DISTRICT FUND #5	\$6,475.00
400 CAPITAL IMPROVEMENTS FUND	\$8,583.92
601 WATER RECYCLING CENTER	\$2,921.03
700 RISK MANAGEMENT FUND	\$1,138.90
	<hr/>
	\$55,762.57

ORDINANCE NO. 2018-04

An Ordinance Relating Blocking of Sidewalks

The Common Council of the City of Cedarburg, Wisconsin, hereby ordains as follows:

SECTION 1. Section 11-2-7 of the Municipal Code of the City of Cedarburg is hereby amended as follows:

SEC. 11-2-7 OBSTRUCTING STREETS AND SIDEWALKS PROHIBITED.

- (a) **Obstructing Streets.** No person shall stand, sit, loaf or loiter or engage in any sport or exercise on any public street, bridge or public ground within the City in such manner as to prevent or obstruct the free passage of pedestrian or vehicular traffic thereon or to prevent or hinder free ingress or egress to or from any place of business or amusement, church, public hall or meeting place.
- (b) **Blocking Sidewalk Prohibited.** No person shall block any sidewalk by obstructing the same so that it is impossible for a pedestrian to travel along the sidewalk without leaving the sidewalk and walking on adjacent property or on the street. Chairs and other like obstacles for viewing of the 4th of July parade shall not be placed on any sidewalk prior to 7:00 p.m. the night before the parade. No items shall be affixed or attached to any trees, plantings, or fixtures in the right-of-way.

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

Passed and adopted this 14th day of May, 2018.

Michael O'Keefe, Mayor

Countersigned:

Constance K. McHugh, City Clerk

Approved as to form:

Michael P. Herbrand, City Attorney

February 25, 2002 Council minutes

REGULATIONS CONCERNING PLACEMENT OF CHAIRS PRIOR TO FOURTH OF JULY PARADE

Because chairs were placed at curbside as early as 7:00 a.m. on July 3 and several complaints were received from citizens and business owners who found it difficult and hazardous to walk in the downtown area, staff is recommending prohibiting the placement of chairs or other like obstacles on the curb prior to 7:00 p.m. on July 3. This is in accordance with Sec. 11-2-7 of the Municipal Code. Public Works crewmembers and police officers will monitor the placement of chairs and remove any that are placed prior to 7:00 p.m. The chairs and other like obstacles and be held at the Public Works yard and be available to claim on July 5. All unclaimed items will be sold with other abandoned property not sooner than 30 days after the parade.

Council Member Filter suggested that this policy be well publicized. Council Member Gridley stated it would be in the spring newsletter, Chamber of Commerce brochure, cable TV and newspapers.

A motion was made by Council Member Filter, seconded by Council Member Fazio, to regulate the placement of chairs and other like obstacles prior to 7:00 p.m. on July 3. Motion carried without a negative vote.

City of Cedarburg - Connie McHugh

From: Kip Kinzel <kkinzel@tds.net>
Sent: Wednesday, March 28, 2018 5:48 PM
To: City of Cedarburg - Connie McHugh
Subject: Fwd: July 4th parade

Hi Connie
Please forward to the eventual winner.
Thanks
Kip

Sent from my iPad

Begin forwarded message:

Resent-From: <kkinzel@ci.cedarburg.wi.us>
From: downtowndough@aol.com
Date: March 28, 2018 at 12:38:32 PM CDT
To: kkinzel@ci.cedarburg.wi.us
Cc: <niles720@aol.com>
Subject: July 4th parade

Hi Kip,

I saw in the paper that the council had a discussion about putting out chairs before the July 4th parade.

First off the parade a great Cedarburg event and we strongly support it, however the chair issue is still a problem.

It has gotten so bad that we decided a few years ago not to even open on July 3rd anymore. Cars loaded with chairs start arriving before 8AM, By 10 AM the tape and chalk are all over the sidewalk and then by about 2PM the chairs start lining up along the sidewalk with the grills and coolers full of beer and wine and ???. The party is in full swing by 4 PM!

The problem as I see it is that only 1 officer is assigned to try to control the entire Washington Ave strip. So here is my suggestion:

First direct the chief to really patrol the area. Maybe 2 or 3 officers staring at noon. Add funds to the chiefs budget so he can accomplish this.

Next enforce the parking time limits. Most of Washington Ave is a 3 hour time limit, maybe a few tickets might help.

Enjoy the extra time you will have on your hands!

Pat Niles

Downtown Dough LLC
W63N658 Washington Ave



City of Cedarburg

City Administrator's Report

May 10, 2018

Department News

The following information is provided to keep the Common Council and staff informed on some of the activities and events of the City. Points of clarification may be addressed during the City Administrator's Report portion of the agenda; however, if discussion of any of these items is necessary, placement on a future Council agenda should be directed.

Engineering & Public Works— The Street and Utility and Sidewalk projects are underway. The Highland Road lift station land purchase is moving forward.

CN Railroad will be repairing the railroad crossing on Pioneer Road before June 1. They will be using the southern detour route to Bonniwell Road for this work.

Water Recycling Center—The Utility is working on catch basins and cleaning sewers. Two employees attended a two day class and took DNR tests. The roof replacement will be done this week.

Senior Center—May is Older Americans Month. The opening for the 18th Annual Art Show for Seniors was May 9 and the art will be on display for two months. A free Information and Health Fair, with 10 businesses participating, will be held on Wednesday, May 16 from 12:30 p.m.—3:30 p.m. The 24th Annual Ozaukee County Senior Games will be held May 23—June 14.

Light & Water—The Utility is flushing fire hydrants through this week. Due to the Federal Tax Reform, wholesale power costs have decreased and customers will see a permanent 2% reduction in their power bills.

Library—The Library will be looking for a custodian for it's building. Community and Adult Services Librarian Deb Bauer joined the Library team last month. The Library is preparing for the Summer Reading Program.

Administrator—I met with the Cedarburg Town Administrator Tim Rhode last week, to discuss a joint telephone system. City Attorney Herbrand and I met with AT&T last week about their monopole lease agreement.

Department Heads will be attending EPL training on May 21.

There is a Personnel Committee meeting scheduled for May 22 at 6 :00 p.m.

The Health Insurance Committee will be meeting to discuss wellness tracking software.

Wednesday I attended a district Administrator's meeting in Port Washington on funding retiree healthcare benefits.

Judy Jepson has a collection of items all related to the history of Cedarburg. She has been in the process of donating the collection to the City over the last year or so. We have an agreement with the History Museum to display items and are working on an agreement with the Cedarburg Art Museum for her paintings. The collection will be stored at the Community Center Gym. Judy invites you to visit her to see the collection before it is all boxed up. If you are interested, let me know and I will share her contact information with you.

Respectfully submitted,

Christy Mertes
City Administrator



City of Cedarburg
First Quarter Financial Report
March 31, 2018

Prepared By:
Christy Mertes, Administrator/Treasurer
Kelly Livingston, Deputy Treasurer/Payroll Officer
Kathy Huebl, Accounts Receivable/Accountant II
Jenny Valenta, Account Clerk/Receptionist

Memorandum

To: Mike O'Keefe, Mayor
Common Council

From: Christy Mertes, City Administrator/Treasurer

Date: May 5, 2018

Re: 2018 First Quarter Financial Report



Attached is the first quarter 2018 financial report for the City of Cedarburg for your review. Included with this report are the following financial statements:

- General Fund (Section A)
- Special Revenue Funds (Section B)
- Capital Improvements (Section C)
- Water Recycling Center (Section D)
- Department Salary Analysis (Section E)
- Cash and Investments (Section F)
- Accounts Receivable and Special Assessments (Section G)
- Environmental Account (Section H)
- Internal Service Fund (Section I)
- Debt Service Fund (Section J)
- TIF #3, #4 and #5 (Section K)
- Light & Water (Section L)
- Fire Department (Section M)

There is a new fund 221 for the Fuel System and Wash Bay so that all expenditures and revenues will be tracked for the use of the fuel system and car wash. This is page B-11.

There is also a new section for the Fire Department. During the 2017 audit the auditors and I decided to only record all the Fire Department transactions at year end to ease the pain of reconciliation. The report attached is from the Fire Department accountant.

Please contact the Treasurer's Office at 375-7607 with questions you may have regarding the report.

City of Cedarburg
General Fund
First Quarter Financial Report
March 31, 2018

Operations at the end of the quarter were in line with budget for revenues and expenditures. The comments below highlight some of the significant accounts and fluctuations from the budget.

Revenues

At the end of the quarter revenues totaled \$6,768,559; 76% realized.

Property taxes were 100% realized in January. **Property tax equivalent** from Light & Water is accrued and paid monthly. The amount changes with infrastructure improvements and the assessment ratio. As the assessment ratio goes down so does the payment from the utility when calculating the taxes.

The **Intergovernmental Revenues** at the end of the quarter totaled \$151,629; 17% realized. Included in this budget are State Computer Aids, Shared Revenues and Expenditure Restraint revenues. These revenues are received through installments or a one-time only payment. To date only the first quarter transportation aids have been received.

Regulation and Compliance Revenues at quarter end totaled \$133,663; 28% realized. Licenses are only 6% realized at the end of March due to the liquor license renewals being due July 1. The majority of the fees collected were building, electrical, plumbing and HVAC permits; 55% realized. The permits are substantially lower from March 2017. Court penalties and costs are 18% realized for the quarter. Parking violations are 44% realized. This account is for all traffic violations and other ordinance violations. Cable franchise fees are received quarterly; payments for the first quarter are due by April 30.

Public Charges for Services are 27% realized at the end of March; in the amount of \$31,417. General Government Charges include the Treasurer's and Assessor's Office fees that are 52% realized. Police Department fees at the end of the quarter are \$1,564; 8% realized. The alarm fees are due at the beginning of the year and the false alarm fees are collected periodically throughout the year. Also included in this category are the Public Works' fees; 16% realized. Included in the Public Works fees account are the recycling cart upgrades, appliance pick up fees and the reimbursement of the crew's time for set up and take down of festivals. Park rental fees to date total \$2,475; 35% realized. Senior Center fees which include the tour sales totaled \$14,794 at the end of the first quarter.

Intergovernmental Charges are \$14,542 or 6% realized at the end of the quarter. Included in this category are the quarterly billings to the Town for the Fire and EMS shared services and the Cedarburg School District payments for the crossing guards' payroll expenditures. The actual Fire and EMS expenditures are charged out to the Town for reimbursement based on a formula. The first quarter bill was not recorded until May.

Interdepartmental Charges are \$705 at quarter end; 4% realized. Fees charged are for Sewer, room tax, TIF, and CDBG administrative services. Room tax administrative fees are collected the month after the quarter end when the funds are distributed to the Chamber of Commerce Tourism, Promotion and Development Committee.

General Fund

First Quarter Financial Report 2018

Commercial Revenues includes interest, rent, donations and the sale of City property. These revenues total \$111,553 as of March 31; 49% realized. The water tower rent is received in full for the year from the cell carriers.

Expenditures

At the end of the quarter expenditures are expected to be 25% expended. As of March 31 expenditures are \$2,290,877 and 24% expended. The budget amounts include the 2017 encumbrances for goods or services that were "carried over" to 2018. The Council approved these changes to the budget at the February 26th meeting. Expenditures were budgeted \$487,100 over revenues for the purchase of handguns for the Police Department, bathroom upgrades at two park facilities, branding initiative, funding for the contingency reserve account, a transfer to Capital Improvements for a Fire Department project and senior van purchase and a transfer to the swimming pool fund for a sand area shower. The adjusted budgeted expenditures are \$510,059 over revenues. The difference, \$22,959, is due to the encumbrances. Encumbrances included purchases for Elections, City Hall and Public Works that were not completed in 2017. The City Hall encumbrances are the largest in the amount of \$18,600 for exterior painting of the complex.

General Government expenditures to date total \$261,139; 23% expended. General Government includes the Council, Mayor, Clerk, Treasurer, audit, legal, Assessor, and City Hall Departments. The Council is 40% expended at the end of the first quarter because dues are paid in full at the beginning of the year. The computer replacements were completed in the first quarter making the information technology budget 47% expended. Property and Liability Insurance is 97% expended due to premiums for the year paid in full in January.

Public Safety expenditures are \$1,046,186; 25% expended, at the end of the first quarter. The departments are all in line with their budget for the year except for the Fire Department. The Fire Department retirement and insurance are paid in full for the entire year in January.

Public Works expenditures are \$614,728; 23% expended at quarter end. The property insurance of \$38,263 was paid in full in January.

The Parks, Forestry & Recreation Department expenditures total \$252,250; 26% expended, at quarter end. The Forestry Crew, along with Public Works Crew Members were out tree trimming most of the first quarter.

Conservation and Development expenditures totaled \$41,574 at quarter end, 35% expended, for City planning and economic development services. The higher than expected expenditures are due to the City's \$15,000 contribution to the branding initiative in January.

Transfers to Other Funds budgeted are \$87,500. One transfer for \$1,000 will be made to the Recreation Programs Fund for the Civic Band. The other one to Capital Improvements in the amount of \$75,000 for the Fire Department projects was made in the first quarter.

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**City of Cedarburg
General Fund
Financial Report Summary
As of March 31, 2018**

	2017 Actual	2018 Actual	2018 Budget	% Realized/ Expended
Revenues				
Taxes—General Government	\$5,869,616	\$6,133,050	\$6,133,050	100.00%
Tax Equivalent—Utility	252,000	192,000	832,349	23.07%
Intergovernmental Revenues	193,042	151,629	876,083	17.31%
Regulation and Compliance	62,402	133,663	479,320	27.89%
Public Charges for Services	33,713	31,417	117,545	26.73%
Intergovernmental Charges	7,938	14,542	227,643	6.39%
Interdepartmental Charges	489	705	16,000	4.41%
Commercial Revenues	114,082	111,553	228,211	48.88%
Total Revenues	\$6,533,282	\$6,768,559	\$8,910,201	75.96%
Expenditures				
General Government	\$301,485	\$261,139	\$1,150,934	22.69%
Public Safety	1,156,595	1,046,186	4,106,028	25.48%
Public Works	633,204	614,728	2,633,432	23.34%
Parks, Forestry & Recreation	217,232	252,250	957,719	26.34%
Conservation & Development	16,094	41,574	119,647	34.75%
Contingency Reserve	0	0	365,000	0.00%
Transfers to Other Funds	0	75,000	87,500	85.71%
Total Expenditures	\$2,323,610	\$2,290,877	\$9,420,260	24.32%
Revenues Over/(Under) Expenditures		\$4,477,682	(\$510,059)	
Beginning Fund Balance		2,458,071	2,458,071	
Change in Encumbrances		(22,959)		
Fund Balance, End of Quarter/Budget		\$6,912,794	\$1,948,012	

**General Fund
Financial Report
As of March 31, 2018**

	March			
	2017 Actual	2018 Actual	2018 Budget	% Realized/ Expended
Revenues				
Taxes:				
General property	\$5,869,616	\$6,133,050	\$6,133,050	100.00%
Tax equivalent—Light & Water	252,000	192,000	832,349	23.07%
Total Taxes	6,121,616	6,325,050	6,965,399	90.81%
Intergovernmental Revenues:				
State Shared Revenues	0	0	204,518	0.00%
Fire insurance dues	61,191	0	0	0.00%
Expenditure Restraint	0	0	0	0.00%
State grants:				
Recycling	0	0	37,800	0.00%
Police training/other	0	0	6,700	0.00%
State computer aids	0	0	20,551	0.00%
Forestry Grant	0	0	0	0.00%
Transportation Aids:				
General highway aids	131,851	151,629	608,514	25.00%
Total Intergovernmental	193,042	151,629	876,083	17.31%
Regulation and Compliance:				
Licenses	2,680	3,470	56,200	6.17%
Permits	40,641	112,270	205,620	54.60%
Court penalties & costs	8,374	7,845	44,500	17.63%
Parking violations	10,707	10,078	23,000	43.82%
Cable television fees	0	0	150,000	0.00%
Total Regulation and Compliance	62,402	133,863	479,320	27.69%
Public Charges for Services:				
General government	2,194	7,001	13,365	52.38%
Police Department fees, alarm, false alarm	8,007	1,564	20,180	7.75%
Public Works fees	10,790	5,583	34,700	16.09%
Park fees	1,136	2,475	7,000	35.36%
Senior Center fees	11,586	14,794	41,700	35.48%
Public Charges for Services	0	0	600	0.00%
Total Public Charges for Services	33,713	31,417	117,545	26.73%

**General Fund
Financial Report
As of March 31, 2018**

	March			
	2017 Actual	2018 Actual	2018 Budget	% Realized/ Expended
Intergovernmental Charges:				
Sanitation—Town	0	0	3,350	0.00%
Fire—Operating Expense—Town	0	0	167,229	0.00%
Fire/EMS Dispatching—Town	363	0	3,500	0.00%
Emergency Management—Town	0	0	600	0.00%
Crossing Guards—School	7,575	14,542	50,000	29.08%
City of Mequon—Reimbursement for Services	0	0	2,964	0.00%
Total Intergovernmental Charges for Services	7,938	14,542	227,643	6.39%
Interdepartmental Charges:				
Sewer—Admin	0	0	10,250	0.00%
Room Tax—Admin	0	0	3,250	0.00%
CDBG—Admin	395	333	1,500	22.20%
TIF—Admin	94	372	1,000	37.20%
Total Interdepartmental Charges	489	705	16,000	4.41%
Commercial Revenues:				
Interest on investments	14,153	28,283	46,254	61.15%
Change in Market Value	1,715	(16,092)	5,000	-321.84%
Interest on Special Assessments	0	1	0	0.00%
Interest—Delinquent taxes	5	20	300	6.67%
Rental charges	4,095	4,129	14,100	29.28%
Rent—City Prop.—Water Tower	89,653	94,270	150,890	62.48%
Sale of City property	0	0	0	0.00%
Prior year/Miscellaneous	(2,260)	717	0	0.00%
Donations	6,721	225	11,667	1.93%
Total Commercial Revenues	114,082	111,553	228,211	48.88%
Total Revenues	6,533,282	6,768,559	8,910,201	75.96%

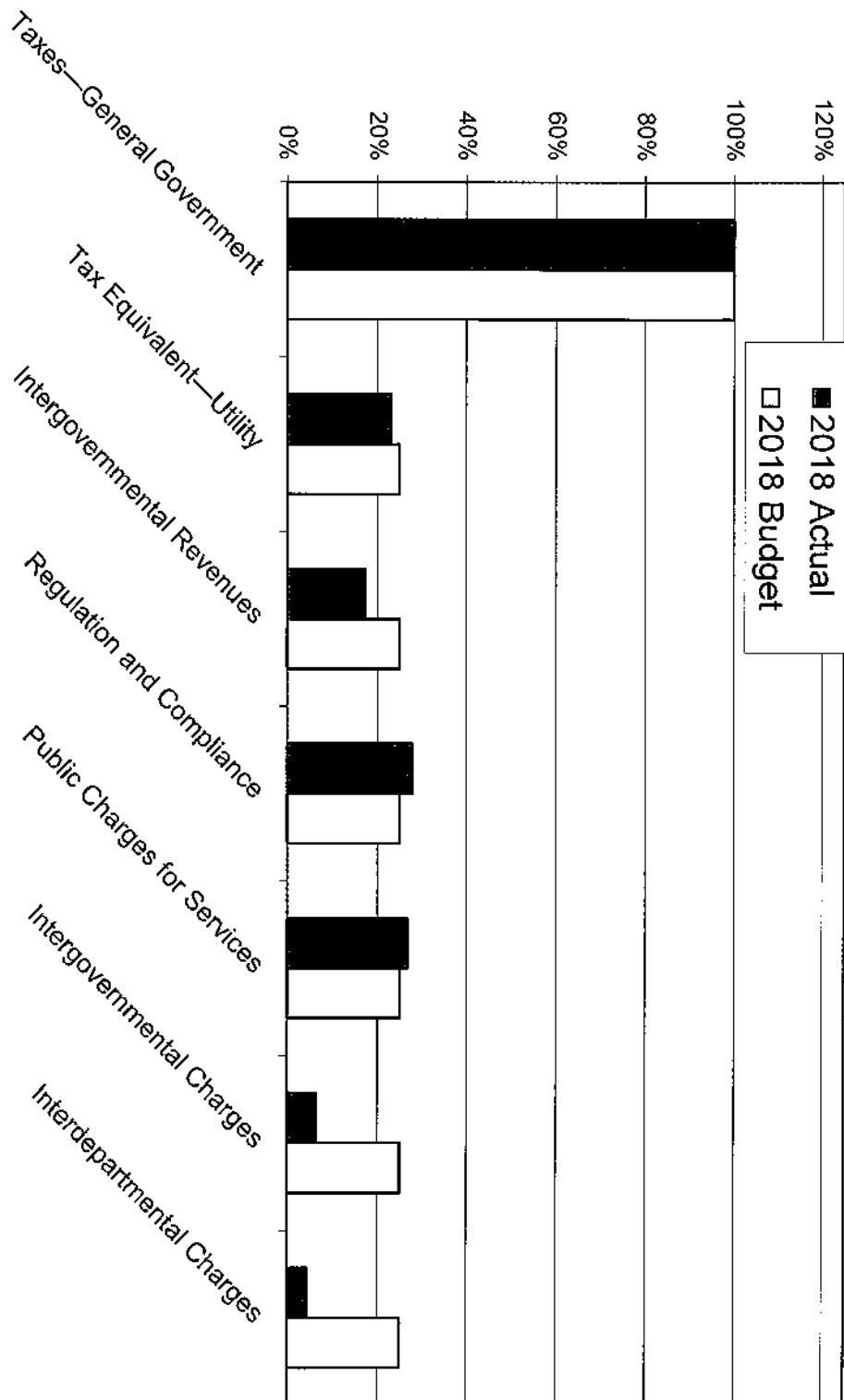
**General Fund
Financial Report
As of March 31, 2018**

	March			
	2017	2018	2018	% Realized/
	Actual	Actual	Budget	Expended
Expenditures				
General Government:				
Council	\$10,400	\$10,005	\$25,170	39.75%
Mayor	1,832	1,525	8,021	19.01%
Administrator	23,703	24,268	105,642	22.97%
City Clerk	49,188	52,008	235,670	22.07%
Elections	6,518	6,370	46,048	13.83%
Information Technology	20,260	21,408	45,600	46.95%
Assessor	38,043	38,068	133,845	26.95%
Treasurer	42,984	42,619	182,939	23.30%
Independent Audit	7,500	6,250	28,000	22.32%
City Attorney	19,085	15,097	80,000	18.87%
City Hall	71,297	35,483	245,178	14.47%
Uncollectible Taxes	2,113	0	0	0.00%
Employee Relations	1,901	1,136	5,650	20.11%
Property & Liab. Insurance	8,861	8,904	9,171	97.09%
Total General Government	301,465	281,139	1,150,934	22.69%
Public Safety:				
Police Department:				
Station	17,455	20,133	96,783	20.80%
Administration	271,025	252,323	1,025,161	24.61%
Patrol	508,169	505,532	2,048,247	24.68%
Investigative	63,469	73,117	279,281	26.18%
Fire Department	251,886	148,816	470,918	31.60%
Building Inspection	39,758	40,207	160,572	25.04%
Weights & Measures	0	0	2,000	0.00%
Auxiliary Police	3,833	6,058	23,066	26.26%
Total Public Safety	1,155,595	1,046,186	4,106,028	25.48%
Public Works:				
Engineering/PW Admin	48,967	54,852	190,244	28.83%
Mach & Equip/Garage	162,592	135,076	347,089	38.92%
Street Maintenance	146,317	175,947	725,219	24.26%
Streets Ineligible	4,187	3,641	5,450	66.81%
Street Lighting	51,591	73,298	282,000	25.99%
Traffic Control/Signals	1,137	735	12,500	5.88%
Storm Sewers	18,270	19,442	200,720	9.69%
Snow & Ice Control	89,541	38,758	117,200	33.07%
Solid Waste Collection	68,304	69,637	426,444	16.33%
Groundwater Monitoring	0	0	10,050	0.00%
Recycling	42,298	43,342	315,516	13.74%
Nuisance Control	0	0	1,000	0.00%
Total Engineering/Public Works	633,204	614,728	2,633,432	23.34%

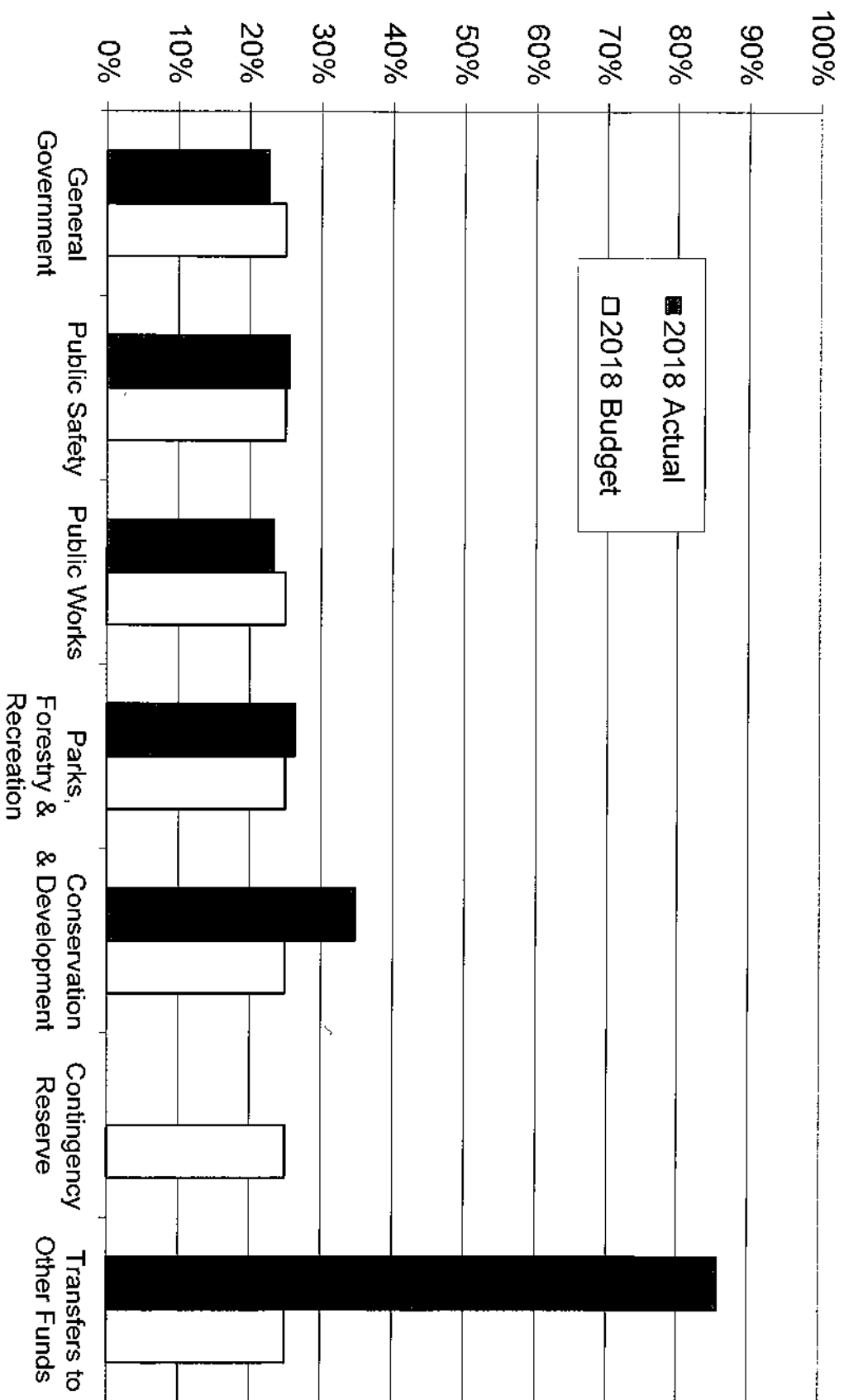
**General Fund
Financial Report
As of March 31, 2018**

	March			
	2017 Actual	2018 Actual	2018 Budget	% Realized/ Expended
Parks, Recreation & Forestry:				
Senior Center	21,830	19,854	94,431	21.02%
Senior Van	355	848	2,885	0.00%
Celebrations	3,015	4,228	45,585	9.27%
Parks & Forestry	192,032	227,320	814,818	27.90%
Total Culture & Recreation	217,232	252,250	957,719	26.34%
Conservation and Development:				
City Planning	16,094	41,574	119,647	34.75%
Total Conservation & Development	16,094	41,574	119,647	34.75%
Reserve for Contingency				
Contingency Reserve	0	0	365,000	0.00%
Total Other Financing Uses	0	0	365,000	0.00%
Other Financing Uses:				
Transfer to other funds	0	75,000	87,500	85.71%
Total Other Financing Uses	0	75,000	87,500	85.71%
Total Expenditures	\$2,323,610	\$2,290,877	\$9,420,260	24.32%

City of Cedarburg - Revenues **March 31, 2018**



City of Cedarburg - Expenditures March 31, 2018





***City of Cedarburg
Cemetery Fund
Quarter Ended
March 31, 2018***



Revenues

The Cemetery fund revenues at the end of the quarter total \$5,850.03; which was from the rent of the house at Immanuel Cemetery, the sale of cemetery lots, monument and marker fees and interest income. Three lots were sold during the first quarter. Interest income is from investments at the State Local Government Investment Pool, long term investments and money market accounts.

From every lot sale, \$75 is set aside for perpetual care of the cemetery. At the end of the quarter, the fund had a balance of \$107,625.00.

Expenditures

The Cemetery fund expenditures include salaries and benefits for the employees maintaining the grounds and the repair and maintenance to the grounds and equipment. Workers' compensation and property insurance are paid in full in January.

At the end of the quarter, total expenditures are expected to be 25% expended. Actual expenditures were 8% expended, under budget.

City of Cedarburg
CEMETERY FUND
Special Revenue Fund
Quarter Ended March 31, 2018

	Budget	Actual	% of Budget Earned/ Expended
Revenues			
Sale of property	\$9,000	\$2,250.00	25%
Monuments & Markers	1,000	250.00	25%
Interest Income	1,200	1,154.27	96%
Rental Income	11,940	2,985.00	25%
Miscellaneous Revenue	2,500	300.00	12%
Change in Market Value	0	-1,089.24	0%
Total Revenues	\$25,640	\$5,850.03	23%
Expenditures			
Salaries	\$3,564	\$1,931.94	54%
Overtime	250	0.00	0%
Part-time Salaries/Seasonal	9,000	0.00	0%
FICA	980	147.79	15%
Retirement	256	129.47	51%
Health Insurance	667	166.77	25%
Life Insurance	1	0.00	0%
Workers' Comp Insurance	546	546.07	100%
Professional Services	11,680	0.00	0%
Electric	410	122.20	30%
Water Service	500	80.85	16%
Grounds Maintenance	3,050	0.00	0%
Repair & Maintenance	3,186	66.09	2%
House Maintenance	1,000	133.50	13%
Operating Supplies	900	14.34	2%
Property Insurance	320	216.73	68%
Transfer to Capital Improvements	7,000	0.00	0%
Total Expenditures	\$43,310	\$3,555.75	8%
Net Change in Fund Balance	(17,670)	2,294.28	
Fund Balance, Beginning of Year	\$267,574	\$267,573.54	
Reserved to Date for Perpetual Care	108,300	107,625.00	
Unreserved Fund Balance	141,604	162,242.82	
Fund Balance, End of Quarter	\$249,904	\$269,867.82	

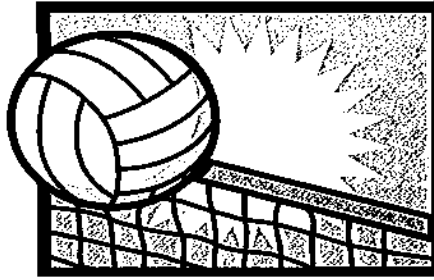


City of Cedarburg
Room Tax Fund
Quarter Ended
March 31, 2017

The City keeps 5% of the collected taxes and the other 95% is disbursed to the Chamber of Commerce for tourism promotion and development (70%) and downtown capital improvements (25%).

The taxes are due quarterly, thirty days after the end of the quarter.

	Budget	Actual	% of Budget Earned/ Expended
Revenues			
Room taxes	\$ 65,000	162.06	0%
Expenditures			
Chamber of Commerce—Tourism	\$ 61,750	0.00	0%
Excess of Revenues Over Expenditures	\$ 3,250	162.06	
Transfer to General Fund	\$ 3,250	0.00	
Fund Balance, Beginning of Year	\$ 462	\$ 462.15	
Fund Balance, End of Quarter	\$ 462	\$ 624.21	



***City of Cedarburg
Recreation Programs Fund
Quarter Ended March 31, 2018***

All programs established in this fund are set up to be self-supporting. Safety training, softball, youth football, youth basketball, volleyball, aquatic fitness, fitness classes and summer/winter recreation fees are the main programs for this fund. Some of the programs administered through this fund are done on a contracted basis with local companies.

Revenues are at budget, with 25% earned. A total of \$1,000.00 has been received for sponsorship of the recreation brochure and \$2,566.00 for donations.

Expenditures are above budget with 30% expended. Workers' compensation and property insurance are both paid in full in January.

The fund balance is used for future equipment purchases.

City of Cedarburg
RECREATION PROGRAMS FUND
Special Revenue Fund
Quarter Ended March 31, 2018

	Budget	Actual	% of Budget Earned/ Expended
Revenues			
Gym Rentals	\$2,000	\$2,236.06	112%
Athletic Field Rentals	300	-	0%
Summer/Winter Rec Fees	65,270	2,358.58	4%
WPRA Ticket Sales	5,000	-	0%
Youth Football Registration	4,500	860.00	19%
Safety Training	6,120	1,135.00	19%
Basketball Fees	19,200	830.00	4%
Softball Fees	13,000	6,090.53	47%
Volleyball Fees	2,000	-	0%
Aquatic Fitness	5,000	1,867.50	37%
Concession Revenues	800	126.00	16%
Special Rec Events	500	-	0%
Solar Recreation	7,700	120.00	2%
Summer Sand Volleyball	1,800	-	0%
Summer Soccer	12,000	5,100.00	43%
Banner Advertising	700	350.00	50%
Poms Revenue	-	21,726.90	0%
Total Body Fitness	11,500	3,647.00	32%
Civic Band Revenue	3,000	-	0%
Recreation Brochure Sponsorships	5,500	1,000.00	18%
Tennis	11,500	-	0%
Youth Center Receipts	500	-	0%
Donations	4,000	2,566.00	64%
Miscellaneous Revenue	30,000	3,078.21	10%
Transfer from General Fund	1,000	-	0%
Total Revenues	\$212,890	\$53,091.78	25%
Expenditures			
Part-time Salaries/Seasonal	\$96,083	\$22,951.37	24%
Exercise Fitness Salaries	6,800	1,752.00	26%
FICA	7,871	1,889.80	24%
EAP Administration	60	-	0%
Workers Comp Insurance	4,298	4,298.46	100%
Telephone	900	88.57	10%
School District Fees	25,000	12,600.00	50%
Maintenance/Contracted Services	28,000	8,305.77	30%
Recreation Brochure	4,000	-	0%
Professional Publications	200	-	0%
Transportation	4,000	-	0%
Supplies & Expenses	21,000	4,875.08	23%
WPRA Tickets	4,500	-	0%
Solar Recreation	6,050	7,728.00	0%
Tennis	9,500	-	0%
Safety Equipment	3,000	700.13	23%
Civic Band Expenses	4,000	-	0%
Other Expenses	5,000	-	0%
Poms Expense	-	3,813.53	
Property Insurance	810	808.66	100%
Total Expenditures	\$231,072	\$69,811.37	30%
Net Change in Fund Balance	(18,182)	(16,719.59)	
Fund Balance, Beginning of Year	\$90,953	\$90,952.82	
Fund Balance, End of Quarter	\$72,771	\$74,233.23	



City of Cedarburg
Community Development Block Grant
Quarter Ended March 31, 2018



The Community Development Block Grant Fund is used for loans to help establish or expand local businesses. This fund does not have a budget.

Revenues

The revenues for this fund include loan repayments. Active loans are to Kettle Moraine Appliance and K. Smith Fitness. Interest from the State of Wisconsin Investment Pool, certificates of deposit, money market and interest on the loans is also included.

Expenditures

The expenditures include administrative fees for Ozaukee County Economic Development and the Treasurer's Office.

Actual	
Revenues	
Interest Income	\$2,617.07
Loan Repayments/Reimbursements	8,118.82
Loan Interest	1,622.11
Change in Market Value	(5,491.27)
Total Revenues	\$6,866.73
Expenditures	
Grant Disbursements	0.00
Grant Administration	332.51
Total Expenditures	\$332.51
Net Change in Fund Balance	6,534.22
Fund Balance, Beginning of Year	\$901,360.01

The U.S. Department of Housing and Urban Development (HUD) is monitoring the State of Wisconsin's Revolving Loan Fund (RLF) program the week of May 14, 2018. HUD is reviewing the loans made by RLFs for compliance. All program funds are on hold until the review is complete and the findings are reported back to the State Division of Energy, Housing and Community Resources (DEHCR).



**City of Cedarburg
Swimming Pool Fund**
Quarter Ended
March 31, 2018



The Swimming Pool is funded by user fees along with subsidizing from the City.

Revenues

The revenues for this fund include lessons, passes, daily fees, rental of the pool, concession sales and a banner program. The pool will be opened for the season on June 2nd. The banner program has generated \$1,050.00. Total revenues are at 21% earned.

Expenditures

The expenditures include salaries and benefits of pool employees and public works employees maintaining the pool. Other expenditures include utilities, licenses, permits, supplies and insurance. Total expenditures are 7% expended.

Workers' compensation and property insurance premiums are paid in full in January.

City of Cedarburg
SWIMMING POOL FUND
Special Revenue Fund
Quarter Ended March 31, 2018

	Budget	Actual	% of Budget Earned/ Expended
Revenues			
Real Estate Taxes	69,652	69,652.00	100%
Fees	82,763	-	0%
Passes	92,000	-	0%
Lessons	21,000	-	0%
Exercise	5,000	-	0%
Uniforms/Misc.	2,400	-	0%
Concessions	46,000	-	0%
Swim Team	4,500	-	0%
Banner Program	2,800	1,050.00	38%
Town - shared	-	-	0%
Donations	3,000	-	0%
Transfer from General Fund	11,500	-	0%
Total Revenues	\$340,615	\$70,702.00	21%
Expenditures			
Swimming Pool			
Salaries	\$26,129	\$5,826.26	22%
Part-time Salaries / Seasonal	121,700	385.07	0%
Maintenance/PW Salaries	16,000	70.38	0%
Maintenance/Part-time	2,800	0.00	0%
FICA	12,747	480.55	4%
Retirement	2,823	402.31	14%
Health Insurance	11,847	2,856.74	24%
Life Insurance	5	0.00	0%
Workers' Comp Insurance	7,539	7,539.29	100%
Total Salaries and Benefits	\$201,590	\$17,560.60	9%
Other Expenses			
Professional Services	2,970	1,955.97	66%
Electric	16,500	1,084.12	7%
Natural Gas	12,000	70.80	1%
Telephone	440	110.71	25%
Water Service	9,760	588.00	6%
Maint/Contracted Services	2,000	300.00	15%
License & Permits	400	0.00	0%
Travel & Training	600	130.00	22%
Maintenance Supplies	16,000	255.08	2%
Uniforms	2,500	0.00	0%
Operating Supplies	20,000	0.00	0%
Equipment/Capital Outlay	19,658	0.00	0%
Other Expenses	1,200	145.81	12%
Property Insurance	3,076	2,479.36	81%
Total Other Expenses	\$107,104	\$7,119.85	7%
Swimming Pool Concessions			
Part-time Salaries / Seasonal	11,000	0.00	0%
FICA	842	0.00	0%
License & Permits	330	0.00	0%
Operating Supplies	19,000	0.00	0%
Equipment/Capital Outlay	750	0.00	0%
Total Concessions	\$31,922	\$0.00	0%
Total Expenditures	\$340,616	\$24,680.45	7%
Change in Fund Balance	(1)	46,021.55	0%
Fund Balance, Beginning of Year	\$15	\$14.90	
Fund Balance, End of Quarter	B-8 \$14	\$46,036.45	



City of Cedarburg
Library Fund
Quarter Ended March 31, 2018



The Library operations are primarily funded by real estate taxes. Other revenues include fines and fees, County reimbursement, and donations. The County reimbursement is for providing service to other County residents who do not have a library within their municipality. The payment is based on the City's Library operating costs and its loans to those residents.

Expenditures include salaries and benefits, contractual services, utilities, and publications. At the end of the quarter, expenses are expected to be 25% expended. In total, expenditures are in line with the budget at 24% expended. Workers' compensation and property insurance premiums are paid in full in January.

LIBRARY FUND
Special Revenue Fund
Year Ended March 31, 2018

	Budget	Actual	% of Budget Earned/ Expended
Revenues			
Real Estate Taxes	\$722,194	\$722,194.00	100%
Library Grants	3,000	0.00	0%
Fees & Fines	22,500	4,729.48	21%
County Reimbursement	205,719	205,719.83	100%
Photocopies—Taxable	2,400	616.08	26%
Library Donations	5,000	3,373.19	100%
Rent-City Property	700	262.50	38%
Total Revenues	\$961,513	\$936,895.08	97%
Expenditures			
Salaries	\$371,980	\$79,193.12	21%
Part-time Salaries/Seasonal	121,311	31,677.32	26%
Maint/PW Salaries	17,600	1,378.30	8%
Sick Pay Out	836	8,464.91	1013%
FICA	39,427	6,576.51	17%
Retirement	34,531	26,930.96	78%
Health Insurance	129,783	24.10	0%
Life Insurance	94	0.00	0%
Longevity	3,654	0.00	0%
EAP Admin	100	0.00	0%
Workers' Comp Insurance	1,143	1,143.48	100%
Total Salaries and Benefits	\$720,459	\$155,388.70	22%
Attorney/Consultant	275	0.00	0%
Electric	24,000	4,530.41	19%
Marketing	200	0.00	0%
Natural Gas	7,300	2,133.38	29%
Telephone	2,800	511.45	18%
Water Service	1,800	474.12	26%
Repair & Maintenance	6,000	3,094.18	52%
Maint/Contracted Services	46,000	15,221.28	33%
Program Supplies	500	89.17	18%
Office Supplies	7,500	4,991.26	67%
Computer Supplies	2,000	0.00	0%
Printing-Newletters,	0	0.00	0%
Postage	625	160.48	26%
Publications & Subscriptions	85,000	16,114.93	19%
Prof Publications	1,600	635.00	40%
Donation Expenditures	3,000	1,151.98	38%
Travel & Training	6,000	850.14	14%
LSTA Grant Expenditure		554.52	
Operating Supplies	2,500	1,417.47	57%
Equipment/Capital Outlay	3,000	0.00	0%
Shared System Services	20,600	14,891.38	72%
Library Technology	3,000	0.00	0%
Employment Expenses	200	201.40	101%
Property Insurance	8,060	6,574.66	82%
Total Non Personnel Services	\$231,960	\$73,597.21	32%
Total Expenditures	\$952,419	\$228,985.91	24%
Net Change in Fund Balance	9,094	707,909.17	
Fund Balance, Beginning of Year	\$32,776	\$32,775.99	
Fund Balance, End of Quarter	\$41,870	\$740,685.16	

City of Cedarburg
Fuel System-Wash Bay

Special Revenue Fund
Quarter Ended March 31, 2018

	Budget	Actual
Revenues		
Public Works Fees		\$605.00
Total Revenues		\$605.00
Expenditures		
Repair & Maintenance		0.00
Equipment/Capital Outlay		0.00
Total Expenditures		\$0.00
Net Change in Fund Balance		605.00
Fund Balance, Beginning of Year		\$0.00
Fund Balance, End of Quarter		\$605.00

**City of Cedarburg
Capital Improvement Fund
Quarterly Financial Report
March 31, 2018**

The report that follows compares the annual adjusted budget to the actual revenues and expenditures for the quarter ending March 31, 2018. The last column shows the percent of revenues recognized and the percent of the budget expended. The comments below highlight some of the activity for the fund.

Revenues

Revenues totaled \$1,333,970; 51% realized at the end of the quarter.

The property taxes are the largest revenue at \$915,000; 69% of total revenues. Real estate taxes were recognized in full the first quarter.

Library impact fees of \$44,199 were collected. Of this amount \$39,082 was from the redevelopment of the St. Francis School site.

Interest income of \$1,964 was earned to date.

Transfers from General Fund was completed in the first quarter for the Fire Department paving projects.

Expenditures

There were two budget adjustments in 2018 for encumbrances carried over from 2017. The purchase of a trailer and additional funds for pre-construction tree pruning. There was also a \$100,000 allocation for the street and storm water projects due to the bids coming in over budget. Additional funds of \$55,000 were allocated to the storm water and \$45,000 to the street projects.

Total expenditures for the quarter are \$434,591 or 14% expended.

The \$300,000 budget for City Hall was for the monopole. Total expenditures for the monopole were \$300,778. The other \$7,000 budgeted is for the façade of the mausoleum at the City's cemetery.

The \$7,148 in expenditures for the Police Department are for equipment to be installed in the new squads.

DPW expenditures are only 3% expended at the end of the first quarter. Street expenditures to date total \$36,200 and storm water expenditures total \$10,536.

The Prochnow landfill monitoring expenditures in the first quarter were \$3,559.

The Parks & Forestry Department purchased their new mower and tractor in the first quarter for a total of \$61,004. To date another \$15,366 was expended on playground equipment.

The Transfer to Debt Service will be made later in the year to offset the Library debt payments.

**CITY OF CEDARBURG
CAPITAL IMPROVEMENT FUND
FIRST QUARTER
FINANCIAL REPORT**

	2018 APPROVED BUDGET	2018 ACTUAL	PERCENT REALIZED/ EXPENDED
Revenues			
Property Taxes:			
Street Improvements	\$200,000	\$200,000	100.00%
Equipment Replacement Reserve	450,000	450,000	100.00%
Storm Water Reserve	225,000	225,000	100.00%
General Projects	40,000	40,000	100.00%
Proceeds from Borrowing	1,487,500	300,000	20.17%
Stormwater Grant	33,000	0	0.00%
Library Impact Fees	0	44,199	0.00%
Interest Income	10,000	1,964	19.64%
Change in Market Value	200	(2,213)	-1106.50%
Transfer from General Fund	75,000	75,000	100.00%
Transfer from Cemetery	7,000	0	0.00%
Transfer from Parks/Playgrounds	70,000	0	0.00%
Sale/Rent of Property	30,000	20	0.07%
Total Revenues	\$2,627,700	\$1,333,970	50.77%
Expenditures			
City Hall Complex			
Complex Improvements	\$307,000	\$300,778	97.97%
Police Department			
Vehicle Replacements	\$80,000	\$7,148	8.94%
Fire Department			
Station Improvements	\$142,000	\$0	0.00%
Auxiliary Police/Emergency Management			
Vehicle Replacements	\$30,000	\$0	0.00%
Siren Upgrades	22,000	0	0.00%
Total Emergency Management	\$52,000	\$0	0.00%

**CITY OF CEDARBURG
CAPITAL IMPROVEMENT FUND
FIRST QUARTER
FINANCIAL REPORT**

	2018 APPROVED BUDGET	2018 ACTUAL	PERCENT REALIZED/ EXPENDED
Public Works			
Equip. Replacement	\$230,000	\$0	0.00%
Street Improvements	1,143,700	36,366	3.18%
Sidewalk Replacements	45,000	(166)	-0.37%
NR216 Compliance	40,000	10,016	25.04%
Stormwater Improvements	272,000	0	0.00%
Storm Sewer Capital Planning	10,276	520	5.06%
Total Public Works	\$1,740,976	\$46,736	2.68%
Environmental Expenses			
Prochnow	\$10,000	\$3,559	35.59%
Dam - engineering and repairs	500,000	0	0.00%
Total Environmental Expenses	\$510,000	\$3,559	0.70%
Parks and Recreation			
Vehicle Replacements	\$67,000	\$61,004	91.05%
Senior Van Replacement	25,000	0	0.00%
Park Improvements	219,000	15,366	7.02%
Total Parks and Recreation	\$311,000	\$76,370	24.56%
Operating Transfers Out			
Transfer to Debt Service	\$58,741	\$0	0.00%
Total Transfers Out	58,741	0	0.00%
Total Expenditures	\$3,201,717	\$434,591	13.57%
Excess of Revenues Over/(Under) Expenditures			
	(574,017)	899,379	
Beginning Fund Balance	\$695,794	\$695,794	
Change in Encumbrances		(25,700)	
Ending Fund Balance	\$121,777	\$1,569,473	

**City of Cedarburg
Water Recycling Center**

Quarter Ended
March 31, 2018

Attached is the quarter-end financial report for the City of Cedarburg Water Recycling Center. This report includes a summary income statement showing the actual vs. budget, a graph depicting the Water Recycling Center replacement fund balances, and an analysis showing the total gallons billed by month for the current year and prior year. The report of capital projects is also included.

Revenues

Revenues at the end of the quarter are above budget. In total, revenues are expected to be 25% earned. The actual percentage was 28.80% received. Interest for the year reflects revenue for monies invested in the state pool, plus investment earnings from investments at US Bank.

Expenditures

Expenses are below budget at the end of the quarter with 21.69% expended.

Gallons Billed

The report shows gallons billed for 2017 and the current year. The graph shows the monthly variances for the current year and for the past three years.

Status of Capital Projects

This schedule lists the current capital projects budget amounts along with the cost for the year to date. The replacement funds used for the projects are also listed on the schedule.

Replacement Fund Investment Activity

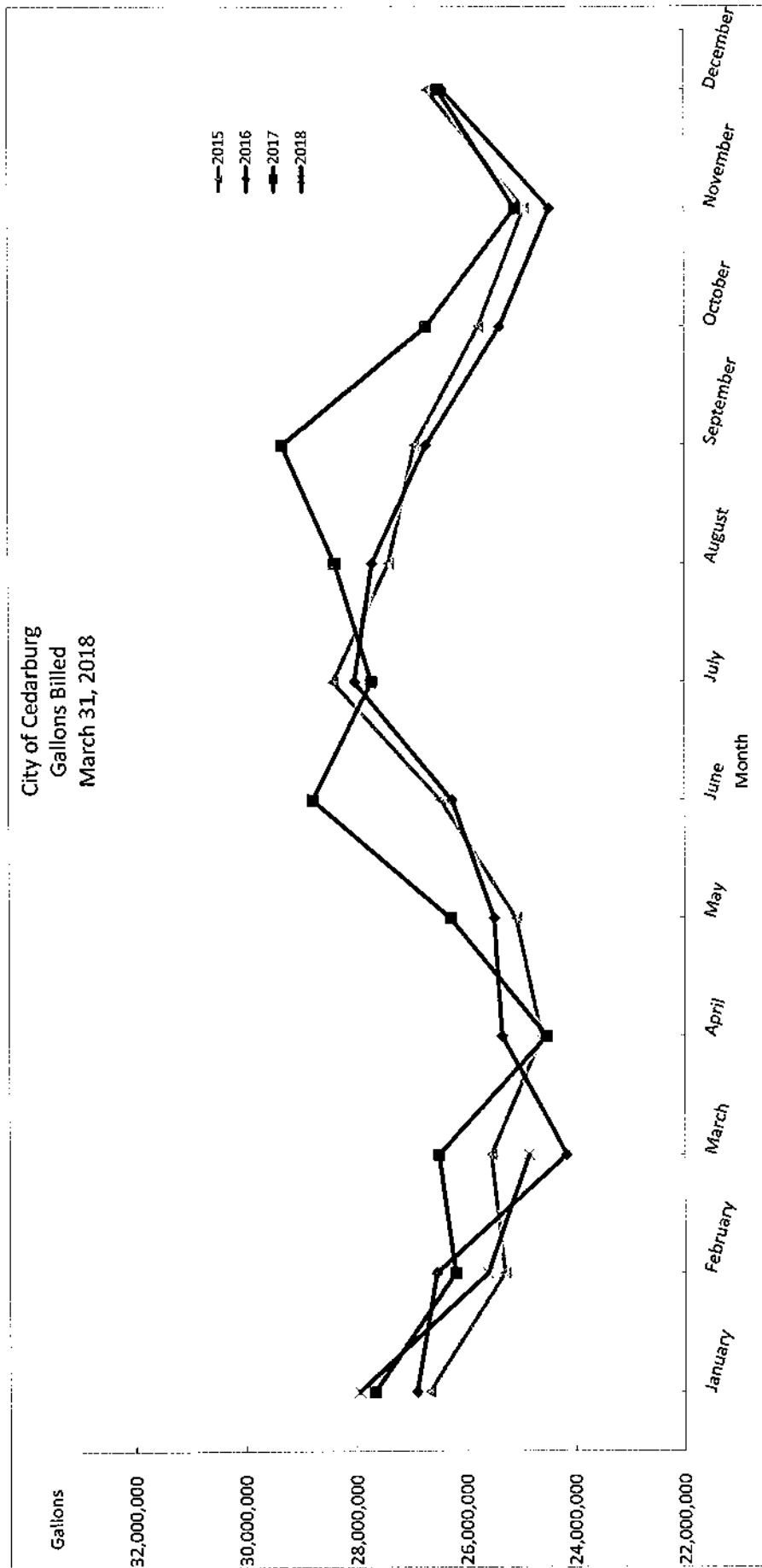
This schedule shows the investments by fund. It also shows the monthly allocations for the collection system and wastewater treatment plant replacements. It also reflects interest earned and any transfers that were made.

**CITY OF CEDARBURG
SEWERAGE COMMISSION
QUARTER ENDED MARCH 2018**

	ACTUAL MARCH 2017	ACTUAL MARCH 2018	ADOPTED BUDGET 2018	ACTUAL 2018	% OF BUDGET EARNED/ EXPENDED
Revenues					
Public Charge for Services					
Residential	\$119,978.61	\$117,474.70	\$1,524,740	\$373,640.67	24.51%
Commercial	37,106.56	35,996.25	448,660	109,205.54	24.34%
Industrial	31,601.12	29,524.01	319,966	85,287.56	26.66%
Public Authority	6,082.27	5,821.90	66,438	17,140.89	25.80%
Misc. Revenue	0.00	0.00	0	682.36	0.00%
Biosolids Impact Fee	0.00	0.00	0	0.00	0.00%
Sewer Connection Fee	1,366.16	61,851.22	5,000	64,673.70	0.00%
Reserve Capacity Fee	636.16	28,802.82	2,000	30,117.12	0.00%
Septage Hauler Fee	3,266.95	7,122.84	50,000	11,631.16	23.26%
Rent—City Property	0.00	0.00	1	1.00	0.00%
Interest	1,674.76	7,558.61	20,000	9,436.88	47.18%
Total Revenues	\$201,712.59	\$294,152.35	\$2,436,805	\$701,816.88	28.80%
Expenditures					
Administrative Labor & Benefits	\$34,910.01	\$35,039.41	\$324,209.00	\$74,213.85	22.89%
General Labor & Benefits	25,764.41	34,888.76	328,004.00	93,919.93	28.63%
Collection System Labor & Benefits	13,364.07	14,866.26	141,014.00	34,124.60	24.20%
WWTP Operations:					
Sludge Hauling	0.00	16,500.00	280,000.00	16,560.00	5.91%
Coagulants	0.00	0.00	12,000.00	0.00	0.00%
Other	11,358.88	10,697.51	177,590.00	31,495.24	17.73%
WWTP Maintenance	6,252.06	10,698.59	67,000.00	13,867.56	20.70%
Collection System	3,914.36	0.00	28,400.00	545.00	1.92%
Lift Stations	3,035.33	3,249.96	63,500.00	8,463.74	13.33%
Transportation	289.27	318.11	12,000.00	1,366.47	11.39%
Administrative Services	9,875.38	27,532.54	221,735.00	57,938.88	26.13%
Contingency Reserve	0.00	0.00	0.00	0.00	0.00%
Debt Service-Principal	0.00	0.00	55,000.00	0.00	0.00%
Debt Service-Interest	17,333.75	10,475.00	27,809.00	10,475.00	37.67%
Depreciation Expense	87,500.00	85,833.33	1,030,000.00	257,499.99	25.00%
Total Expenses	\$213,597.52	\$250,099.47	\$2,768,261.00	\$600,470.26	21.69%
NET CHANGE IN FUND BALANCE					
	(\$11,884.93)	(\$2,474,108.65)	\$1,836,334.74	\$101,346.62	

CITY OF CEDARBURG
SEWERAGE COMMISSION
SUMMARY REPORT AS OF MARCH 31, 2018

	MARCH 2017	MARCH 2018	2018
Septage Haulers	384,000	444,200.00	1,097,400.00
Light & Water Billing			
Gallons			
Residential	16,218,100	15,708,835	51,588,168
Commercial	3,232,200	2,650,074	8,000,265
Industrial	5,980,100	5,499,249	15,878,181
Public Authority	1,074,000	1,008,661	2,966,620
Total	26,504,400	24,866,819	78,433,234



City of Cedarburg
Water Recycling Center
Capital Projects 2018

Project Description	Project Budget To Date	Total Project Costs to date	Funding
Collection System Reconstruction			
Engineering for 2019 Street Projects	30,000	680.00	Collection System Reconstruction Fund
2018 Street and Utility Projects	190,000		Collection System Reconstruction Fund
Highland Lift Station Upgrade	1,000,000		Collection System Reconstruction Fund
Total to date	1,220,000	680.00	
Treatment Plant			
Replace Prius #60	35,000		WWTP Replacement Fund
Replace Truck #61	75,000		WWTP Replacement Fund
Replace Digester Blowers and Controls	100,000		WWTP Replacement Fund
New Flat Roofs on Control/RAS/Bar Screen Buildings	125,000	27,234.00	WWTP Replacement Fund
Misc Equipment	40,000		WWTP Replacement Fund
Total to date	375,000	27,234.00	
Grand Total—Capital Budget	\$1,595,000	\$27,914	

City of Cedarburg

Water Recycling Center

Analysis 2018 Replacement Fund and Investment Activity

	WWTF Replacement	Collection Sys. Reconstruction	WWTP	Impact Fees Biosolids	Connection Fees	Unrestricted Investments	Total Sewer Fund
Beginning Balance, January 1, 2018	\$2,365,613.91	\$1,142,383.28	\$91,466.54	\$2,295.13	\$190,138.04	\$1,815,063.47	\$5,606,960.37
Interest Earnings	4,668.77	3,504.13	201.90	3.84	412.97	645.26	9,436.87
Monthly allocations	65,650.02	212,500.02				(278,150.04)	
Impact fees			30,117.12		64,673.70	(94,790.82)	
Disbursements:							
Transfers for invoices	(27,234.00)	(680.00)				27,914.00	
Net cash flows/due to due from settlements						201,186.46	201,186.46
Ending balance, March 31, 2018	\$2,408,698.70	\$1,357,707.43	\$121,785.56	\$2,298.97	\$255,224.71	\$1,671,868.33	\$5,817,583.70

**City of Cedarburg
Salaries and Benefits
Quarter Ended
March 31, 2018**

This report exhibits total salary and benefit expenses by department for the quarter ended March 31, 2018. Included are General Fund, Special Revenue Funds and Water Recycling Center salaries. Benefit expenses include FICA, pension, sick payout, health insurance, life insurance, longevity and workers' compensation insurance amounts.

At the end of the quarter, departments are expected to be 25% expended. The total salary and benefit expense is \$1,843,131.36, 23.32% expended. In total, salaries and benefits are below the budget level for the quarter.

Police Administration overtime is over budget due to overtime worked by dispatchers to cover for positions that had not yet been hired.

The Public Works accounts need to be looked at as a whole, with the exception of Engineering/Public Works Administration. Along with the Parks and Forestry maintenance salaries and benefits, these represent the entire Public Works/Parks & Forestry staff. While some accounts are showing over budget, others are under budget depending on where the man hours were spent, such as snow plowing and tree pruning.

There were two workers' compensation claims filed during the first quarter. Neither one resulted in any time lost.

CITY OF CEDARBURG

Salary Expense March 31, 2018

Department	Budget	Actual	Percent Expended
General Government			
Council			
Salaries	\$16,800	\$3,323.16	19.78%
Benefits	1,320	288.90	21.89%
Total	18,120	3,612.06	19.93%
Mayor			
Salaries	6,000	1,384.62	23.08%
Benefits	471	118.29	25.11%
Total	6,471	1,502.91	23.23%
Administrator			
Salaries	74,099	17,098.14	23.07%
Benefits	30,308	6,782.09	22.38%
Total	104,407	23,880.23	22.87%
City Clerk			
Salaries	128,357	29,619.20	23.08%
Part time salaries	18,236	4,207.73	23.07%
Benefits	62,587	13,650.95	21.81%
Total	209,180	47,477.88	22.70%
Elections			
Salaries	33,182	5,619.75	16.94%
Overtime	1,053	0.00	0.00%
Benefits	207	74.66	36.07%
Total	34,442	5,694.41	16.53%
Assessor			
Salaries	74,065	17,092.80	23.08%
Benefits	38,140	11,886.06	31.16%
Total	112,205	28,978.86	25.83%
Treasurer/Financial			
Salaries	83,189	19,915.78	23.94%
Benefits	41,735	9,722.79	23.30%
Total	124,924	29,638.57	23.73%

CITY OF CEDARBURG

Salary Expense March 31, 2018

Department	Budget	Actual	Percent Expended
General Government			
CITY HALL			
Salaries	70,814	16,314.28	23.04%
Overtime	2,000	369.50	18.48%
Part time Salaries	2,000	0.00	0.00%
Benefits	28,130	9,977.95	35.47%
Total	102,944	26,661.73	25.90%
Total General Government	\$712,693	\$167,446.65	23.49%
Public Safety			
Police Station			
Salaries	\$19,884	\$4,391.63	22.09%
Overtime	400	0.00	0.00%
Benefits	8,142	2,762.91	33.93%
Total	28,426	7,154.54	25.17%
Police Administration			
Salaries	201,688	45,727.76	22.67%
Office/Dispatch Salaries	385,451	80,821.79	20.97%
Overtime	4,029	3,011.62	74.75%
Benefits	297,068	62,627.32	21.08%
Total	888,236	192,188.49	21.64%
Police Patrol			
Salaries	1,239,751	286,728.35	23.13%
Crossing Guards	36,553	12,645.04	34.59%
Overtime	47,530	4,302.19	9.05%
Benefits	607,149	155,918.86	25.68%
Total	1,930,983	459,594.44	23.80%
Investigative			
Salaries	166,106	38,839.56	23.38%
Overtime	10,769	2,024.57	18.80%
Benefits	93,656	24,746.35	26.42%
Totals	270,531	65,610.48	24.25%

CITY OF CEDARBURG

Salary Expense March 31, 2018

			Percent
Department	Budget	Actual	Expended
Fire Station			
Salaries	51,003	11,769.60	23.08%
Part time Salaries	53,040	(10,809.06)	-20.38%
Benefits	72,614	40,260.99	55.45%
Total	176,657	41,221.53	23.33%
Building Inspection			
Salaries	103,428	23,865.60	23.07%
Benefits	48,297	13,555.49	28.07%
Total	151,725	37,421.09	24.66%
Total Public Safety	\$3,446,558	\$803,190.57	23.30%
Public Works			
Engineering/PW Admin			
Salaries	\$117,526	\$27,121.89	23.08%
Benefits	46,980	11,858.36	25.24%
Total	164,506	38,980.25	23.70%
M&E/Garage			
Salaries	73,836	24,422.25	33.08%
Overtime	1,050	323.90	30.85%
Benefits	36,055	11,477.59	31.83%
Total	110,941	36,223.74	32.65%
Streets Improvements			
Salaries	342,199	69,162.82	20.21%
Overtime	45,500	19,028.40	41.82%
Part Time Salaries	6,900	2,273.64	32.95%
Benefits	269,038	75,791.74	28.17%
Total	663,637	166,256.60	25.05%
Storm Sewers			
Salaries	128,863	7,431.97	5.77%
Overtime	1,000	43.62	4.36%
Benefits	24,357	6,793.75	27.89%
Total	154,220	14,269.34	9.25%
Recycling			
Salaries	90,730	3,624.10	3.99%
Overtime	1,700	0.00	0.00%
Benefits	17,412	4,571.65	26.26%
Total	109,842	8,195.75	7.46%
Total Public Works	\$1,203,146	\$263,925.68	21.94%

CITY OF CEDARBURG

Salary Expense March 31, 2018

Department	Budget	Actual	Percent Expended
Culture/Recreation			
Senior Center			
Salaries	\$56,701	\$11,538.26	20.35%
Benefits	8,709	1,611.06	18.50%
Total	65,410	13,149.32	20.10%
Celebrations			
Salaries	20,500	1,898.74	9.26%
Overtime	6,000	385.09	6.42%
Benefits	3,635	327.72	9.02%
Total	30,135	2,611.55	8.67%
Parks & Forestry			
Salaries	371,042	126,893.01	34.20%
Overtime	14,211	447.11	3.15%
Maintenance/PW Salaries	50,000	0.00	0.00%
Benefits	153,074	56,446.12	36.88%
Total	588,327	183,786.24	31.24%
Total Culture/Recreation	\$683,872	\$199,547.11	29.18%
Total General Fund	\$6,046,269	\$1,434,110.01	23.72%

CITY OF CEDARBURG

Salary Expense March 31, 2018

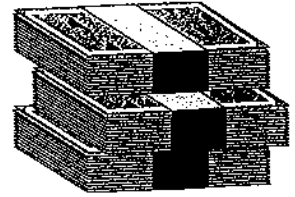
Department	Budget	Actual	Percent Expended
Other Funds			
Cemetery Fund			
Salaries	\$3,564	\$1,931.94	54.21%
Overtime	250	0.00	0.00%
Part time Salaries	9,000	0.00	0.00%
Benefits	2,450	990.10	40.41%
Total	15,264	2,922.04	19.14%
Recreation Programs—Fund			
Part time Salaries	96,083	22,951.37	23.89%
Exercise/Fitness	6,800	1,752.00	25.76%
Benefits	12,229	6,188.26	50.60%
Total	115,112.00	30,891.63	26.84%
Swimming Pool—Fund			
Salaries	26,129	5,826.26	22.30%
Part time Salaries/Seasonal	121,700	385.07	0.32%
Maintenance/PW Salaries	16,000	70.38	0.44%
Maintenance/Part time Salaries	2,800	0.00	0.00%
Benefits	34,961	11,278.89	32.26%
Total	201,590	17,560.60	8.71%
Swimming Pool Concessions			
Part time Salaries	11,000	0.00	0.00%
Benefits	842	0.00	0.00%
Total	11,842	0.00	0.00%
Library			
Salaries	371,980	79,193.12	21.29%
Part time Salaries	121,311	31,677.32	26.11%
Maintenance/PW Salaries	17,600	1,378.30	7.83%
Benefits	209,568	43,139.96	20.59%
Total	720,459	155,388.70	21.57%
Total Other Funds	\$1,064,267	\$206,762.97	19.43%
Total Salaries and Benefits	\$7,110,536	\$1,640,872.98	23.08%

CITY OF CEDARBURG

Salary Expense March 31, 2018

Department	Budget	Actual	Percent Expended
Sewer Utility			
Administrative			
Salaries	\$245,676	\$56,008.46	22.80%
Benefits	78,533	18,205.39	23.18%
Totals	324,209	74,213.85	22.89%
General Labor			
Salaries	234,653	52,953.44	22.57%
Overtime	5,000	1,625.63	32.51%
Benefits	88,351	39,340.86	44.53%
Total	328,004	93,919.93	28.63%
Collection System			
Salaries	98,124	23,817.18	24.27%
Overtime	4,000	753.19	18.83%
Benefits	38,890	9,554.23	24.57%
Totals	141,014	34,124.60	24.20%
Total Sewer Utility	\$793,227	\$202,258.38	25.50%
Grand Total	\$7,903,763	\$1,843,131.36	23.32%

City of Cedarburg
Cash and Investments Summary
As of March 31, 2018



Attached is the report of cash and investments for the City of Cedarburg as of March 31, 2018. Included on the schedule of investments are the financial institutions where bank deposits have been placed or brokers from whom securities were purchased; the maturity date of the security, where applicable; the yield of the particular deposit account or investment; and the balance or cost of the account or investment.

City monies are placed in several types of investments, including the State of Wisconsin Local Government Investment Pool (LGIP), U.S. Treasury securities, U.S. Government Agency notes, commercial paper and bank deposits, including certificates of deposit. A variety of investment types are utilized to balance safety, liquidity and risk, as well as providing diversification.

Most of the City's idle monies, especially in the General Fund, are needed to finance the operating activities of the City, as well as debt service and therefore are placed in short-term investments which are highly liquid, such as the local bank money market accounts. These accounts are earning at a higher interest rate than the State Pool. Short term (less than one year) investments of General Fund reserves are made based on our cash flow forecast for operating funds and are timed to mature when monies will be needed to meet obligations of the City. Longer-term investments have been purchased in order to increase the average portfolio yield through US Bank. These investments are part of what is considered the "core" portfolio.

The weighted average yield for outstanding investments March 31, 2018 for all funds (exclusive of the Capital Improvement Economic Development Funds) was 1.54% which compares to the yield on outstanding investments at December 31, 2017 of 1.15%. The State Investment Pool yield for March 31, 2018 was 1.55%. Page F-6 includes a graph of our combined investment yields and the LGIP over the past twelve months.

Rates continue to increase at the State Pool which is also the local banks' benchmark for the City's interest bearing accounts.

CITY OF CEDARBURG
Schedule of Cash and Investments
March 31, 2018

Institution & Type of Investment	Term	Interest Yield	Balance/Cost
General Fund (100)			
BMO Harris			
Money market		1.14%	\$998,753.05
Tax collection			118,633.91
Tax collection—Online			6,624.77
Port Washington State Bank			
Money market account		1.09%	519,110.31
Checking		0.05%	335,666.30
Tax collection		1.09%	5,255.02
Payroll		0.05%	12,302.04
Partnership Bank			
Property tax account		0.10%	5,267.26
State Investment Pool			
		1.55%	988,020.68
US Bank Investments			
		1.56%	2,179,173.81
Commerce State Bank			
Checking account			5,044.09
Business checking		0.40%	20,893.37
Associated Bank			
Tax collection		0.50%	200,742.63
Cornerstone Bank			
Combo business money market		0.02%	5,096.05
Business checking			5,000.00
Total General Fund			\$5,405,583.29

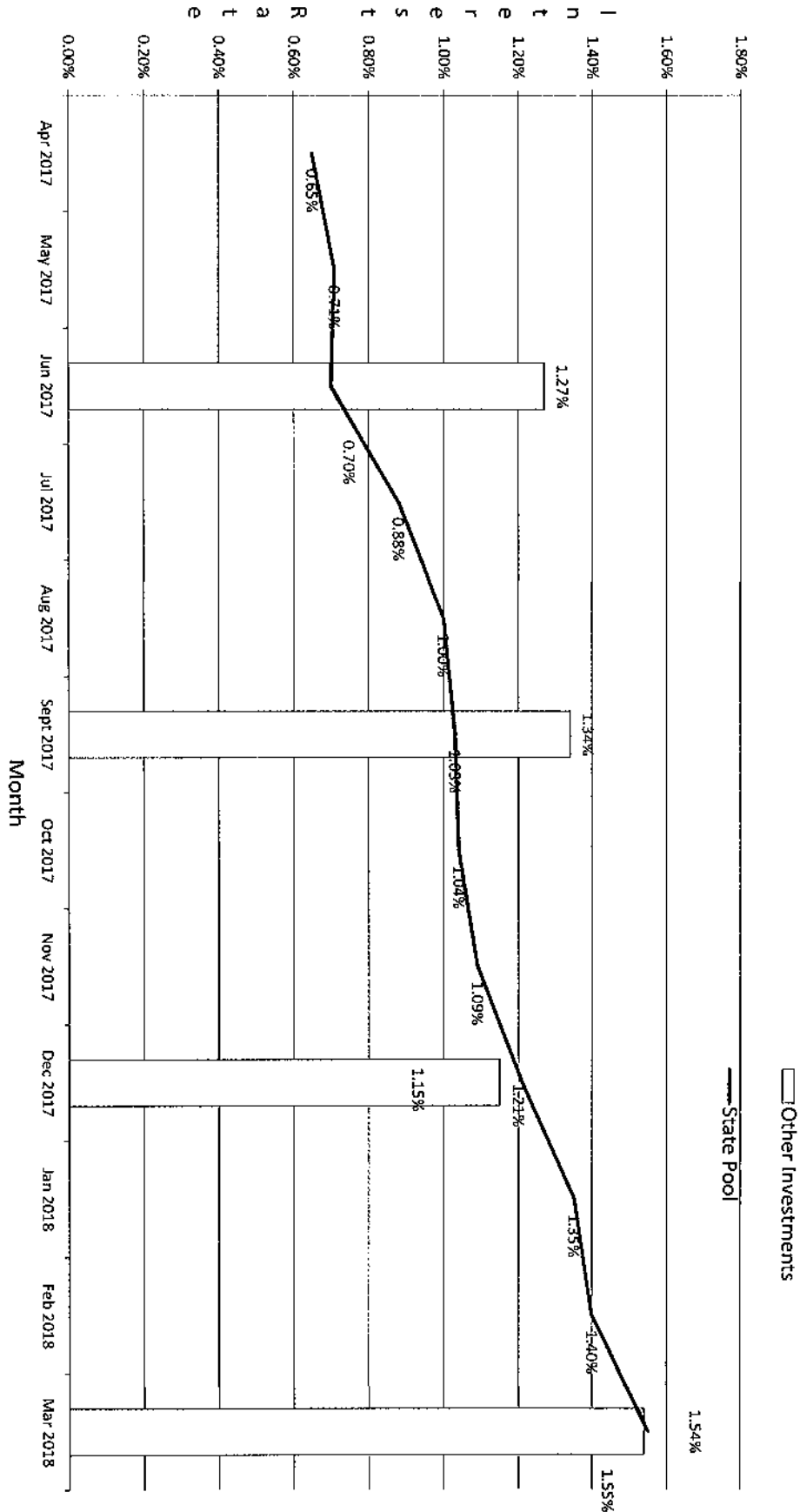
CITY OF CEDARBURG
Schedule of Cash and Investments
March 31, 2018

Institution & Type of Investment	Term	Interest Yield	Balance/Cost
Cemetery Fund (200)			
State Investment Pool		1.55%	168,340.19
Port Washington State Bank			
Money market		1.09%	3,261.60
US Bank Investments		1.47%	98,461.03
Total Cemetery Fund			\$270,062.82
Community Development Block Grant (230)			
State Investment Pool		1.55%	239,589.74
US Bank Investments		1.70%	663,825.17
Total Community Dev Block Grant			\$903,414.91
Parks & Playground (250)			
State Investment Pool		1.55%	83,928.89
Library (260)			
Port Washington State Bank			6,835.00
Debt Service (300)			
State Investment Pool		1.55%	16,435.73
Total Parks & Playground Fund			\$16,435.73
Capital Improvements (400)			
State Investment Pool		1.55%	36,553.99
Port Washington State Bank			
Money market account		1.09%	928,300.49
US Bank Investments		1.54%	497,132.26
Total Capital Improvements			\$1,461,986.74

CITY OF CEDARBURG
Schedule of Cash and Investments
March 31, 2018

Institution & Type of Investment	Term	Interest Yield	Balance/Cost
CI-Economic Development (400)			
State Investment Pool		1.55%	13,400.55
Water Recycling Center Fund (601)			
State Investment Pool			
Sewer Unrestricted		1.55%	0.00
WWTF Repl. Fund		1.55%	128,220.89
Collection System Repl.		1.55%	15,042.33
WWTP Impact Fee Investment		1.55%	92,982.74
Biosolids Impact Fee Investment		1.55%	2,298.97
Sewer Connection Fees		1.55%	193,373.49
Port Washington State Bank			
Money Market		1.09%	733,282.26
US Bank Investments		1.47%	1,094,042.79
Wastewater Equipment Replacement Fund			
Port Washington State Bank			
Money Market		1.09%	1,689,085.30
US Bank Investments		1.47%	596,743.17
Collection System			
Port Washington State Bank			
Money Market		1.09%	1,173,146.67
US Bank Investments		1.47%	99,365.09
Total Sewer Fund			\$5,817,583.70

City of Cedarburg Investment Yield



CITY OF CEDARBURG

Accounts Receivable 2018 1st Quarter Financial Report

GENERAL FUND

At the end of the first quarter, there was \$106,552.68 outstanding in General Fund accounts receivable. Of this amount \$87,734.55 was due from HSI Properties for impact fees for the Arrabelle development.

SEWER FUND

The Sewer Fund had \$84,726.48 outstanding for a septage hauler invoice and impact fees for the Arrabelle development.

CAPITAL IMPROVEMENTS

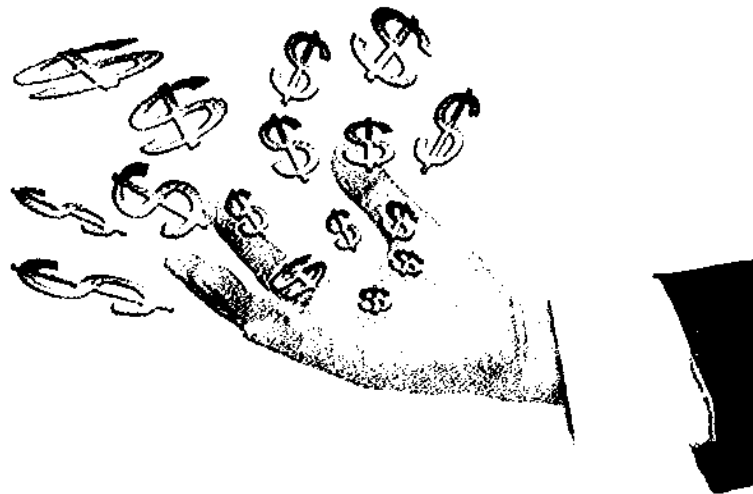
At the end of the first quarter, there was \$46,209.30 outstanding in Capital Fund accounts receivable. This includes the remaining outstanding invoices for 2015 and 2016 and 2017 sidewalk replacements on payment plans and impact fees for the Arrabelle development.

RISK MANAGEMENT FUND

At the end of the first quarter the Risk Management Fund accounts receivable had a zero balance.

CONTINGENT UPON ANNEXATION CHARGES/SPECIAL ASSESSMENTS

This report also includes listings of current charges on Town properties that were included in the various City street and utility projects throughout the years and are payable contingent upon annexation into the City. There was no activity to report for the year on the principal amounts. The interest charged was updated with the March 31, 2018 construction cost index factor.



ACCOUNTS RECEIVABLE
General Fund
1st Quarter 2018 Financial Report

Account No. 100130000

DATE	NAME	INVOICE	AMOUNT	STATUS	PURPOSE
5/21/2008	AMCAST Automotive	5915	801.19	On 2008 tax Roll OOB	Expenses for securing building for safety
6/30/2009	Barrier Advisors	6590	200.00	On 2009 Tax Roll OOB	Weed cutting 5/15/09 at Amcast
6/30/2009	Barrier Advisors	6628	400.00	On 2009 Tax Roll OOB	Weed cutting in June at Amcast
9/29/2010	Barrier Advisors	6935	200.00	On 2010 Tax Roll OOB	Weed mowing-Amcast 9/3/09
8/2/2010	Barrier Advisors/AMCAST	8021	400.00	On 2010 Tax Roll	Weed Cutting-Amcast May & June 2010
11/1/2010	Barrier Advisors/AMCAST	8199	200.00	On 2011 tax roll OOB	Weed Cutting 8/10/2012
12/31/2008	AMCAST Automotive	JE12324	624.00	On 2008 tax Roll OOB	Weed cutting at Old Amcast site
7/28/2011	Barrier Advisors, Inc./AMCAST	8667	182.00		Weed cutting-Amcast June 2011
2/10/2012	AMCAST Automotive	JE	950.17	On 2011 tax roll OOB	2011 Amcast weed cutting charges
10/31/2013	Barrier Advisors	JE	182.00	On 2013/2014 Tax Roll	Weed Cutting Fees - Invoice 27666 5/31/2013
10/31/2013	Barrier Advisors	JE	182.00	On 2013/2014 Tax Roll	Weed Cutting Fees - Invoice 28143 8/30/2013
10/31/2013	Barrier Advisors	JE	182.00	On 2013/2014 Tax Roll	Weed Cutting Fees - Invoice 279329 8/31/2013
10/31/2013	Barrier Advisors	JE	182.00	On 2013/2014 Tax Roll	Weed Cutting Fees - Invoice 29653 9/23/2013
11/1/2013	Barrier Advisors	JE	65.91	On 2013/2014 Tax Roll	Sheathing applied to Quanset Hut at Amcast
11/21/2017	Various Owners		940.00		Fire Inspection Fees
2/15/2018	Cedarburg Fire Department	12868	12.64		December Fuel
2/26/2018	Cedarburg School District	12877	2,845.66		Crossing Guard Salaries January
2/26/2018	Cedarburg School District	12878	4,457.53		Crossing Guard Salaries February
2/26/2018	Light & Water	12882	1,895.30		Fuel True up
3/14/2018	Light & Water	12891	308.67		Audiograms
3/22/2018	Cedarburg School District	12892	708.16		January Fuel
3/22/2018	Cedarburg Fire Department	12893	572.35		January Fuel
3/22/2018	Light & Water	12894	1,553.02		January Fuel
3/22/2018	Town of Cedarburg	12895	174.00		Reimburse supplies
3/22/2018	Town of Cedarburg	12896	225.90		Reimburse supplies
3/22/2018	Light & Water	12897	190.63		AT&T Long Distance
3/22/2018	Light & Water	12898	383.00		March consulting
3/27/2018	HSI Properties	12899	87,734.55		Impact Fees for Arabelle
Total			\$ 106,552.68		

ACCOUNTS RECEIVABLE
Capital Improvements Fund
1st Quarter 2018 Financial Report

Account No. 400-00-0000					
DATE	NAME	INVOICE	AMOUNT	STATUS	PURPOSE
9/10/2015	Kathy Wilson	11387	851.88	paid 121.70 12/15	2015 Sidewalk/Approach Replacement
9/10/2015	Woodmere Townhomes	11388	2,667.75	paid 590.58 10/14	2015 Sidewalk/Approach Replacement
9/30/2016	Heidtke, Will	12104	1,045.98	paid 116.22 10/31	2016 Sidewalk Replacement
10/3/2017	John Hinkle	12474	691.90		2017 Sidewalk/Approach Replacement
10/3/2017	Patrick Moore	12475	926.64		2017 Sidewalk/Approach Replacement
10/3/2017	Donna Tanel	12478	942.86		
3/22/2018	HSI Properties	12899	39,082.29		Impact Fees for Arabelle
Total			\$46,209.30		

Account 100-126100
CHARGES CONTINGENT UPON ANNEXATION
FIRST QUARTER FINANCIAL REPORT
MARCH 31, 2018

Account 100-126100

PROPERTY ADDRESS AND TAX KEY NUMBER			BALANCE ON ACCOUNT	INTEREST RATE / CCI*	INTEREST AMOUNT	AMOUNT DUE AS OF 3/31/2018
NAME	ORIGINAL					
TOWN OF CEDARBURG				CCI*		
Ammons, Michael - 3/25/1970 953 Keup Road Cedarburg WI 53012	03-023-12-007.00 953 Keup Road Cedarburg WI	1,386.00	1,386.00	2.35	1,871.10	3,257.10
FORMULA: 3/25/1970 CCI 1381 March 1980 CCI 3237 (10 yr max) 3237/1381 = 2.35						
TOTAL KEUP ROAD CHARGES		\$1,386.00	\$1,386.00		\$1,871.10	\$3,257.10
PARKVIEW MEADOWS NO. 3						
CITY OF CEDARBURG Bentz, Roger & Mabel & Franelen - 1/7/91 1051 Wauwatosa Road Cedarburg WI 53012	13-040-0140.000 Between Wauwatosa & Poplar-18.23 acres vacant land	\$115,657.82	\$115,657.82	CCI* 1.32	\$37,010.50	\$152,668.32
FORMULA: 1/7/1991 CCI 4777 January 2001 CCI 6281 (10 yr max) 6281/4777 = 1.32						
TOTAL PARKVIEW MEADOWS NO. 3		\$115,657.82	\$115,657.82	\$1.32	\$37,010.50	\$152,668.32
WESTERN & WAUWATOSA SEWER & WATER CONSTRUCTION - 2010 Water Laterals and Engineering/Admin Fees CCI Effective Date: October 11, 2010						
TOWN OF CEDARBURG			WATER LATERALS	ENG/ADMIN FEES 15%	CCI*	
Jams Realty-Cedarburg Inc	506 Wauwatosa Road	03-027-11-022.00	\$1,972.00	\$2,094.35	\$4,066.35	1.23
Wollner, Richard & Lorraine	7508 Western Avenue	03-027-11-021.00	\$1,972.00	\$2,094.35	\$4,066.35	1.23
Herkowski, Joseph & Andrea	7450 Western Avenue	03-027-11-008.00	\$1,972.00	\$2,094.35	\$4,066.35	1.23
Kietzien, Carol	7404 Western Avenue	03-027-11-019.00	\$1,972.00	\$2,094.35	\$4,066.35	1.23
Kuhn, Mechthild	7421 Western Avenue	03-034-06-027.00	\$1,972.00	\$2,094.35	\$4,066.35	1.23
FORMULA: October 11, 2010 CCI 8921 MARCH 31, 2018 CCI 10958.79 10958.79/8921=1.23 1.23 Water lateral charges are to be reimbursed to Light and Water (100-256200) when properties annex into the City. Engineering/Admin Fees should be recorded to 100-423204						
TOTAL WESTERN & WAUWATOSA CHARGES		\$9,860.00	\$10,471.75	\$20,331.75	\$4,644.30	\$24,976.05
TOTAL CHARGES - GENERAL FUND		\$126,903.82	\$10,471.75	\$137,375.57	\$43,525.90	\$180,901.47
*CCI: Cost Construction Index Factor						

**CHARGES CONTINGENT UPON ANNEXATION
DEBT SERVICE
FIRST QUARTER FINANCIAL REPORT
MARCH 31, 2018**

NAME	TAX KEY NUMBER	ORIGINAL AMOUNT	ANNUAL INTEREST RATE	INTEREST AMOUNT	AMOUNT DUE AS OF 3/31/2018
Keup Road—9/30/1992 1992 Sanitary Sewer & Watermain Extension CCI Effective date: September 30, 1992					
Lynn Woltring 987 Keup Road 09/30/92	03-023-12-001.00 Invoice# 3435	\$14,059.07	1.31 CCI	\$4,358.31	\$18,417.38
Harold Woltring 5314 Thornapple Lane 09/30/92	03-023-12-033.00 Invoice# 3437	12,045.56	1.31 CCI	3,734.12	15,779.68
FORMULA: 9/30/1992 CCI 5042 September 2002 CCI 6589 (10 Yr Max.) $6589/5042 = 1.31$					
Total Keup Road Charges		\$26,104.63		\$8,092.44	\$34,197.07
Portland Road—9/30/1992 Portland Road Lift Station and Force Main CCI Effective date: September 30, 1992					
Portland Road Lift Station and Force Main	Future annexations	\$31,244.71	1.31 CCI	\$9,685.86	\$40,930.57
FORMULA: 9/30/1992 CCI 5042 September 2002 CCI 6589 (10 Yr Max.) $6589/5042 = 1.31$					
Total Portland Road Charges		\$31,244.71		\$9,685.86	\$40,930.57
Total Charges—Debt Service		\$57,349.34		\$17,778.30	\$75,127.64
*Construction Cost Index (CCI)					

**CHARGES CONTINGENT UPON ANNEXATION
CAPITAL FUND
FIRST QUARTER FINANCIAL REPORT
MARCH 31, 2018**

NAME	PROPERTY ADDRESS	TAX KEY NO.	ORIGINAL AMOUNT	BALANCE ON ACCOUNT	ANNUAL INTEREST RATE	INTEREST AMOUNT	AMOUNT DUE AS OF 3/31/2018	
PROCHNOW LANDFILL								
Water line extension to Town Residents	JE#1470	Prochnow Landfill Property	\$107,365.00	\$107,365.00			\$107,365.00	
TOTAL PROCHNOW LANDFILL			\$107,365.00	\$107,365.00		\$0.00	\$107,365.00	
TOWN OF CEDARBURG 2003 Keup Road Reconstruction - Project 2000-11 2003 ¹								
CCI effective date: October 1, 2003								
Ammons, Michael	2314	953 Keup Road	03-023-12-007.00	\$4,021.81	\$4,021.81	CCI* 1.43	\$1,729.38	\$5,751.19
Woltring, Harold & Gladys	2315	5314 Thornapple Lane	03-023-12-033.00	3,687.82	3,687.82	1.43	1,585.76	5,273.58
Woltring, Lynn	2316	987 Keup Road	03-023-12-001.00	4,087.91	4,087.91	1.43	1,757.80	5,845.71
FORMULA: 10/1/2003 CCI 6771 October 2013 CCI 9689 (10 yr Max.) 9689/6771 = 1.43								
TOTAL 2003 KEUP ROAD RECONSTRUCTION			\$11,797.54	\$11,797.54		\$5,072.94	\$16,870.48	
Pioneer Road - TID No. 1								
CCI effective date: April 21, 1993 03-34-15-04 THRU 07 ²								
Korneisel, Kirk	6610	Pioneer Road	03-034-15-011.00	\$13,168.81	\$13,168.81	CCI* 1.29	\$3,818.95	\$16,987.76
Wiley, David & Aimee	6620	Pioneer Road	03-034-15-010.00	12,932.09	12,932.09	1.29	3,750.31	16,682.40
Harold H & Patricia A Steffen Family Trst	6634	Pioneer Road	03-034-15-009.00	13,175.12	13,175.12	1.29	3,820.78	16,995.90
FORMULA: 4/21/1993 CCI 5167 April 2003 CCI 6635 (10 yr Max.) 6635/5167 = 1.29								
TOTAL PIONEER ROAD - TID NO. 1			\$39,276.02	\$39,276.02		\$11,390.04	\$50,666.06	
TOTAL CHARGES - CAPITAL			\$158,438.56	\$158,438.56		\$16,462.98	\$174,901.54	
*Construction Cost Index (CCI)								
(1) Represents charges against parcels in the Town for curb & gutter, sidewalk, drive apron and lighting. Collection of these charges will be done at time of annexation.								
(2) Represents charges against parcels in the Town. Collection of these charges will be done at time of annexation.								

ACCOUNT 601 126100
CHARGES CONTINGENT UPON ANNEXATION
SEWER FUND
1ST QUARTER FINANCIAL REPORT
MARCH 31, 2018

NAME	PROPERTY ADDRESS	TAX KEY NUMBER	ORIGINAL AMOUNT	BALANCE AMOUNT	ANNUAL INTEREST RATE	INTEREST AMOUNT	AMOUNT DUE AS OF 3/31/2018
KEUP ROAD - PART A - SANITARY SEWER							
1999 Sanitary Sewer & Watermain							
CCI Effective date: January 1, 2000							
Murphy, Brian	781 Keup Road	03-060-01-07.000	\$9,836.48	\$9,836.48	CCI*		
Juech, James & Mary	765 Keup Road	03-060-01-05.000	8,602.73	8,602.73	1.42	\$4,131.32	\$13,967.80
Islo, Spencer & Patek, Ann	755 Keup Road	03-060-01-04.000	8,602.73	8,602.73	1.42	3,613.15	\$12,215.88
Schefchik Jr., Emil	789 Keup Road	03-060-01-07.001	10,330.60	10,330.60	1.42	4,338.85	14,669.45
7900 LLC	708 Keup Road	03-026-03-017.00	2,433.97	2,433.97	1.42	1,022.27	3,456.24
FORMULA:							
January 2000 CCI 6130							
January 2010 CCI 8660 (10 Yr. Max.)							
8660/6130 = 1.42							
\$35,219.91, is being held by Light and Water. These charges are due in full within 30 days upon adoption of an annexation ordinance.							
TOTAL KEUP ROAD - PART A - SANITARY SEWER			\$39,806.51	\$39,806.51		\$16,718.74	\$56,525.25
WASHINGTON AVENUE - SEWER							
CCI Effective date: April 2, 1992							
Bentz, Roger & Franelen	1051 Wauwatosa Road	13-040-0140.000	\$18,524.10	\$18,524.10	1.31	\$5,742.47	\$24,266.57
4/2/1992		Between Wauwatosa & Poplar-18.23 acres vacant land					
FORMULA:							
April 1992 CCI 4946							
April 2002 CCI 6480 (10 Yr. Max)							
6480/4946 = 1.31							
TOTAL WASHINGTON AVENUE			\$18,524.10	\$18,524.10		\$5,742.47	\$24,266.57
HAMILTON ROAD-SEWER							
CCI Effective date: September 3, 1986							
Molinaro, Tony		Base,Pavement,					
(New owner: Bishop Family Trust		Curb & Gutter,					
243 E Hamilton Road		Sanitary Sewer,			CCI*		
9/3/1986		Storm Sewer & Eng.	\$33,371.00	\$33,371.00	1.33	\$11,012.43	\$44,383.43
		03-050-0030.006					
FORMULA:							
September 1986 CCI 4295							
September 1996 CCI 5683 (10 Yr. Max)							
5683/4295 = 1.33							
TOTAL HAMILTON ROAD-SEWER				\$33,371.00		\$11,012.43	\$44,383.43
WESTERN & WAUWATOSA SEWER & WATER CONSTRUCTION - 2010							
Sanitary Sewer Mains and Laterals							
CCI Effective Date: October 11, 2010							
TOWN OF CEDARBURG			SANITARY SEWER MAIN	SANITARY SEWER LAT.		CCI*	
Jams Realty-Cedarburg Inc	506 Wauwatosa Rd	03-027-11-022.00	\$9,242.23	\$2,748.09	\$11,990.32	1.23	\$2,738.90
Wollner, Richard & Lorraine	7508 Western Ave	03-027-11-021.00	\$9,242.23	\$2,748.09	\$11,990.32	1.23	\$2,738.90
Herkowski, Joseph & Andrea	7450 Western Ave	03-027-11-008.00	\$9,242.23	\$2,748.09	\$11,990.32	1.23	\$2,738.90
Kletzien, Carol	7404 Western Ave	03-027-11-019.00	\$9,242.23	\$2,748.09	\$11,990.32	1.23	\$2,738.90
Kuhn, Mechthild	7421 Western Ave	03-034-06-027.00	\$9,242.23	\$2,748.09	\$11,990.32	1.23	\$2,738.90
FORMULA:							
October 2010 CCI 8921							
MARCH 31, 2018 CCI 10958.79							
10958.79/8921 = 1.23							
TOTAL WESTERN & WAUWATOSA CHARGES			\$46,211.15	\$13,740.45	\$59,951.60	\$13,694.52	\$73,646.12
TOTAL CHARGES - SEWER FUND			\$104,541.76	\$13,740.45	\$151,653.21	\$47,168.16	\$198,821.37
CCI* Construction Cost Index							

ACCOUNT 601 126100

CHARGES CONTINGENT UPON ANNEXATION
SEWER FUND
FINANCIAL REPORT
DECEMBER 31, 2017

This information is recorded by Light and Water and is for reporting purposes only

NAME	PROPERTY ADDRESS	TAX KEY NUMBER	ORIGINAL AMOUNT	ANNUAL INTEREST RATE	INTEREST AMOUNT	AMOUNT DUE AS OF 12/31/2017
KEUP ROAD - PART A - WATER MAINS AND LATERALS - These charges are being held by Light and Water.						
1999 Sanitary Sewer & Watermain						
CCI Effective date: January 1, 2000						
				CCI*		
Murphy, Brian	781 Keup Road	03-060-01-07.000	\$6,793.13	1.42	\$2,853.11	\$9,646.24
Juech, James & Mary	765 Keup Road	03-060-01-05.000	5,828.68	1.42	2,448.05	8,276.73
Islo, Spencer & Patek, Ann	755 Keup Road	03-060-01-04.000	5,828.68	1.42	2,448.05	8,276.73
Schefchik Jr., Emil	789 Keup Road	03-060-01-07.001	7,179.39	1.42	3,015.34	10,194.73
7900 LLC	708 Keup Road	03-026-03-017.00	9,590.03	1.42	4,027.81	13,617.84
FORMULA:						
January 2000 CCI 6130						
January 2010 CCI 8660 (10 Yr. Max.)						
8660/6130 = 1.42						
TOTAL CHARGES - SEWER (L&W)			\$35,219.91		\$14,792.37	\$50,012.28
CCI* Construction Cost Index						

Environmental Expenses
as of March 31, 2018

	1992-2012	2013	2014	2015	2016	2017	2018	Total
Beginning Balance	0.00	299,245.20	213,611.34	178,148.33	157,010.61	149,766.86	116,760.19	
Revenues:								
Property tax	1,088,580.00	0.00	0.00	10,000.00	20,000.00	0.00		1,118,580.00
General Fund Transfer	40,000.00							40,000.00
PECFA reimbursements	147,600.12							147,600.12
EPA reimbursement (Light & Water)	107,365.00							107,365.00
Insurance settlement	15,000.00							15,000.00
HUD Grant (Mercury Marine Cleanup)	166,204.69	99,000.00						265,204.69
Transfer from Prochnow Trust Account							13,468.68	13,468.68
Total	\$1,564,749.81	\$99,000.00	\$0.00	\$10,000.00	\$20,000.00	\$0.00	\$13,468.68	\$1,707,218.49
Expenditures:								
Prochnow/Blank	690,548.59	31,930.12	24,117.51	17,910.39	27,243.75	19,649.17	3,558.63	814,958.16
PECFA Eligible/DPW*	160,496.17							160,496.17
PRP Group - City share	30,624.86							30,624.86
Dams	82,506.60	48,706.14	11,345.50	13,227.33		13,357.50		169,143.07
Grafton Lime Kiln*	58,001.27							58,001.27
Cedar Creek Park*	15,520.13							15,520.13
Underground storage tank - Washington Ave.*	7,878.76							7,878.76
Hanover - LUST*	6,312.60							6,312.60
Hanover - Shooting Range	15,727.00							15,727.00
Mercury Marine - Cleanup Expenses (HUD)	166,204.69	100,246.00						266,450.69
Mercury Marine - PII Library Site	24,521.00							24,521.00
Environmental-Other	7,162.94	3,751.60						10,914.54
Total	\$1,265,504.61	\$184,633.86	\$35,463.01	\$31,137.72	\$27,243.75	\$33,006.67	\$3,558.63	\$1,580,548.25
Ending Balance	\$299,245.20	\$213,611.34	\$178,148.33	\$157,010.61	\$149,766.86	\$116,760.19	\$126,670.24	

*Closed out

City of Cedarburg

Internal Service Fund *First Quarter Financial Report* March 31, 2018

The Internal Service Fund accounts for all risk management activities of the City. Included in the fund are premiums and claims for:

- General Liability Insurance
- Auto Physical Damage Insurance
- Property Insurance
- Excess Liability Insurance
- Employment Practices Insurance
- Workers' Compensation Insurance
- Boiler & Machinery Insurance

Revenues include interest income, charges to other funds for their premiums, dividends and insurance recoveries.

The interest income and change in market value revenues totaled a negative \$3,279.09 for the quarter.

Insurance recoveries recorded for the first quarter are the two invoices written off from traffic accidents in 2011 and 2013 for a total of \$6,260.42.

The CVMIC dividend was received in March.

Transfers from other funds were for the annual premiums and were charged out in full in January.

Insurance premiums were paid in full in January.

At the end of the quarter there were claim expenditures of \$52,743.76. Of this amount \$38,779.19 is from a police squad accident and the Fire Department's garage door accident. Expenditures of \$7,175.75 continue for a sidewalk fall claim from 2017.

The prior year adjustment was for a 2016 audit entry that was not received until December 2017 for the reclassification of the insurance proceeds out of the vehicle replacement accounts.

CITY OF CEDARBURG
INTERNAL SERVICE FUND - RISK MANAGEMENT
FINANCIAL REPORT
March 31, 2018

	2017 ACTUAL	2018 ACTUAL	20108 BUDGET	PERCENT OF BUDGET
Revenues				
Interest Income	\$ 1,941.06	\$ 3,182.05	\$ 10,000	31.82%
Change in Market Value	1,783.50	(6,461.14)		0.00%
Dividend Income (from CVMIC)	24,470.00	25,173.00	25,173	100.00%
Insurance Recoveries	701.80	(6,260.42)		0.00%
Workers Comp-Wage Recovery				0.00%
Charges to General Fund	260,336.57	278,049.24	287,129	96.84%
Charges to Cemetery Fund	1,287.80	762.80	873	87.38%
Charges to Recreation Programs Fund	5,053.26	5,107.12	5,107	100.00%
Charges to Swimming Pool Fund	10,757.97	10,018.65	10,649	94.08%
Charges to Library	9,151.02	7,718.14	9,015	85.61%
Transfer from Sewer Fund	32,054.49	38,874.93	43,070	90.26%
Transfer from Trust & Agency Fund	223.34			0.00%
Total Revenues	\$347,760.81	\$356,164.37	\$391,016	91.09%
Expenses				
Insurance Premiums/Costs:				
Worker's Compensation	\$ 164,870.00	\$178,619.00	\$ 199,153	89.69%
Unemployment Compensation	515.04	381.29		0.00%
Property/Auto Insurance	71,587.00	65,224.00	76,447	85.32%
General Liability Insurance	62,111.00	63,588.00	62,437	101.84%
Employment Practices Insurance	14,205.20	12,349.65	17,100	72.22%
Boiler Insurance	1,196.00	1,366.00	1,200	113.83%
2011 Liability Claims Paid		3,726.17		0.00%
2013 Liability Claims Paid		2,534.25		0.00%
2016 Liability Claims Paid		528.40		0.00%
2017 Liability Claims Paid		7,175.75	5,000	143.52%
2018 Liability Claims Paid		38,779.19	10,000	387.79%
Total Expenses	\$314,484.24	\$374,271.70	\$ 371,337	100.79%
Net Gain/(Loss)	\$33,276.57	(\$18,107.33)	\$19,679	
Fund Balance, January 1	\$928,154.57	\$874,700.28	\$874,700	
Prior year audit adjustment	(\$37,132.50)			
Fund Balance, Quarter End/Budget	\$924,298.64	\$856,592.95	\$894,379	

City of Cedarburg

Debt Service Fund *First Quarter Financial Report* March 31, 2018

The Debt Service Fund is used to account for the payment of principal and interest on debt obligations of the City.

Revenues include the tax levy, interest revenue and police impact fees. For the year \$1,502,211 was received from property taxes and \$57.03 from interest revenue. The Build America Bond reimbursement and police impact fees were also received; \$3,786.73 and \$50,563.47 respectively.

The budgeted transfer from Capital Improvements is from the Library building project residual funds to help pay down the debt.

The expenditures for the quarter include the debt principal and interest payments. Payments are in March (principal and interest) and September (interest). A total of \$1,412,054.92 was expended in principal and interest payments the first quarter.

The prior year adjustment to fund balance was from an audit entry that was not received until December 2017 for the reallocation of the debt issuance costs to the Water Recycling Center.

**City of Cedarburg
Debt Service Fund
Financial Report
March 31, 2018**

	2017 Actual	2018 Actual	2018 Budget	Percent of Budget
Revenues				
Property Taxes	\$ 1,284,280.00	\$ 1,502,211.00	\$ 1,502,211	100.00%
Interest Revenue	264.35	57.03	800	7.13%
Police Impact Fee	1,888.84	50,563.47		
Build America Bond Reimbursement	4,931.64	3,786.73	3,823	99.05%
Proceeds from Borrowing				
Transfer from Capital Improvement			58,741	0.00%
Total Revenues	\$ 1,291,364.83	\$ 1,556,618.23	\$ 1,565,575	99.43%
Expenditures				
2007 G.O. Capital Improvement Notes				
2007 TIF Note				
2010 G.O. Capital Improvement Notes	98,686.17	98,686.17	98,686	100.00%
2012 G.O. Note	534,362.50	532,362.50	562,225	94.69%
2015 G.O. Notes	282,700.00	365,200.00	392,050	93.15%
2016 G.O. Notes	620,157.05	415,806.25	542,963	76.58%
Paying Agent Fee				
Total Expenditures	\$ 1,535,905.72	\$ 1,412,054.92	\$ 1,595,924	88.48%
Beginning Fund Balance	\$197,710.07	\$43,211.96	\$43,212	
Prior Year Adjustment	7,332.00			
Ending Fund Balance	(\$39,498.82)	\$187,775.27	\$12,863	

City of Cedarburg
Tax Incremental District #3, #4 and #5
2018 First Quarter Financial Report

This report reflects the activity since creation and the quarter for TIDs #3, #4 and #5.

The mixed use **TID #3** was approved on November 18, 2014. The project is scheduled to be paid off in 20 years. The project costs include the City's administrative costs, legal and audit fees, financial consultant fees and the developer incentive. The following pages include the estimated project costs and revenues along with the current and prior years' costs and revenues.

Project Revenues

As in 2017, there was value added to the TIF because of the increase in the market values. The tax increment realized was \$289.

Project Costs

The only costs to date are administrative; the State filing fee and creation and legal fees. The developer incentive will only be paid out after the City has recovered its costs from the tax increment. Total costs in the first quarter were \$274.

At the end of the quarter, the District has a deficit of \$24,501.

The **TID #4** was approved on September 14, 2017. It is a proposed 8.42 acre blighted area district created to facilitate the redevelopment of the former Meta Mold Aluminum Company (Amcast) manufacturing site. The site is part of a larger property included on the United State Environmental Protection Agency National Priorities List. The project is expected to be open for the full 27 years.

Project Revenues

As in 2017, there was no value added to the TIF.

Project Costs

The only costs to date are administrative; City staff, financial consultant and legal fees. The payments of the developer incentive will begin when they gain ownership of the property. For the first quarter there are \$1,664 in expenditures.

At the end of the quarter, the District has a deficit of \$58,426.

The **TID #5** was approved on February 12, 2018. It is a proposed 4.25 acre blighted area district created to facilitate redevelopment on five parcels owned by the St. Francis Borgia congregation. The project consists of razing the St. Francis Borgia elementary school and church rectory followed by necessary site preparation for the construction of two buildings supporting 60 high end apartment units, a building with 9 townhouse style units and a single family home site by HSI Properties.

Project Revenues

As of the first quarter there was no value added to the TIF. The financial consultant expenditures were billed to the developer in the first quarter in the amount of \$13,000.

Project Costs

The only costs to date are administrative; City staff, financial consultant and legal fees. The payments of the developer incentive will begin when there is increment created. For the first quarter there are \$21,537 in expenditures.

At the end of the quarter, the District has a deficit of \$8,537.

City of Cedarburg			
Tax Incremental Financing District No. 3			
Historical Summary of Sources, Uses and Status of Funds			
	Year Ended <u>December 31, 2017</u>	Quarter Ended <u>March 31, 2018</u>	From Date of Creation
Project Revenues (sources):			
Tax increments	169	289	458
Total revenues	<u>169</u>	<u>289</u>	<u>458</u>
Project Costs (uses):			
Cash Grant (Development Incentive)	0	0	0
Repayment of City Advance	0	0	0
Interest on City Advance	0	0	0
Administrative Expense	1,069	274	24,959
Total costs	<u>1,069</u>	<u>274</u>	<u>24,959</u>
Net sources (uses)	(900)	15	(24,501)
Beginning fund balance	<u>(23,616)</u>	<u>(24,516)</u>	<u>0</u>
Ending fund balance	<u>(\$24,516)</u>	<u>(\$24,501)</u>	<u>(\$24,501)</u>

City of Cedarburg			
Tax Incremental Financing District No. 3			
Historical Summary of Project Costs, Project Revenues and Net Cost to be recovered through Tax Increments			
	Year Ended <u>December 31, 2017</u>	Quarter Ended <u>March 31, 2018</u>	From Date <u>of Creation</u>
Project Costs:			
Cash Grant (Development Incentive)	0	0	0
Repayment of City Advance	0	0	0
Interest on City Advance	0	0	0
Administrative Expense	1,069	274	24,959
Total costs	<u>1,069</u>	<u>274</u>	<u>24,959</u>
Project Revenues:			
Tax increments	169	289	458
Total revenues	<u>169</u>	<u>289</u>	<u>458</u>
Net costs recoverable through tax increments	\$900	(\$15)	\$24,501

City of Cedarburg		
Tax Incremental Financing District No. 3		
Detailed Summary of Project Costs		
Through March 31, 2018		
	<u>Actual</u>	<u>Project Plan Estimate</u>
Cash Grant (Development Incentive)	0	310,234
Repayment of City Advance	0	23,000
Interest on City Advance	0	2,060
Administrative Expense	<u>24,959</u>	<u>63,000</u>
Total project costs	<u>\$24,959</u>	<u>\$398,294</u>

City of Cedarburg			
Tax Incremental Financing District No. 3			
Project Budget vs. Actual			
Through March 31, 2018			
	<u>Project Budget</u>	<u>As of March 31, 2018</u>	<u>Project To Date</u>
Project Revenues (sources):			
Tax increments	<u>\$585,574</u>	<u>\$289</u>	<u>\$458</u>
Total revenues	<u>\$585,574</u>	<u>\$289</u>	<u>\$458</u>
Project Costs (uses):			
Cash Grant (Development Incentive)	\$310,234	\$0	\$0
Repayment of City Advance	25,060	0	0
Interest on City Advance	2,060	0	0
Administrative Expense	<u>63,000</u>	<u>274</u>	<u>24,959</u>
Total expenditures	<u>\$400,354</u>	<u>\$274</u>	<u>\$24,959</u>

City of Cedarburg			
Tax Incremental Financing District No. 4			
Historical Summary of Sources, Uses and Status of Funds			
	Year Ended <u>December 31, 2017</u>	Quarter Ended <u>March 31, 2018</u>	From Date <u>of Creation</u>
Project Revenues (sources):			
Tax increments	0	0	0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Project Costs (uses):			
Cash Grant (Development Incentive)	0	0	0
Repayment of City Advance	0	0	0
Interest on City Advance	0	0	0
Administrative Expense	56,762	1,664	58,426
Total costs	<u>56,762</u>	<u>1,664</u>	<u>58,426</u>
Net sources (uses)	(56,762)	(1,664)	(58,426)
Beginning fund balance	<u>0</u>	<u>(23,616)</u>	<u>0</u>
Ending fund balance	<u>(\$56,762)</u>	<u>(\$25,280)</u>	<u>(\$58,426)</u>

City of Cedarburg			
Tax Incremental Financing District No. 4			
Historical Summary of Project Costs, Project Revenues and Net Cost to be recovered through Tax Increments			
	Year Ended <u>December 31, 2017</u>	Quarter Ended <u>March 31, 2018</u>	From Date of Creation
Project Costs:			
Cash Grant (Development Incentive)	0	0	0
Debt Issuance Costs	0	0	0
Interest on City Advance	0	0	0
Projected Unrecovered Interest Expense	0	0	0
Administrative Expense	56,762	1,664	58,426
Total costs	<u>56,762</u>	<u>1,664</u>	<u>58,426</u>
Project Revenues:			
Tax increments	0	0	0
Total revenues	<u>0</u>	<u>0</u>	<u>0</u>
Net costs recoverable through tax increments	\$56,762	\$1,664	\$58,426

City of Cedarburg		
Tax Incremental Financing District No. 4		
Detailed Summary of Project Costs		
Through March 31, 2018		
	<u>Actual</u>	<u>Project Plan Estimate</u>
Cash Grant (Development Incentive)	0	3,328,000
Debt Issuance Costs	0	97,000
Interest on City Advance	0	1,374,298
Projected Unrecovered Interest Expense		(337,766)
Administrative Expense	<u>58,426</u>	<u>84,000</u>
Total project costs	<u>\$58,426</u>	<u>\$4,545,532</u>

City of Cedarburg			
Tax Incremental Financing District No. 4			
Project Budget vs. Actual			
Through March 31, 2018			
	<u>Project Budget</u>	<u>As of March 31, 2018</u>	<u>Project To Date</u>
Project Revenues (sources):			
Tax increments	<u>\$4,528,892</u>	<u>\$0</u>	<u>\$0</u>
Total revenues	<u>\$4,528,892</u>	<u>\$0</u>	<u>\$0</u>
Project Costs (uses):			
Cash Grant (Development Incentive)	\$3,328,000	\$0	\$0
Debt Issuance Costs	97,000	0	0
Interest on City Advance	1,374,298	0	0
Projected Unrecovered Interest Expense	(337,766)	0	
Administrative Expense	<u>84,000</u>	<u>1,664</u>	<u>58,426</u>
Total expenditures	<u>\$4,545,532</u>	<u>\$1,664</u>	<u>\$58,426</u>

City of Cedarburg			
Tax Incremental Financing District No. 5			
Historical Summary of Sources, Uses and Status of Funds			
	Year Ended <u>December 31, 2017</u>	Quarter Ended <u>March 31, 2018</u>	From Date of Creation
Project Revenues (sources):			
Tax increments	0	0	0
Public Charges for Servies	0	13,000	13,000
Total revenues	<u>0</u>	<u>0</u>	<u>13,000</u>
Project Costs (uses):			
Cash Grant (Development Incentive)	0	0	0
Administrative Expense	0	21,537	21,537
Total costs	<u>0</u>	<u>21,537</u>	<u>21,537</u>
Net sources (uses)	0	(21,537)	(8,537)
Beginning fund balance	<u>0</u>	<u>0</u>	<u>0</u>
Ending fund balance	<u>\$0</u>	<u>(\$21,537)</u>	<u>(\$8,537)</u>

City of Cedarburg**Tax Incremental Financing District No. 5****Historical Summary of Project Costs, Project Revenues
and Net Cost to be recovered through Tax Increments**

	<u>Year Ended</u> <u>December 31, 2017</u>	<u>Quarter Ended</u> <u>March 31, 2018</u>	<u>From Date</u> <u>of Creation</u>
Project Costs:			
Cash Grant (Development Incentive)	0	0	0
Administrative Expense	0	21,537	21,537
Total costs	<u>0</u>	<u>21,537</u>	<u>21,537</u>
Project Revenues:			
Tax increments	0	0	0
Public Charges for Services	0	13,000	13,000
Total revenues	<u>0</u>	<u>13,000</u>	<u>13,000</u>
Net costs recoverable through tax increments	\$0	\$8,537	\$8,537

City of Cedarburg		
Tax Incremental Financing District No. 5		
Detailed Summary of Project Costs		
Through March 31, 2018		
	<u>Actual</u>	<u>Project Plan Estimate</u>
Cash Grant (Development Incentive)	0	1,925,000
Administrative Expense	<u>21,537</u>	<u>56,500</u>
Total project costs	<u>\$21,537</u>	<u>\$1,981,500</u>



Cedarburg Light & Water
Consolidated Balance Sheet
For the Three Months Ending 3/31/2018

	<u>Balance</u> <u>3/31/2018 Current Month</u>	<u>Balance</u> <u>2018 First of Year</u>	<u>Difference</u>
ASSETS AND OTHER DEBITS			
UTILITY PLANT			
Utility Plant - Utility Financed (101-107)	\$41,511,147.93	\$41,354,012.66	\$157,135.27
Utility Plant - Contributed (101-107)	10,776,592.81	10,776,592.81	0.00
Less: Accum. Provision for Depr. & Amort. - Utility Financed (111-116)	(13,986,873.76)	(13,652,237.68)	(334,636.08)
Less: Accum. Provision for Depr. & Amort. - Contributed (111-116)	(3,485,596.06)	(3,428,706.85)	(56,889.21)
Net Utility Plant	34,815,270.92	35,049,660.94	(234,390.02)
Total Net Utility Plant	34,815,270.92	35,049,660.94	(234,390.02)
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	353,528.69	353,528.69	0.00
Less: Accum. Provision for Depr. and Amort. of Nonutility Property (122)	(304,151.23)	(304,151.23)	0.00
Net Nonutility Property	49,377.46	49,377.46	0.00
Special Funds (125-128)	2,332,672.09	2,323,719.06	8,953.03
Total Other Property and Investments	2,382,049.55	2,373,096.52	8,953.03
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	167,059.03	382,392.42	(215,333.39)
Working Funds (135)	700.00	700.00	0.00
Temporary Cash Investments (136)	5,140,836.78	4,448,291.28	692,545.50
Customer Accounts Receivable (142)	1,122,515.88	1,248,894.78	(126,378.90)
Other Accounts Receivable (143)	9,830.97	57,720.71	(47,889.74)
Receivables from Municipality (145)	6,293.58	160,715.00	(154,421.42)
Materials and Supplies (151-163)	731,343.43	620,954.28	110,389.15
Prepayments (165)	59,692.80	4,728.55	54,964.25
Interest and Dividends Receivable (171)	6,793.67	8,505.92	(1,712.25)
Miscellaneous Current and Accrued Assets (174)	(79,953.00)	(79,953.00)	0.00
Total Current and Accrued Assets	7,165,113.14	6,852,949.94	312,163.20
DEFERRED DEBITS			
Other Deferred Debits (182-186)	687,111.69	671,250.22	15,861.47
Total Deferred Debits	687,111.69	671,250.22	15,861.47
Total Assets and Other Debits	\$45,049,545.30	\$44,946,957.62	\$102,587.68



Cedarburg Light & Water
Consolidated Balance Sheet
For the Three Months Ending 3/31/2018

	<u>Balance</u> <u>3/31/2018 Current Month</u>	<u>Balance</u> <u>2018 First of Year</u>	<u>Difference</u>
LIABILITIES AND OTHER CREDITS			
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	183,254.21	183,254.21	0.00
Unappropriated Earned Surplus - Non-Contributed (216.1)	34,590,867.67	34,590,867.67	0.00
Unappropriated Earned Surplus - Contributed (216.2)	7,654,143.21	7,654,143.21	0.00
Current Earnings - Non-Contributed (217.1)	186,153.50	0.00	186,153.50
Current Earnings - Contributed (217.2)	(83,169.43)	0.00	(83,169.43)
Total Proprietary Capital	42,531,249.16	42,428,265.09	102,984.07
CURRENT AND ACCRUED LIABILITIES			
Accounts Payable (232)	659,665.40	793,937.15	(134,271.75)
Payables to Municipality (233)	188,816.86	203,130.49	(14,313.63)
Customer Deposits (235)	51,398.41	56,824.41	(5,426.00)
Taxes Accrued (236)	606,915.85	414,915.85	192,000.00
Interest Accrued (237)	1,923.72	2,057.06	(133.34)
Tax Collections Payable (241)	12,168.42	25,505.21	(13,336.79)
Miscellaneous Current and Accrued Liabilities (242)	(33,181.71)	249.99	(33,431.70)
Total Current and Accrued Liabilities	1,487,706.95	1,496,620.16	(8,913.21)
DEFERRED CREDITS			
Customer Advances for Construction (252)	25,195.29	15,224.57	9,970.72
Other Deferred Credits (253)	1,005,393.90	1,006,847.80	(1,453.90)
Total Deferred Credits	1,030,589.19	1,022,072.37	8,516.82
Total Liabilities and Other Credits	\$45,049,545.30	\$44,946,957.62	\$102,587.68



Cedarburg Light & Water
Consolidated Income Statement
For the Three Months Ending 3/31/2018

	Current Year	Budget	Current Year to Budget \$ Variance	Current Year to Budget % Variance	Prior Year	Current Year to Prior Year Variance
UTILITY OPERATING INCOME						
Operating Revenues (400)	\$3,305,638.08	\$0.00	\$3,305,638.08	0.00%	\$3,366,056.30	(\$60,418.22)
Operating Expenses						
Operation and Maintenance Expense (401-402)	2,430,858.77	0.00	2,430,858.77	0.00%	2,430,328.26	530.51
Depreciation Expense (403)	303,955.29	0.00	303,955.29	0.00%	285,206.13	18,749.16
Taxes (408)	408,516.62	0.00	408,516.62	0.00%	211,897.68	196,618.94
Total Operating Expenses	3,143,330.68	0.00	3,143,330.68	0.00%	2,927,432.07	215,898.61
Net Operating Income (Loss)	162,307.40	0.00	162,307.40	0.00%	438,624.23	(276,316.83)
Utility Operating Income (Loss)	162,307.40	0.00	162,307.40	0.00%	438,624.23	(276,316.83)
OTHER INCOME						
Interest and Dividend Income (419)	24,704.59	0.00	24,704.59	0.00%	11,136.00	13,568.59
Miscellaneous Nonoperating Income (421)	(26,464.00)	0.00	(26,464.00)	0.00%	(19,509.00)	(6,955.00)
Total Other Income	(1,759.41)	0.00	(1,759.41)	0.00%	(8,373.00)	6,613.59
Total Income	160,547.99	0.00	160,547.99	0.00%	430,251.23	(269,703.24)
MISCELLANEOUS INCOME DEDUCTIONS						
Other Income Deductions (426)	56,705.43	0.00	56,705.43	0.00%	54,173.40	2,532.03
Total Miscellaneous Income Deductions	56,705.43	0.00	56,705.43	0.00%	54,173.40	2,532.03
Income Before Interest Charges	103,842.56	0.00	103,842.56	0.00%	376,077.83	(272,235.27)
Net Income	103,842.56	0.00	103,842.56	0.00%	376,077.83	(272,235.27)
EARNED SURPLUS						
Unappropriated Earned Surplus (Beginning of Year) (216)	42,245,010.88	1,271,269.00	40,973,741.88	3,223.06%	40,912,296.55	1,332,714.33
Balance Transferred from Income (433)	103,842.56	0.00	103,842.56	0.00%	376,077.83	(272,235.27)
Appropriations of Income to Municipal Funds—Debit (439)	858.49	0.00	858.49	0.00%	852.33	6.16
Total Unappropriated Earned Surplus End of Year (216)	\$42,347,994.95	\$1,271,269.00	\$41,076,725.95	3,231.16%	\$41,287,522.05	\$1,060,472.90

CEDARBURG LIGHT & WATER COMMISSION

INFORMATION SENT TO CITY OF CEDARBURG QUARTERLY

Investments Outstanding as of March 31, 2018

Type of Investment	Purchase Date	Maturity Date	Annual Yield Interest Rate	Institution	Amount	Purpose
Certificate of Deposit	9/19/2017	9/19/2018	1.20%	Port Washington State Bank	\$944,480.74	Reserve for Future Capital Projects
Certificate of Deposit	1/23/2017	1/23/2018	1.00%	Port Washington State Bank	\$314,276.74	Reserve for Future Capital Projects
Certificate of Deposit	3/27/2017	3/27/2018	1.00%	Port Washington State Bank	\$314,668.43	Reserve for Future Capital Projects
State Investment Pool:						
Account # 1 - System Revenue			1.55%	LGIP	\$692,102.35	For Operating Expense & Future Capital Projects
Account # 3 - Special Redemption Fund			1.55%	LGIP	\$0.00	For Principal & Interest Payments Final Bond payment was made October 2005
Account # 4 - Depreciation Fund				LGIP	\$0.00	Was required by 1994 Bond Issue; new Bond Issue not required. Dollars were transferred to Account #1.
Account # 6 - Liability Insurance Reserve			1.55%	LGIP	\$73,757.50	Reserve for Future Liability Claims
Account # 8 - Impact Fee Reserve			1.55%	LGIP	\$97.68	Reserve for Impact Fee Revenues
				Total LGIP	\$765,957.53	
TOTAL LIGHT & WATER INVESTMENTS					<u>\$2,339,383.44</u>	
Bank Balances as of March 31, 2018						
			Daily Interest Rate	Institution	Amount	
Checking				Port Washington State Bank	\$167,059.03	with Checks Outstanding & Stubs "in transit"
Money Market Account			1.50%	Port Washington State Bank	\$5,140,836.78	\$73.63 is reserved for Impact Fee Revenues

Cedarburg Fire Department
Balance Sheet
As of March 31, 2018
Mar 31, 18

ASSETS

Current Assets

Checking/Savings

Commerce State Bank- Checking	3,921.09
Commerce State Bank-Money Mkt	85,038.43
Cornerstone Community Bank- MMD	90,098.07

Total Checking/Savings 179,057.59

Total Current Assets 179,057.59

TOTAL ASSETS 179,057.59

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Explorers Account	11,705.91
Memorial Account	16,506.85
Reserve for Equipment	80,068.77

Total Other Current Liabilities 108,281.53

Total Current Liabilities 108,281.53

Total Liabilities 108,281.53

Equity

Retained Earnings	50,000.00
Net Income	20,776.06

Total Equity 70,776.06

TOTAL LIABILITIES & EQUITY 179,057.59

Cedarburg Fire Department
Profit & Loss
January through March 2018

	<u>Jan - Mar 18</u>
Ordinary Income/Expense	
Income	
Cedarburg	51,125.00
Donations	
Donations	607.50
Total Donations	<u>607.50</u>
Equipment Sales	800.00
Fines	13.35
Interest Income	135.43
Total Income	<u>52,681.28</u>
Gross Profit	<u>52,681.28</u>
Expense	
ADMINISTRATION	
Banquets/Awards	43.98
Building Supplies	794.64
Chief's Expenses	60.32
Computers	2,756.40
Conferences	501.65
Copy Machine Purchase/Maint.	310.05
Donations/Memorials	150.00
Dues/Subscriptions	234.00
Membership Fees	60.00
Office Supplies	1,911.21
Postage	44.81
Repairs/Maintenance, Building	266.65
Time Warner Cable	
Station 2	11.81
Time Warner Cable - Other	552.07
Total Time Warner Cable	<u>563.88</u>
Total ADMINISTRATION	<u>7,697.59</u>
City of Cedarburg Station 1	111.00
COMMUNICATIONS EQ	
Cellular Phones	688.30
Mobiles	49.00
Portables	3,450.15
Total COMMUNICATIONS EQ	<u>4,187.45</u>
DIVE TEAM	
Equipment Purchase	0.00
Total DIVE TEAM	<u>0.00</u>
EXPLORERS	
Education/Training	435.06
Meeting Refreshments	98.08
Total EXPLORERS	<u>533.14</u>
FIRE INSPECTOR	
Expenses	1,405.37
Wages	2,011.98
FIRE INSPECTOR - Other	1,818.21
Total FIRE INSPECTOR	<u>5,235.56</u>
FIREFIGHTING EQUIP. / PROTECT	
FF Gear/Identification/Stuff	0.00
Firefighting Supplies	661.50
Maintenance of FF Eq	268.00
MISC.	162.00
Purchase Firefighting EQ	243.36
Purchase Protective Gear	0.00
Total FIREFIGHTING EQUIP. / PROTECT	<u>1,334.86</u>

Cedarburg Fire Department
Profit & Loss
January through March 2018

	Jan - Mar 18
FUEL, Gasoline	2,510.58
MEETING REFRESHMENTS	
Dine	207.25
Engineers Training	502.46
Holiday Brunch	598.17
Meeting Refreshments	2,814.66
Total MEETING REFRESHMENTS	4,122.54
OTHER	
Non Firefighting Uniforms	2,249.80
Total OTHER	2,249.80
PUBLIC EDUCATION	
Safety Day	830.00
Total PUBLIC EDUCATION	830.00
RESCUE SQUAD	
Oxygen	553.58
Total RESCUE SQUAD	553.58
SCBA	
Parts and Repair	337.04
Total SCBA	337.04
TRAINING	
Certification Exams	0.00
Continuing Education	403.51
Hotel, Travel and Meals	10.00
Total TRAINING	413.51
TRUCK MAINTENANCE, GENERAL	
M&R, 151 Rsq	189.22
M&R, 152 Rsq	189.22
M&R, 156	22.89
M&R, 157 Grass Fire	290.12
M&R, 161 Engine	527.33
M&R, 163 Engine	498.52
TRUCK MAINTENANCE, GENERAL - Other	71.27
Total TRUCK MAINTENANCE, GENERAL	1,788.57
Total Expense	31,905.22
Net Ordinary Income	20,776.06
Net Income	20,776.06

Cedarburg Fire Dept Rescue Squad

Profit & Loss

January through March 2018

Jan - Mar 18

Ordinary Income/Expense

Income

Interest Income	309.59
Transports- EMS Billing	
Refunds- EMS	-1,866.37
Rev Adj - Ins Write downs	-61,915.36
Transport Billings EMS	135,305.19
Total Transports- EMS Billing	71,523.46
Total Income	71,833.05

Expense

Paramedic Intercept Payment	7,097.93
Payroll Expenses	10,001.37
Administration	
Membership/Dues	30.00
Total Administration	30.00
Equipment Purchase	
Misc	849.48
Total Equipment Purchase	849.48
Fuel	822.82
Medical Supplies	
Supplies	3,780.04
Total Medical Supplies	3,780.04
Misc.	32.00
Operating Expenses	
Billing Service	5,443.45
Operating Expenses - Other	1,247.50
Total Operating Expenses	6,690.95
Training	
CPR supplies	166.96
Travel Expenses	119.78
EMS - Training	1,078.50
Schools/Conferences	8,658.99
Total Training	10,024.23
Truck Repairs/Maintenance	
Truck 152	104.92
Truck 153	117.18
Truck Repairs/Maintenance - Other	35.04
Total Truck Repairs/Maintenance	257.14
Total Expense	39,585.96
Net Ordinary Income	32,247.09
Net Income	32,247.09

2018 PERMIT SUMMARY BY MONTH

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Coops				1									1
Single Family		2	5										7
Assessory Building				1									1
Addition/Alteration	7	11	22	12									52
Commerical New Constructio		1		1									2
Commercial Additions/Alterati	1	1		3									5
Pools				1									1
Heat/Vent	31	25	19	21									96
Signs	2	1	1	3									7
Plumbing	30	29	47	30									136
Electrical	41	30	36	26									133
Occupancy	5	4	5	4									18
TOTAL VALUE TO CITY	160,010	16,895,500	2,141,164	18,890,479									38,087,153
INSPECTIONS													
JOE JACOBS			2	2									4
MICHAEL BAIER	116	199	138	133									586
ROGER KISON	4												4

Fire Inspection Report

Occupant Name	Location Zone
Cleveland - Dig Enterprises	City of Cedarburg
Commerce - Chay's Tae Kwon Do	City of Cedarburg
Evergreen - Apartments	City of Cedarburg
Evergreen - Apartments	City of Cedarburg
Evergreen - Apartments	City of Cedarburg
Evergreen - Today's Dentistry	City of Cedarburg
Commerce - Lake Shore Dance	City of Cedarburg
Hamilton - Amcast Factory (VACANT)	City of Cedarburg
Hamilton - Amcast Offices (VACANT)	City of Cedarburg
Hamilton - Heavenly Knights Childcare (VACANT)	City of Cedarburg
Hamilton - SFB School (VACANT)	City of Cedarburg
Wash Ave - Condos (4 Unit)	City of Cedarburg
Wash Ave - Condos (6 Unit)	City of Cedarburg
Wash Ct. - Apartments	City of Cedarburg
Wash Ct. - Apartments	City of Cedarburg
Wash Ct. - Apartments	City of Cedarburg
Evergreen - Covered Bridge Insurance Svcs LLC	City of Cedarburg
Evergreen - Link-IT-Up, Inc.	City of Cedarburg
Evergreen - Riegel Law, S.C.	City of Cedarburg
Evergreen - Sterling Hasey Company	City of Cedarburg
Evergreen - Stoneridge Office Center	City of Cedarburg
Evergreen - The Cleaning Authority	City of Cedarburg
Evergreen - Vacant North 114	City of Cedarburg
Evergreen - Vacant North 118	City of Cedarburg
Evergreen - Vacant North 214	City of Cedarburg
Evergreen - Weeden & Associates	City of Cedarburg
Evergreen - World Bridge Partners	City of Cedarburg
Evergreen - Babcock Solutions, LLC	City of Cedarburg
Evergreen - Community United Methodist Church	City of Cedarburg
Evergreen - Performance Health	City of Cedarburg
Evergreen - TSR/Harrigan Solutions	City of Cedarburg
Evergreen - Wells Fargo Advisors Financial Network	City of Cedarburg
Hanover - Apartments	City of Cedarburg
Hanover - Apartments	City of Cedarburg
Hanover - Apartments	City of Cedarburg
Hanover - Cedarburg Medical Clinic	City of Cedarburg
Hanover - Family Vision Center	City of Cedarburg
Hanover - Mueller Funeral Home	City of Cedarburg
Hanover - Robert Edquist CPA	City of Cedarburg
Hanover - Sarah Fitting Photography	City of Cedarburg
Hanover - VACANT	City of Cedarburg
Hanover - Wilcox Environmental	City of Cedarburg
Evergreen - FIL Church	City of Cedarburg
Evergreen - FIL School	City of Cedarburg

TOTAL APRIL 2018 II

Address	Last Completed Date
N66 W6404 Cleveland Street	4/2/2018
N19 W6733 Commerce Court	4/2/2018
W67 N690 Evergreen Boulevard	4/2/2018
W67 N698 Evergreen Boulevard	4/2/2018
W68 N697 Evergreen Boulevard	4/2/2018
W68 N101 Evergreen Boulevard	4/2/2018
N19 W6721 Commerce Court	4/3/2018
N39 W5784 Hamilton Road	4/3/2018
N39 W5789 Hamilton Road	4/3/2018
N44 W6035 Hamilton Road	4/3/2018
N43 W6005 Hamilton Road	4/3/2018
W68 N915 Washington Avenue	4/3/2018
W68 N903 Washington Avenue	4/3/2018
N92 W6840 Washington Court	4/3/2018
N92 W6920 Washington Court	4/3/2018
N92 W6960 Washington Court	4/3/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/4/2018
W67 N222 Evergreen Boulevard	4/10/2018
W68 N563 Evergreen Boulevard	4/10/2018
W68 N158 Evergreen Boulevard	4/10/2018
W67 N250 Evergreen Boulevard	4/10/2018
W67 N222 Evergreen Boulevard	4/10/2018
W63 N517 Hanover Avenue	4/12/2018
W63 N523 Hanover Avenue	4/12/2018
W63 N539 Hanover Avenue	4/12/2018
W63 N545 Hanover Avenue	4/12/2018
W63 N543 Hanover Avenue	4/12/2018
W63 N527 Hanover Avenue	4/12/2018
W63 N549 Hanover Avenue	4/12/2018
W63 N541 Hanover Avenue	4/12/2018
W63 N547 Hanover Avenue	4/12/2018
W63 N543 Hanover Avenue	4/12/2018
W67 N622 Evergreen Boulevard	4/17/2018
W67 N622 Evergreen Boulevard	4/17/2018

INSPECTIONS = 44

PROCLAMATION

WHEREAS, the City of Cedarburg is home to more than 2,500 citizens 60 years of age or older;
and

WHEREAS, the older citizens in the City of Cedarburg and throughout the nation are an increasing population with evolving needs; and

WHEREAS, older persons are valuable members of our society who enhance our communities and personal lives; and

WHEREAS, the increasing number of baby boomers reaching traditional retirement age highlights the need for increased support of older adults; and

WHEREAS, our older citizens of today and tomorrow promise to be among the most active and involved older adult populations in our nation's history; and

WHEREAS, it is the responsibility of this and all U.S. communities to work collaboratively to address older adults' unique health and long-term care challenges; and

WHEREAS, communities can improve older citizens' overall quality of life by helping them:

- Make behavioral changes in their lifestyles than can reduce the risk of disease, disability, and injury;
- Obtain the tools they need to make informed decisions about, and gain better access to, existing health and long-term care options in their communities;
- Have more options to avoid placement in nursing homes and remain at home as long as possible.

NOW THEREFORE, I, Michael J. O'Keefe, Mayor of the City of Cedarburg, Ozaukee County, Wisconsin, do hereby proclaim **May 2018** to be Older Americans Month and urge everyone to take time this May to honor our older adults and the professionals, family members, and citizens who care for them. Our efforts can improve the lives of our older citizens and help pave the way for future generations.

IN WITNESS WHEREOF, I have hereunto set my hand and caused to be affixed the official seal of the City of Cedarburg, this 14th day of May 2018.

Michael J. O'Keefe, Mayor

Attest:

Constance K. McHugh, City Clerk