

# \* AMENDED COMMON COUNCIL

City of Kaukauna  
**Council Chambers**  
Municipal Services Building  
144 W. Second Street, Kaukauna



Tuesday, June 18, 2024 at 7:00 PM

## AGENDA

### In-Person and Remote Teleconference via ZOOM

1. Roll call, one minute of silent prayer, Pledge of Allegiance to the American Flag.
2. Reading and approval of minutes.
  - a. [Common Council Meeting Minutes of June 4, 2024.](#)
3. Presentation of letters, petitions, remonstrances, memorials, and accounts.
  - a. [Bills Payable.](#)
4. Public appearances.
5. Business presented by Mayor.
  - a. Badge Pinning of Firefighter/Paramedic Wyatt Gezella.
  - b. [2023 City Financial Statements - presented by Clifton Larson Allen \(CLA\).](#)
  - c. [2024 Kaukauna General Obligation Bonding Results and Ratings, Presentation by Huntington.](#)
  - d. [Proclamation designating July as National Park and Recreation Month.](#)
  - e. Appointment of Channy Avanzi to the Kaukauna Public Library Board (3-year term).
  - f. Reappointment of Cindy Fallona to the Kaukauna Public Library Board.
  - g. Reappointment of James Van De Hey to the Kaukauna Public Library Board.
  - h. Committee/Council Meetings July 1st and 2nd.
6. Reports of standing and special committees.
  - a. [Board of Public Works Meeting Minutes of June 17, 2024.](#)
  - b. [Finance and Personnel Meeting Minutes of June 17, 2024.](#)
  - c. [Health and Recreation Committee Meeting Minutes of June 17, 2024.](#)
  - d. [Heart of the Valley Metropolitan Sewerage District Regular Meeting Minutes of May 14, 2024.](#)
  - e. [Operator \(Bartender\) Licenses.](#)
7. Reports of City officers.
  - a. [Fire Report.](#)
  - b. [Ambulance Report.](#)
  - c. [Police Report.](#)
  - d. [Court Report.](#)
  - e. [Clerk - Treasurer's Daily Deposit Report.](#)
  - f. [Building Inspection Report.](#)
  - g. [Redesignation of the Appleton \(Fox Cities\) Metropolitan Planning Organization \(MPO\) Policy Board Structure.](#)

8. Presentation of ordinances and resolutions.
  - [a.](#) Resolution 2024-5436 Resolution Authorizing the Issuance and Sale of \$5,475,000 General Obligation Promissory Notes, Series 2024A.
  - [b.](#) \* **Resolution 2024-5437 Resolution Authorizing the Issuance of \$7,920,000 General Obligation Promissory Notes and the Issuance and Sale of \$7,920,000 Taxable Note Anticipation Notes, Series 2024B in Anticipation Thereof.**
  - [c.](#) Resolution 2024-5438 Supporting and Approving of the New Appleton (Fox Cities) Metropolitan Planning Organization (MPO) Policy Board Structure and Redesignation Agreement.
9. Closed session.
10. Adjourn.

#### NOTICES

**IF REQUESTED THREE (3) DAYS PRIOR TO THE MEETING, A SIGN LANGUAGE INTERPRETER  
WILL BE MADE AVAILABLE AT NO CHARGE.**

### **MEETING ACCESS INFORMATION:**

You can access this meeting by one of three methods: from your telephone, computer, or by an app. Instructions are below.

To access the meeting by telephone:

1. Dial 1-312-626-6799
2. When prompted, enter Meeting ID 234 605 4161 followed by #
3. When prompted, enter Password 54130 followed by #

To access the meeting by computer:

1. Go to <http://www.zoom.us>
2. Click the blue link in the upper right hand side that says Join a Meeting
3. Enter Meeting ID 234 605 4161
4. Enter Password 54130
5. Allow Zoom to access your microphone or camera if you wish to speak during the meeting

To access the meeting by smartphone or tablet:

1. Download the free Zoom app to your device
2. Click the blue button that says Join a Meeting
3. Enter Meeting ID 234 605 4161
4. Enter Password 54130
5. Allow the app to access your microphone or camera if you wish to speak during the meeting

\*Members of the public will be muted unless there is an agenda item that allows for public comment or if a motion is made to open the floor to public comment.\*



## COUNCIL PROCEEDINGS - COUNCIL CHAMBERS – KAUKAUNA, WISCONSIN – JUNE 4, 2024

Pursuant to adjournment on May 21, 2024 a meeting of the Common Council of the City of Kaukauna was called to order by Mayor Penterman at 7:00 P.M. on Tuesday, June 4, 2024.

Roll call present: Antoine, Coenen, DeCoster, Eggleston, Kilgas, Moore, Schell, and Thiele.

Also present: Mayor Penterman, Attorney Greenwood, DPW/Eng. Neumeier, Fire Chief Carrel, Police Chief Graff, Street Sup. Van Gompel, 1000 Islands Site Mgr. Garrity, Lib Dir. Thiem-Menning (via Zoom), and interested citizens.

One minute of silent prayer and the Pledge of Allegiance to the American Flag observed by the assembly.

Motion by Moore, seconded by Coenen to suspend the rules and waive the reading of the minutes of the Common Council meeting of May 21, 2024.

All Ald. voted aye.

Motion carried.

Motion by Moore, seconded by Eggleston to adopt the Common Council meeting minutes of May 21, 2024.

All Ald. voted aye.

Motion carried.

### PRESENTATION OF LETTERS, PETITIONS, REMONSTRANCES, MEMORIALS, AND ACCOUNTS

#### Bills Payable

Motion by Moore, seconded by Antoine to pay bills out of the proper accounts.

All Ald. voted aye.

Motion carried.

### PUBLIC APPEARANCES

None.

### BUSINESS PRESENTED BY THE MAYOR

#### Tornado 5-21-24.

Mayor Penterman stated that On Tuesday, May 21, the City of Kaukauna experienced a massive storm causing damage to trees and property, massive power outages, and displacing over 50 people from Round House Manor. This storm was later identified as an EF1 Tornado. Thanks to the incredible efforts of our Fire Department, Police Department, Street Department, and Kaukauna Utilities those displaced have found temporary housing and the City has made remarkable progress in recovering from the storm. Additional thanks to Outagamie County Emergency Management, Outagamie County Executive Tom Nelson, Community Emergency Response Team, Kaukauna Area School District, Red Cross, Little Chute Fire Department and Public Works Department, Combined Locks Fire Department and Public Works Department, and Kimberly Public Works for their



assistance in finding shelter and temporary homes for those displaced and for cleanup efforts following the storm.

Fire Chief Carrel stated the Emergency Operations Center (EOC) was opened with about thirty people on the night of the tornado. The EOC representatives walked the path of the storm the following morning with their mobile devices and documented the tornado damage. The City has applied to the Wisconsin Disaster Fund for reimbursement costs of damage the City has occurred. We will hopefully receive 70% of the costs associated with the tornado. Chief Carrel thanked Combined Locks and Little Chute Fire Departments who helped. The assessment revealed 111 homes with damage; 100 are classified with some damage, 9 are minor, and 2 have significant or major damage. The tornado warning sirens did not sound because a tornado warning was never issued by the Weather Service. Discussion held and questions answered.

Street Superintendent Van Gompel gave an update on the Street and Park Department's process of cleaning up after the storm. Staff went out to clear downed trees from road and sidewalks. Combined Locks, Little Chute and Kimberly came in to provide mutual aid with staff and equipment. Several contractors were called in for clean-up. Initial clean-up efforts were focused on the tornado path areas. Street crews will now start on the rest of the clean-up in the City. Council members thanked the Street Department staff for their hard work.

#### **Proclamation Declaring June 2024 as Kaukauna Invasive Species Control Month.**

Farmer Pat and Bonnie Keyes from Mulberry Farms were present to receive the proclamation. Motion by Eggleston, seconded by Kilgas to receive and place on file the Proclamation Declaring June 2024 as Kaukauna Invasive Species Control Month.

All Ald. voted aye.

Motion carried.

#### **Proclamation National Gun Violence Awareness Day June 7, 2024.**

Motion by Schell, seconded by Moore to receive and place on file the Proclamation Declaring June 7, 2024 as National Gun Violence Awareness Day.

All Ald. voted aye.

Motion carried.

#### **Flag Day Proclamation – June 14, 2024.**

Motion by Moore, seconded by Thiele to receive and place on file the Flag Day Proclamation – June 14, 2024.

All Ald. voted aye.

Motion carried.

### **REPORTS OF STANDING AND SPECIAL COMMITTEES**

#### **Board of Public Works Meeting Minutes of June 3, 2024.**

##### **BOARD OF PUBLIC WORKS**

A meeting of the Board of Public Works was called to order by Chair Thiele on Monday, June 3, 2024 at 6:00 P.M.

Members present: Antoine, Coenen, DeCoster, Eggleston, Kilgas, Moore, Schell, and Thiele.

Also present: Mayor Penterman, Attorney Greenwood, DPW/Eng. Neumeier, Senior Eng. Bodoh, HR Dir. Swaney, Com. Enrich. Rec. Dir. Vosters, Fin. Dir. Van Rossum, and interested citizens.

## 1. Correspondence – none.

## 2. Discussion Topics.

### a. **Special Assessment Public Hearing for Project 1-24, 2024 Concrete Street Paving.**

DPW/Eng. Neumeier provided information on this project. A public information meeting was held previously. Residents pay one-third of the cost of the paving. Prices are down this year from last year. Residents are assessed for 100% of the sidewalk costs. Storm sewer laterals are paid by an averaging system, and all pay the same amount. Special assessment payments will be assessed at about 6%. Timeline for project and when special assessments will be billed was given. Corner lot credit gives people living on a corner credit to relieve some of the cost burden. Life expectancy of the concrete is 30 years. Encourage affected residents to sign up for email updates. Questions from the Board were answered.

Chair Thiele declared the public hearing open and asked if anyone in the Council Chambers or via ZOOM wished to address the Council regarding the Special Assessment for Project 1-24, 2024 Concrete Street Paving.

After asking two more times if anyone else wished to address the council, no one appeared, Chair Thiele declared the public hearing closed.

### b. **Authorization to seek bids for Project 10-24: LaFollette Park Pickleball Courts.**

The Engineering Department is completing plans to construct a pickleball complex at LaFollette Park. This project will include site work grading of court areas, underground drainage, placement of stone, asphalt court installation, asphalt path, acrylic court painting, fencing around and between courts, and restoration of all affected areas. Discussion held and questions answered.

Motion by Moore, seconded by Coenen to allow Dr. Cherkasky to speak via ZOOM regarding the pickleball courts.

All Ald. Voted aye.

Motion carried.

Dr. Cherkasky stated how excited he is to have Pickleball Courts going in at LaFollette Park. He wants to make sure the courts are first rate modeling after Telulah Park's courts. The Fox Firecracker Run Committee is dedicated to donating money towards this project. He would be happy to volunteer his services as a consultant to help make this project happen.

Motion by Moore, seconded by Coenen to authorize the Engineering Department to seek bids for Project 10-24, LaFollette Park Pickleball Courts.

All Ald. Voted aye.

Motion carried.

### c. **2023 Compliance Maintenance Annual Report (CMAR).**

Senior Project Engineer Bodoh provided background information on the report. Per Wisconsin DNR: Chapter NR 208, Wis. Adm. Code is more commonly known as the Compliance Maintenance Annual Report (CMAR) rule for publicly and privately owned domestic wastewater treatment works. The CMAR is a self-evaluation tool that promotes the owner's awareness and responsibility for wastewater collection and treatment needs, measures the performance of a wastewater treatment works during a calendar year, and assesses its level of compliance with permit requirements.

City of Kaukauna has achieved an overall grade of "A" in 2023 reporting, which requires no

formal corrective actions.

A Resolution acknowledging that the report has been completed and reviewed is required and is on the Common Council agenda tomorrow.

Motion by Schell, seconded by Eggleston to receive and place on file the 2023 Compliance Maintenance Annual Report and recommend adoption of the "2023 Compliance Maintenance Annual Report (CMAR) Resolution" to Common Council.

All members voted aye.

Motion carried.

**d. Vacating of a Drainage Easement - Lot 110 Blue Stem Meadows 3.**

The resident at 2231 White Dove Lane, Lot 110 of Blue Stem Meadows, has approached the Engineering Department about building a shed in the rear yard easement on the property. To do so, an existing 15' wide drainage easement would need to be vacated or a variance granted. In reviewing the existing easement, it has been determined by Engineering, that the drainage easement on this property is not required for the drainage plan to function properly, is not needed for city access to maintain the same, and vacation of the same would not cause any issues with this or adjacent properties. Plan Commission has reviewed and has recommended approving this request.

Motion by Kilgas, seconded by Antoine to approve vacating the 15' wide rear lot drainage easement for Parcel 325118149, Lot 110 of Blue Stem Meadows 3, and recommend the same to Common Council.

All Ald. Voted aye.

Motion carried.

**e. Heart of the Valley Metropolitan Sewerage District (HOVMSD) Interceptor Project Update.**

DWP/Eng. Neumeier stated over the last couple of weeks work has been done on the bypass pipe in the lower Fox River. They are currently testing the pipe and getting the bypass ready to go so work can be done. Cured in place pipe and work in the river will start on June 10. The HOVMSD is scheduling another public information meeting on June 20 to let residents know what to expect. Discussion was held and questions were answered.

**3. Adjourn.**

Motion made by Antoine, seconded by DeCoster to adjourn.

All members voted aye.

Motion carried.

Meeting adjourned at 6:43 pm.

Sally Kenney  
Clerk

Motion by Thiele, seconded by Kilgas to adopt the Board of Public Works Meeting Minutes of June 3, 2024.

All Ald. voted aye.

Motion carried.

Ald. Moore asked DPW/Eng. Neumeier a few questions about the Special Assessment for Project 1-24, 2024 Concrete Street Paving:

1. Do the materials used for the paving need to be certified by the DOT? DPW/Eng. Neumeier stated they do not need to be certified by the DOT, but there are DOT specifications that need to be met.
2. Wheel Tax language – will there be language in the billing specifying where these credits are going? DPW/Eng Neumeier stated the vehicle registration fee goes to fund the corner lot credits and helps offset monies the city needs to borrow for the project.
3. Billing process – If the project is not finished by October 15 how will the billing be managed? DPW/Eng. Neumeier stated the project would have to be completed by early September and billed to the residents by October 1. If the project is not completed by early September, it is likely that the first annual installment will not be on the tax bill until 2025.

### **Finance and Personnel Committee Meeting Minutes of June 3, 2024.**

#### **FINANCE AND PERSONNEL COMMITTEE**

A meeting of the Finance and Personnel Committee was called to order by Chair Penterman on Monday, June 3, 2024 at 6:45 pm.

Members present: Mayor Penterman, Coenen, DeCoster, Kilgas, Moore, and Schell.

Also present: Ald. Thiele, Ald. Antoine, Ald. Eggleston, Attorney Greenwood, DPW/Eng. Neumeier, HR Dir. Swaney, Com. Enrich. Rec. Dir. Vosters, Fin. Dir. Van Rossum and interested citizens.

#### **1. Correspondence - None.**

#### **2. Discussion Topics.**

##### **a. Permission to fill Associate Planner Position.**

HR Director Swaney informed the Committee that Associate Planner Lily Paul has resigned from her position effective 5/10/2024.

Motion by Moore, seconded by DeCoster to authorize staff to fill an Associate Planner position due to resignation.

All members voted aye.

Motion carried.

#### **3. Adjourn.**

Motion by DeCoster, seconded Coenen to adjourn.

All members voted aye.

Motion carried.

Meeting adjourned at 6:47 pm.

Sally Kenney, Clerk

Motion by Moore, seconded by Antoine to adopt the Finance and Personnel Committee Meeting Minutes of June 3, 2024.

All Ald. voted aye.

Motion carried.

### **Health and Recreation Committee Meeting Minutes of June 3, 2024.**

#### **HEALTH AND RECREATION COMMITTEE**

A meeting of the Health and Recreation Committee was called to order by Chair Schell on Monday, June 3, 2024 at 6:47 P.M.

Members present: DeCoster, Eggleston, Schell, and Thiele.

Also present: Mayor Penterman, Ald. Antoine, Ald. Moore, Ald. Coenen, Ald. Kilgas, Attorney Greenwood, DPW/Eng. Neumeier, Fin. Dir. Van Rossum, HR Dir. Swaney, Com. Erich. Rec. Dir. Vosters and interested citizens.

**1. Correspondence – None.**

**2. Discussion Topics.**

**a. Request from Sarah Wroblewski, Kaukauna Public Library for the allowance of animals at the Touch a Truck event on July 10, 2024 from 10 am-12 pm at Hydro Park.**

Motion by Thiele, seconded by Eggleston to grant the allowance of animals at the Touch a Truck event on July 10 from 10 am-12 pm at Hydro Park.

All members voted aye.

Motion carried.

**b. Special Event Application to Fleet Feet Fox Valley for The Big Run 5K Fun Run on June 5, 2024 from 6:00-8:00pm.**

Motion by DeCoster, seconded by Thiele to approve the Special Event Application to Fleet Feet Fox Valley for The Big Run 5K Fun Run on June 5, 2024 from 6:00-8:00pm.

All members voted aye.

Motion carried.

**c. Temporary Class B License to Kaukauna Athletic Club on September 21, 2024 for the Wisconsin Avenue Fall Block Party.**

Motion by Eggleston, seconded by Thiele to approve the Temporary Class B License to Kaukauna Athletic Club on September 21, 2024 for the Wisconsin Avenue Fall Block Party.

Motion carried.

**d. Temporary Class "B" License to Kaukauna Lions Club, Hydro Park, on June 5, 12, 19, 26, July 3, 10, 17, 24, 31, August 7, 8, & 15th, 2024 for "Live! from Hydro".**

Motion by Eggleston, seconded by DeCoster to approve the Temporary Class "B" License to Kaukauna Lions Club, Hydro Park, on June 5, 12, 19, 26, July 3, 10, 17, 24, 31, August 7, 8, & 15th, 2024 for "Live! from Hydro".

All members voted aye.

Motion carried.

**e. Solicitor Licenses.**

The following applicants have applied for a solicitor's license for the license year 2024 and have been recommended for approval based on their record check by the police department:

Brellenthin	Derek	J.	7516 N. 107 <sup>th</sup> St.	Milwaukee
Carreno	Cristian	A.	3028 N. Oakland Ave.	Milwaukee
Dusseau	Stephen	C.	19185 Rivendell Dr.	Brookfield
Ingrilli	Vincent	R.	2720 Arbor Dr.	Brookfield
Listrom	Alexander	T.	218 Ohio St.	Racine
Sexton	Brandon	W.	1141 Rainbow Ct.	Mukwonago
Shepherd	Wade	A.	12606 Cooper St.	Papillion, NE
Smith	Ethan	R.	3009 Bate St.	Racine

Motion by Thiele, seconded by DeCoster to approve Solicitors Licenses.

All members voted aye.  
Motion carried.

**f. Community Enrichment Update.**

Terri said thank you to Friends of 1000 Islands for the great Art Fair. Reminder that Live! From Hydro and Farmers Market events are starting this Wednesday. The Pool Project is coming along. Hoping to have the keys on the 18th and hope to open on the 25th. Discussion held and questions answered.

**g. Adjourn to Closed Session Pursuant to State Statute 19.85(1)(e) for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session - Electric City Music Fest.**

Motion by Eggleston, seconded by DeCoster to adjourn to closed session.  
All members voted aye.  
Motion carried.

Adjourned to closed session at 6:54 pm.

**h. Return to Open Session for possible action.**

Motion by Thiele, seconded by DeCoster to return to Open Session.  
All members voted aye.  
Motion carried.

Returned to Open Session at 7:13 pm.

Motion by Thiele, seconded by Schell to direct Mayor and staff to continue organizing the Kaukauna Music Festival for August 2024.  
All members voted aye.  
Motion carried.

**3. Adjourn.**

Motion made by Thiele, seconded by Eggleston to adjourn.  
All members voted aye.  
Motion carried.

Meeting adjourned at 7:14 P.M.

Sally Kenney  
Clerk

Motion by Schell, seconded by Eggleston to adopt the Health and Recreation Committee Meeting Minutes of June 3, 2024.  
All Ald. voted aye.  
Motion carried.

**Grignon Mansion Board Meeting Minutes of March 25, 2024.**

Motion by Thiele, seconded by Coenen to receive and place on file the Grignon Mansion Board Meeting Minutes of March 25, 2024.  
All Ald. voted aye.  
Motion carried.

**Grignon Mansion Board Meeting Minutes of April 22, 2024.**

Motion by Thiele, seconded by Moore to receive and place on file the Grignon Mansion Board Meeting Minutes of April 22, 2024.

All Ald. voted aye.

Motion carried.

**Library Board Meeting Minutes of April 23, 2024.**

Motion by Kilgas, seconded by Moore to receive and place on file the Library Board Meeting Minutes of April 23, 2024.

All Ald. voted aye.

Motion carried.

**1000 Islands Environmental Center Committee Meeting Minutes of April 18, 2024.**

Motion by Eggleston, seconded by Antoine to receive and place on file the 1000 Islands Environmental Center Committee Meeting Minutes of April 18, 2024.

All Ald. voted aye.

Motion carried.

**Operator (Bartender) Licenses.**

The following applicants have applied for an operator's license for the license year 2024-2026 and have been recommended for approval based on their record check by the police department:

Ambrosius	William	A.	120 Washington St.	Kaukauna
Anthony	Joshua	M.	4538 Grandview Rd.	Larsen
Ashauer	Paula	A.	543 Songbird Ave.	Wrightstown
Banjade	Anju	-	3311 E. Parkside Blvd. Apt. 128	Appleton
Bevers	Isaac	R.	903 ½ Oviatt St.	Kaukauna
Birky	Zachary	D.	512 Idlewild St.	Kaukauna
Block	Tracy	A.	1020 Oviatt St. Apt. 10	Kaukauna
Booher	Megan	L.	943 E. Lindbergh St.	Appleton
Brennecke	Linda	L.	1338 W. Winnebago St.	Appleton
Buchinger	Brittni	T.	W774 Golden Glow Rd.	Kaukauna
Carey	Anne	P.	719 Desnoyer St.	Kaukauna
Casanova	Kendra	E.	525 Idlewild St. #4	Kaukauna
Catrine	Kathleen	A.	177 Raught St.	Kaukauna
Czarnecki	Jamie	L.	818 N. Bay Ridge Rd.	Appleton
DeCoster	Deborah	K.	N1539 Lynn St.	Kaukauna
Denton	Ginger	L.	219 E. 14th St.	Kaukauna
Dombrowski	Daniel	R.	N2972 French Rd.	Freedom
Eckes	Philip	K.	W2246 Gentry Dr. #1	Kaukauna
Erickson	Anita	L.	1708 N. Wilmer St.	Appleton
Fay	Destiny	S.	101 E. Ann St.	Kaukauna
Femal	Megan	E.	981 Solar Parkway	Neenah
Finlayson-Greene	Sarah	Q.	131 W. Greenfield Dr.	Little Chute
Funk	Karen	A.	704 W. Wisconsin Ave.	Kaukauna
Geibel	Mason	J.	3508 Layden Dr. Apt. 10	De Pere
Germain	James	M.	66 E. Brooklyn St.	Chilton
Goessl	Garrett	J.	N191 Briarwood Dr.	Appleton
Gutsmiedl	Maria	J.	W3085 Springfield Dr.	Appleton
Henke	Melanie	M.	W2416 Buchanan Rd.	Appleton
Henquinet	Aleana	J.	6767 Crippen St.	Greenleaf
Hietpas	Josh	W.	814 Gertrude St.	Kaukauna
Hietpas	Rose	E.	140 E. Tobacnoir St.	Kaukauna



Hietpas	Shelby	M.	220 Jefferson St.	Kaukauna
Hill	Tori	R.	W224 Deering Ln.	Kaukauna
Hovde	Leigh	A.	461 Taft St.	Green Bay
Jakubowski	Karen	A.	1268 Reber St.	Green Bay
Joset	Gitana	M.	2300 Woodrow Ct. Apt. 6	Appleton
Kafle	Lal	P.	W5965 Strawflower Dr.	Appleton
Kappus	Sydney	F.	2321 Fairway Dr.	Kaukauna
Kasper	Sara	D.	1000 Taylor St. Apt. 3	Little Chute
Keddell	Jennifer	V.	700 W. Main St.	Little Chute
Keen	Tammy	N.	W2321 Bonnie Ln.	Kaukauna
Khanal	Poonam	-	3082 Winnipeg St.	Menasha
Kizewski	Joel	P.	3125 N. Durkee St.	Appleton
Krueger	Riley	J.	N4003 McHugh Rd.	Freedom
LaChance	Jason	L.	1973 Andraya Ln.	De Pere
LaChance	Lexi	L.	1973 Andraya Ln.	De Pere
Lau	Brandon	M.	1017 Hillcrest Dr.	Kaukauna
Leitl	Alisha	J.	763 Thelosen Dr.	Kimberly
Marzahl	Gail	E.	720 S. Westhaven Place, Unit A	Appleton
Maynard	Cynthia	L.	22 Tayco St.	Menasha
McCall	Kristopher	M.	960 W. Florida Ave.	Little Chute
Moore	Philip	J.	239 S. Lynndale Dr.	Appleton
Oli	Madhu Sudhan	-	1386 Kingston Terrace #2	Green Bay
Peters	Lisa	M.	W2446 Buchanan Rd.	Appleton
Peterson	Marjorie	L.	132 Lamplighter Dr. Apt. 4	Kaukauna
Rath	Stephanie	A.	161 Garfield St.	Kaukauna
Rice	Cynthia	R.	615 Quinney Ave.	Kaukauna
Rice	David	W.	215 ½ W. Wisconsin Ave. Apt. 1	Kaukauna
Rieth	Matthew	G.	319 W. Atlantic St.	Appleton
Ritari	Rachel	A.	105 E. McKinley Ave.	Little Chute
Roehrborn	Marie	L.	W3187 Dundas Rd.	Kaukauna
Rueckl	Amanda	E. Q.	2002 Fern Lane	Green Bay
Sanderfoot	Merlin	J.	W1419 Peters Rd.	Kaukauna
Schaeuble	Sarah	J.	103 Golden Wheat Ln.	Wrightstown
Schink	Noah	C.	128 E. Tobacnoir St.	Kaukauna
Schmit	Mariah	M.	528 Margaret St.	Kaukauna
Schultz	Abbey	I.	2217 Joan Ct.	Kaukauna
Shepard	Virginia	E.	W5363 Linden Hill Dr.	Appleton
Smith	Thomas	M.	1100 Kristy St.	Kaukauna
Sonnleitner	Deborah	K.	1971 Bear Paw Tr.	Kaukauna
Stever	Amanda	C.	812 W. Elsie St.	Appleton
Thao	Emily	-	720 N. Mayflower Dr. Apt. 1	Appleton
Tiwari	Bisho	R.	321 N. 113 <sup>th</sup> St.	Wauwatosa
Torud	Amanda	L.	N1922 Swanee Circle	Greenville
Tschimperle	Karen	A.	615 Desnoyer St.	Kaukauna
VandenHoogen	Brett	H.	2230 Imperial Ln. Apt. 7	Appleton
VanLankveldt	Nicholas	B.	400 Kadinger Way	Little Chute
Verhoeven	Amy	J.	133 E. Tobacnoir St.	Kaukauna
Voet	Jamie	K.	525 W. 9 <sup>th</sup> St.	Kaukauna
Weyenberg	Brian	L.	101 Plum Creek Tr.	Wrightstown
Wiegert	Kari	L.	410 E. Kimberly Ave. Apt. B	Kimberly
Williams	Lisa	G.	338 S. Birch St.	Kimberly
Wisniewski	Mary	A.	301 W. 12 <sup>th</sup> St.	Kaukauna



Woelfel	Jacki	S.	N4243 Finnegan Rd.	Chilton
Zastrow	Janiece	M.	2678 W. Parkmoor Ct.	Appleton
Zietlow	Sarah	M.	209 W. Division St.	Kaukauna

Motion by Schell, seconded by Moore to approve the operator/bartender licenses.  
All Ald. Voted aye.  
Motion carried.

The following applicants have applied for an operator's license for the license year **2024-2026, as well as a provisional license covering June of 2024**, and have been recommended for approval based on their record check by the police department:

Bhattarai	Surya	P.	3082 Winnipeg St.	Menasha
Kilgas	Sarah	F.	253 ½ County Rd. CE	Kaukauna
Siegel	Annette	M.	139 S. John St.	Kimberly

Motion by Schell, seconded by Kilgas to approve the provisional operator/bartender licenses.  
All Ald. Voted aye.  
Motion carried.

## REPORTS OF CITY OFFICERS

### Code Enforcement Report.

Police Chief Graff gave an update with statistic on the code enforcement program. The report provided information on all the complaints. Discussion was held and questions answered.

## PRESENTATION OF ORDINANCES AND RESOLUTIONS

### **Resolution 2024-5433 Resolution Vacating a Drainage Easement on Lot 110 of the Blue Stem Meadows 3 Subdivision, Parcel 325118149.**

Motion by Moore, seconded by Coenen to suspend the rules and waive the reading of Resolution 2024-5433.

All Ald. voted aye.  
Motion carried.

Motion by Moore, seconded by Kilgas to adopt Resolution 2024-5433.  
All Ald. voted aye.  
Motion carried.

### **Resolution 2024-5434 Final Resolution Authorizing Public Improvements on Street, Sidewalk, Driveway Aprons and Utility Assessments on E. Eighth Street, E. Ninth Street, E. Tenth Street, Metoxen Avenue, Quinney Avenue, and Spring Street.**

Motion by Moore, seconded by Antoine to suspend the rules and waive the reading of Resolution 2024-5434.

All Ald. voted aye.  
Motion carried.

Motion by Moore, seconded by Thiele to adopt Resolution 2024-5434.  
All Ald. voted aye.  
Motion carried.

### **Resolution 2024-5435 2023 Compliance Maintenance Annual Report (CMAR).**

Motion by Moore, seconded by Eggleston to suspend the rules and waive the reading of Resolution 2024-5435.

All Ald. voted aye.

Motion carried.

Motion by Moore, seconded by Antoine to adopt Resolution 2024-5435.

All Ald. voted aye.

Motion carried.

## ADJOURN

Motion by Moore, seconded by Coenen to adjourn.

All Ald. voted aye.

Motion carried.

Meeting adjourned at 8:07 p.m.

Sally Kenney, Clerk



## City - Bills Payable

Check #	Date	Class	Addressee	Absolute Value of Amount
121939	5/17/2024	General Fund - 101	A T F Tires & Service Center Inc.	661.72
121940	5/17/2024	General Fund - 101	Adam Young	136.22
121941	5/17/2024	General Fund - 101	Airgas USA, LLC	90.68
121942	5/17/2024	General Fund - 101	Andrea Heesaker	375.00
121943	5/17/2024	Storm Water Utility - 601	Brooks Tractor Inc.	2,599.99
121944	5/17/2024	General Fund - 101	Carstens Ace Hardware	42.41
121945	5/17/2024	General Fund - 101	CDW Government	208.08
121946	5/17/2024	General Fund - 101	Charter Communications	357.12
121947	5/17/2024	General Fund - 101	Complete Office of Wisconsin	66.98
121948	5/17/2024	General Fund - 101	DC Auto Repair, LLC	45.26
121949	5/17/2024	General Fund - 101	Dean Enterprises, LLC	245.00
121950	5/17/2024	General Fund - 101	Diamond Vogel Inc.	4,253.50
121951	5/17/2024	Sanitary Sewer Utility - 602	Diggers Hotline Inc.	691.24
121952	5/17/2024	General Fund - 101	DIS Solutions	152.48
121953	5/17/2024	General Fund - 101	Eagle Graphics LLC	573.00
121954	5/17/2024	General Fund - 101	Econoprint Powderkeg Web Design	2,500.00
121955	5/17/2024	General Fund - 101	Evergreen Power	54.98
121956	5/17/2024	General Fund - 101	Evergreen Power	49.43
121957	5/17/2024	General Fund - 101	Faith Technologies, Inc.	2,909.65
121958	5/17/2024	General Fund - 101	Fast Four USA Inc.	8,976.00
121959	5/17/2024	Sanitary Sewer Utility - 602	Feaker & Sons Inc.	131,941.08
121960	5/17/2024	General Fund - 101	Finger Publishing, Inc.	1,638.03
121961	5/17/2024	General Fund - 101	Fox Specialty Company LLC	415.04
121962	5/17/2024	General Fund - 101	GFL Green For Life Environmental	644.49
121963	5/17/2024	General Fund - 101	H & R Safety Solutions, LLC	401.90
121964	5/17/2024	General Fund - 101	Haenco LLC	492.47
121965	5/17/2024	General Fund - 101	Ingram	437.67
121966	5/17/2024	General Fund - 101	Insta Prints Plus, Inc.	59.27
121967	5/17/2024	General Fund - 101	Interstate Battery	69.95
121968	5/17/2024	General Fund - 101	James Imaging	187.32
121969	5/17/2024	General Fund - 101	Jefferson Fire & Safety, Inc.	228.68
121970	5/17/2024	General Fund - 101	Joey Larson	125.00
121971	5/17/2024	General Fund - 101	Klink Hydraulics, LLC	191.80
121972	5/17/2024	General Fund - 101	Linde Gas & Equipment Inc.	48.30
121973	5/17/2024	General Fund - 101	Logan VanHoof	109.68
121974	5/17/2024	TID #8 Construction Fund - 468	Malone Process Service, LLC	189.00
121975	5/17/2024	General Fund - 101	Marco	248.09
121976	5/17/2024	General Fund - 101	Maria Garcia-Colchado	200.00
121977	5/17/2024	General Fund - 101	MCC Inc.	266.22
121978	5/17/2024	Streets & Sidewalk Capital - 420	Northeast Asphalt Inc.	74,854.88
121979	5/17/2024	Storm Water Utility - 601	Northeast Asphalt Inc.	57,624.88
121980	5/17/2024	General Fund - 101	ORKIN Pest Control	54.71
121981	5/17/2024	General Fund - 101	Oshkosh Fire & Police Equipment	7,170.00
121982	5/17/2024	General Fund - 101	Outagamie County Clerk	364.75
121983	5/17/2024	General Fund - 101	Outagamie County Recycling & SW	46,856.34
121984	5/17/2024	General Fund - 101	Outagamie County Register of Deeds	30.00
121985	5/17/2024	General Fund - 101	Outagamie County Treasurer	2,703.97

Check #	Date	Class	Addressee	Absolute Value of Amount
121986	5/17/2024	General Fund - 101	Pitney Bowes Inc	367.17
121987	5/17/2024	General Fund - 101	Quadient Finance USA, Inc.	1,000.00
121988	5/17/2024	General Fund - 101	R.N.O.W., Inc.	357.86
121989	5/17/2024	Rack - Commercial Revolving - 206	Reynebeau Floral & Greenhouses	416.88
121990	5/17/2024	General Fund - 101	Service Motor Company, Inc.	8.60
121991	5/17/2024	General Fund - 101	Thedacare Laboratories	42.50
121992	5/17/2024	General Fund - 101	Triumph Tires Inc	356.00
121993	5/17/2024	General Fund - 101	Tyler Fredrickson	125.00
121994	5/17/2024	Streets & Sidewalk Capital - 420	Unison Credit Union	358.75
121995	5/17/2024	General Fund - 101	Unison Credit Union	5,839.65
121996	5/17/2024	American Rescue Plan Act Funds - 223	Unison Credit Union	406.57
121997	5/17/2024	General Fund - 101	VESTIS	323.92
121998	5/17/2024	Storm Water Utility - 601	Zarnoth Brush Works	6,462.50
00000193/1	5/17/2024	General Fund - 101	Wisconsin Employee Trust Funds (ETF)	382,616.78
00000193/2	5/17/2024	General Fund - 101	Ramp Financial	127.00
00000194/1	5/20/2024	General Fund - 101	Kaukauna Utilities	24.44
00000195/1	5/20/2024	Storm Water Utility - 601	Kaukauna Utilities	1,990.02
121999	5/24/2024	General Fund - 101	A T F Tires & Service Center Inc.	63.13
122000	5/24/2024	General Fund - 101	Advanced Maintenance Solutions	1,687.85
122001	5/24/2024	General Fund - 101	Airgas USA, LLC	457.66
122002	5/24/2024	General Fund - 101	Andrew Pelot	101.48
122003	5/24/2024	Storm Water Utility - 601	AT&T Mobility	43.61
122004	5/24/2024	General Fund - 101	AT&T Mobility	137.14
122005	5/24/2024	General Fund - 101	BayCare Aurora LLC	298.44
122006	5/24/2024	General Fund - 101	Bob & Dave's Lawn & Landscaping	198.00
122007	5/24/2024	General Fund - 101	Bound Tree Medical, LLC.	1,173.77
122008	5/24/2024	General Fund - 101	Charter Communications	1,432.94
122009	5/24/2024	General Fund - 101	City Of Appleton	805.00
122010	5/24/2024	1000 Islands - 201	Community Foundation for Fox Valley Region	43,656.53
122011	5/24/2024	General Fund - 101	Conway Shield	2,674.36
122012	5/24/2024	Park & Pool Capital - 422	Diamond Vogel Inc.	899.89
122013	5/24/2024	General Fund - 101	Diversified Benefit Services, Inc.	263.90
122014	5/24/2024	General Fund - 101	Eagle Sign & Design LLC	297.64
122015	5/24/2024	General Fund - 101	Energy Control & Design, Inc.	10,595.73
122016	5/24/2024	General Fund - 101	Evergreen Power	25.98
122017	5/24/2024	General Fund - 101	Fox Valley Humane Association	184.00
122018	5/24/2024	General Fund - 101	Galls, LLC	90.10
122019	5/24/2024	General Fund - 101	Game Time	237.02
122020	5/24/2024	American Rescue Plan Act Funds - 223	Griesbach Ready-Mix, LLC	3,714.00
122021	5/24/2024	General Fund - 101	Griesbach Ready-Mix, LLC	979.00
122022	5/24/2024	General Fund - 101	Heart of The Valley Chamber Of Commerce	500.00
122023	5/24/2024	General Fund - 101	Ingram	1,524.00
122024	5/24/2024	General Fund - 101	Insta Prints Plus, Inc.	53.76
122025	5/24/2024	General Fund - 101	Iron Mountain Inc.	11.95
122026	5/24/2024	General Fund - 101	Kaylee Mickelson	200.00
122027	5/24/2024	General Fund - 101	KidStage	1,840.00
122028	5/24/2024	General Fund - 101	Klink Hydraulics, LLC	138.70
122029	5/24/2024	General Fund - 101	Kwik Trip, Inc.	240.65
122030	5/24/2024	Sanitary Sewer Utility - 602	Lazer Utility Locating, LLC	340.75

Check #	Date	Class	Addressee	Absolute Value of Amount
122031	5/24/2024	General Fund - 101	Marco	967.91
122032	5/24/2024	General Fund - 101	Marco Technologies LLC NW 7128	53.75
122033	5/24/2024	General Fund - 101	MCC Inc.	449.60
122034	5/24/2024	General Fund - 101	McClone	22,249.00
122035	5/24/2024	General Fund - 101	Milton Propane	100.55
122036	5/24/2024	General Fund - 101	MO Med Supplies	156.00
122037	5/24/2024	Storm Water Utility - 601	NEWSC	1,935.00
122038	5/24/2024	General Fund - 101	Oracle NetSuite	7,748.85
122039	5/24/2024	General Fund - 101	Outagamie County Sheriff's Office	200.00
122040	5/24/2024	General Fund - 101	Reynebeau Floral & Greenhouses	189.93
122041	5/24/2024	General Fund - 101	RG Inspections LLC	4,410.65
122042	5/24/2024	General Fund - 101	Sally Kenney	97.30
122043	5/24/2024	General Fund - 101	Screening One, Inc.	109.50
122044	5/24/2024	General Fund - 101	Security Health Plan	239.07
122045	5/24/2024	General Fund - 101	Silver Squirrel Engraving & Gifts	182.00
122046	5/24/2024	General Fund - 101	Stoneridge Piggly Wiggly	23.60
122047	5/24/2024	General Fund - 101	Tapco	10,319.14
122048	5/24/2024	General Fund - 101	Tesa Hernandez Blandon	25.32
122049	5/24/2024	Park & Pool Capital - 422	Uline	4,794.28
122051	5/24/2024	General Fund - 101	von Briesen & Roper S.C.	586.50
00000196/1	5/24/2024	General Fund - 101	Delta Dental of Wisconsin	2,207.68
00000196/2	5/24/2024	General Fund - 101	Wis. Dept. of Revenue - ACH PAYMENT	643.13
00000196/3	5/24/2024	General Fund - 101	Wisconsin Employee Trust Funds (ETF)	192,390.67
00000196/4	5/24/2024	General Fund - 101	MissionSquare Retirement	19,523.65
00000197/1	5/24/2024	Industrial Park - 401	Kaukauna Utilities	40.53
00000198/1	5/24/2024	Nelson Crossing Fund - 224	Kaukauna Utilities	23.77
00000199/1	5/24/2024	Storm Water Utility - 601	Kaukauna Utilities	10.50
00000200/1	5/24/2024	TID #5 Construction Fund - 465	Kaukauna Utilities	109.86
00000201/1	5/24/2024	Sanitary Sewer Utility - 602	Kaukauna Utilities	660.25
00000202/1	5/24/2024	General Fund - 101	Kaukauna Utilities	18,139.15
00000202/2	5/24/2024	General Fund - 101	Midwest Tape	1,012.34
00000202/3	5/24/2024	General Fund - 101	Superior Chemical, LLC	541.17
00000202/4	5/24/2024	General Fund - 101	Diversified Benefit Services, Inc (DBS) (ACH)	3,422.58
00000202/5	5/24/2024	General Fund - 101	Fire Association Local 1594	637.80
00000202/6	5/24/2024	General Fund - 101	Police Association	696.00
00000202/7	5/24/2024	General Fund - 101	Fire House Fund	336.00
00000202/8	5/24/2024	General Fund - 101	Pelion Benefits, Inc (SSA)	1,812.57
<b>Total</b>				<b>1,125,278.48</b>



# MEMO

## Finance

To: Common Council

From: Finance Director (William Van Rossum)

Date: 06/18/2024

Re: Presentation of the 2023 Audited Financial Statements

### Background information:

I am delighted to inform you that we have experienced a highly successful financial year, with unexpected interest revenue significantly contributing to our city's robust financial health. This achievement underscores the dedication and hard work of our City staff, whose efforts have ensured we stayed on course with our 2023 budget plan.

The 2023 fiscal year brought numerous uncertainties and challenges. However, our staff demonstrated exceptional skill and perseverance in navigating these obstacles, maintaining our stable financial position, and achieving our budgetary goals. Their commitment to fiscal responsibility and sound financial management has been exemplary.

To further ensure the accuracy and integrity of our financial statements, we have enlisted the professional services of CLA (CliftonLarsonAllen LLP). Amber Drewieske's team conducted the annual audit. She will provide a detailed presentation and offer an independent opinion on our 2023 financials. Her expertise will reinforce the reliability of our financial records.

I would like to express my sincere gratitude to the City Council for your steadfast support and trust in our financial management efforts. The positive outcomes of the 2023 financial statements reflect our collective dedication and the strong partnership between the Council and our diligent staff.

Enclosed is the draft report, which will be presented in its final format during the meeting. Should the final report be completed before our scheduled meeting on Tuesday night, I will ensure it is promptly sent to you via email.

**Strategic Plan:** The 2023 Audited Financial Statemetns will show that staff is fiscually responsibly with tax payor dollars during the 2023 budget year.

**Budget:** No Budget IMpact

**Staff Recommended Action:**

A motion to receive and place on file the 2023 Financial Statements.



CliftonLarsonAllen LLP  
CLAAconnect.com

Management  
City of Kaukauna  
Kaukauna, Wisconsin

In planning and performing our audit of the financial statements of City of Kaukauna, Wisconsin as of and for the year ended December 31, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the entity's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we do not express an opinion on the effectiveness of the entity's internal control.

However, during our audit we became aware of a deficiency in internal control other than the significant deficiencies and other matters is an opportunity to strengthen your internal control and improve the efficiency of your operations. Our comment and suggestion regarding those matters is summarized below. A separate communication dated June 11, 2024, contains our written communication of significant deficiencies in the entity's internal control. This letter does not affect our report on the financial statements dated June 11, 2024, nor our internal control communication dated June 11, 2024.

### Journal Entry Approval

A key component of internal controls are the policies and procedures that help ensure that management's directives are being carried out.

During our audit, we noted instances where journal entries were not reviewed and approved by someone other than the individual preparing the entry. While all journal entries reviewed during our audit were appropriate, we believe supporting documentation and, if practical, evidence of review should accompany all journal entries entered into the City's general ledger.

We therefore recommend that the City develop a policy for processing journal entries that includes 1) adequate explanation and documentation and, 2) if practical, the review of all journal entries prior to the entering into the City's general ledger.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various entity personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

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

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 11, 2024





CliftonLarsonAllen LLP  
CLAconnect.com

Honorable Mayor and City Council  
City of Kaukauna  
Kaukauna, Wisconsin

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Kaukauna, Wisconsin, as of and for the year ended December 31, 2023, and have issued our report thereon dated June 11, 2024. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit in our engagement letter dated November 3, 2023. Professional standards also require that we communicate to you the following information related to our audit.

## **Significant audit findings or issues**

### ***Qualitative aspects of accounting practices***

#### *Accounting policies*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by City of Kaukauna are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2023.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

#### *Accounting estimates*

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

- Management's estimate of the other postemployment benefits is based on an actuarial report. We evaluated the key factors and assumptions used to develop the other postemployment benefits in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management estimated an allowance for uncollectible accounts for ambulance receivables outstanding. These estimates are based upon management's knowledge of, and past experience with the outstanding balances. 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*

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There were no particularly sensitive financial statement disclosures.

The financial statement disclosures are neutral, consistent, and clear.

***Difficulties encountered in performing the audit***

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

***Uncorrected misstatements***

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has determined that the effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The following summarizes uncorrected misstatements of the financial statements:

- The City passed on recorded a subscription asset and a subscription liability for \$190,543 which resulted in understated assets and liabilities on the governmental activities.

Uncorrected misstatements or the matters underlying uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even if management has concluded that the uncorrected misstatements are immaterial to the financial statements under audit.

***Corrected misstatements***

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.

***Disagreements with management***

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

***Management representations***

We have requested certain representations from management that are included in the attached management representation letter dated June 11, 2024.

***Management consultations with other independent accountants***

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

***Significant issues discussed with management prior to engagement***

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

***Other audit findings or issues***

We have provided a separate communication to you dated June 11, 2024, communicating internal control related matters identified during the audit.

***Audits of group financial statements***

We noted no matters related to the group audit that we consider to be significant to the responsibilities of those charged with governance of the group.

***Quality of component auditor's work***

There were no instances in which our evaluation of the work of a component auditor gave rise to a concern about the quality of that auditor's work.

***Limitations on the group audit***

There were no restrictions on our access to information of components or other limitations on the group audit.

***Required supplementary information***

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management's responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

***Supplementary information in relation to the financial statements as a whole***

With respect to the combining balance sheet – nonmajor governmental funds, combining statement of revenues, expenditures, and changes in fund balances – nonmajor governmental funds, and the schedule of revenues, expenditures, and changes in fund balance – budget and actual – debt service fund (collectively, the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated June 11, 2024.

Honorable Mayor and City Council  
City of Kaukauna, Wisconsin  
Page 4

\* \* \*

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 11, 2024



June 11, 2024

CliftonLarsonAllen LLP  
1175 Lombardi Ave  
Green Bay, WI 54304

This representation letter is provided in connection with your audit of the financial statements of the City of Kaukauna, Wisconsin, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to misstatements that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm, to the best of our knowledge and belief, as of June 11, 2024, 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 dated November 13, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We acknowledge and have fulfilled 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. Significant assumptions used by us in making accounting estimates are reasonable.
5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.

6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.
8. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements for each opinion unit. The City passed on recorded a subscription asset and a subscription liability for \$190,543 which resulted in understated assets and liabilities on the governmental activities. In addition, you have proposed adjusting journal entries that have been posted to the entity's accounts. We have reviewed and approved those adjusting journal entries and understand the nature of the changes and their impact on the financial statements. We are in agreement with those adjustments and accept responsibility for them.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. Arrangements with financial institutions involving repurchase, reverse repurchase, or securities lending agreements, compensating balances, or other arrangements involving restrictions on cash balances and line-of-credit or similar arrangements, have been properly recorded or disclosed in the financial statements.
12. The fact that the amount of "uncollateralized" deposits or "uninsured, unregistered securities held by the counterparty, or by its trust department or agent but not in the entity's name" during the period significantly exceeded the amounts in those categories as of the financial statement date was properly disclosed in the financial statements.
13. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date and have been reduced to their estimated net realizable value.
14. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with U.S. GAAP.
15. The methods and significant assumptions used to determine fair values of financial instruments are as follows: Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

16. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
17. We believe that all material expenditures that have been deferred to future periods will be recoverable.
18. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.
19. We are unable to determine the possibility of a withdrawal liability in a multiple-employer benefit plan.
20. We do not intend to compensate for the elimination of postretirement benefits by granting an increase in pension benefits.
21. We do not plan to make frequent amendments to our pension or other postretirement benefit plans.

**Information Provided**

1. 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 records (including information obtained from within and outside of the general and subsidiary ledgers), 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. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. 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 when the fraud could have a material effect on the financial statements.

5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, regulators, or others.
6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
7. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
8. There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
9. We have disclosed to you the identity of all the entity's related parties and all the related party relationships and transactions of which we are aware, including any side agreements.
10. The entity 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, except as made known to you and disclosed in the financial statements.
11. We have a process to track the status of audit findings and recommendations.
12. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
13. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
14. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to City of Kaukauna, Wisconsin, including tax or debt limits and debt contracts; and we have identified and disclosed to you all 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.
15. There are no violations or possible violations of budget ordinances, laws and 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.
16. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
17. We are responsible for determining whether we have received, expended, or otherwise been the beneficiary of any federal awards during the period of this audit. No federal award, received directly from



federal agencies or indirectly as a subrecipient, was expended in an amount that cumulatively totals from all sources \$750,000 or more. For this representation, “award” means financial assistance and federal cost-reimbursement contracts that non-federal entities receive directly from federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, user grants, or contracts used to buy goods or services from vendors.

18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 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.
22. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
23. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
24. Provisions for uncollectible receivables have been properly identified and recorded.
25. 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.
26. Revenues are appropriately classified in the statement of activities within program revenues and general revenues.
27. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
28. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
29. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
30. We have appropriately disclosed the entity’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 is available and have determined that net position is properly recognized under the policy.
31. 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.

32. We acknowledge our responsibility for presenting the nonmajor fund combining statements, individual fund statements, and supporting schedules (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information 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. If the supplementary information 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 auditors' report thereon.
33. As part of your audit, you prepared the draft financial statements and related notes. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgments and decisions; and have assumed all management responsibilities. We have evaluated the adequacy and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements and related notes. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
34. We have evaluated the adequacy and results of the lease accounting services performed and accept responsibility for the results. We acknowledge our responsibility for our lease asset and lease liability (lease schedule) based on the lease information provided by us. We have reviewed our lease contracts and related lease schedule and have determined and accept responsibility for all inputs, outputs, assumptions and estimates included in the lease schedule, including specific review of underlying contracts for accuracy of data input. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your lease services; have made all significant management judgments and decisions; and have assumed all management responsibilities. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
35. We have evaluated the adequacy and results of the subscription-based information technology arrangement (SBITA) accounting services performed and accept responsibility for the results. We acknowledge our responsibility for our subscription asset and related subscription liability (SBITA schedule) based on the SBITA information provided by us. We have reviewed our SBITA contracts and related SBITA schedule and have determined and accept responsibility for all inputs, outputs, assumptions and estimates included in the SBITA schedule, including specific review of underlying contracts for accuracy of data input. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your SBITA services; have made all significant management judgments and decisions; and have assumed all management responsibilities. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
36. We have evaluated the adequacy and results of the depreciation services performed and accept responsibility for the results. We acknowledge our responsibility for our depreciation schedules and have

determined the methods and rates of depreciation and the salvage values used in the calculations. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your depreciation services; have made all significant management judgments and decisions; and have assumed all management responsibilities. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.

37. In regards to the journal entry services and capital asset depreciation services performed by you, we have:

- a. Made all management judgments and decisions and assumed all management responsibilities.
- b. Designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee the services.
- c. Evaluated the adequacy and results of the services performed.
- d. Accepted responsibility for the results of the services.
- e. Ensured that the entity's data and records are complete and received sufficient information to oversee the services.

Signature: William Van Rossum Title: Finance Director

Signature: Ashley Roehl Title: Senior Accountant

**CITY OF KAUKAUNA, WISCONSIN**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2023**



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## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and City Council  
City of Kaukauna  
Kaukauna, Wisconsin

### Report on the Audit of the Financial Statements

#### ***Opinions***

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 Kaukauna, Wisconsin (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2023, 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.

We did not audit the financial statements of the Kaukauna Utilities Fund, which represents 78%, 78%, and 91% of the assets, net position, and revenues respectively, of the City of Kaukauna's business-type activities as of December 31, 2023, and the respective changes in financial position, and cash flows thereof for the year then ended. Those statements were audited by other auditors whose reports has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Kaukauna Utilities Fund of the City of Kaukauna, are based solely on the report of the other auditors.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Responsibilities of Management for the Financial Statements***

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

Honorable Mayor and City Council  
City of Kaukauna, Wisconsin

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

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

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



Honorable Mayor and City Council  
City of Kaukauna, Wisconsin

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the schedules relating to pension and OPEB be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, 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's basic financial statements. The nonmajor governmental fund combining statements and debt service fund budgetary comparison schedule are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the nonmajor governmental fund combining statements and debt service fund budgetary comparison schedule are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2024, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 11, 2024

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

The management of the City of Kaukauna offers all readers of the City's financial statements this narrative overview and analysis of the financial statements of the City for the fiscal year ended December 31, 2023. You are encouraged to read this narrative in conjunction with the City's financial statements.

**FINANCIAL HIGHLIGHTS**

- The City's total net position increased by \$10,029,354 to \$161,172,029; net position of governmental activities increased \$2,745,152 to \$43,917,095 while business type activities net position increased \$7,284,202 to \$117,254,934.
- Total fund balance in governmental funds as of December 31, 2023 is \$21,869,900. Of this balance, \$66,919 is nonspendable, \$12,056,375 is restricted for debt service, capital projects, TIDs and donations, \$8,679,413 is committed for improvements, equipment and redevelopment, \$425,000 is assigned to subsequent years' budgets, and unassigned has a balance of \$642,193.
- General fund's total fund balance increased \$352,116 or 6.84%. Staff was able to hold most expenditures close to the budgeted amounts during the year and many came in under the budgeted amount making up for some of the missed revenue.
- General fund revenues and operating transfers in for 2023 were over budget by \$962,961. Overall General fund expenditures and operating transfers out for 2023 were over budget by \$578,844 or 3.44% overall. Most expenditures were under budget primarily because of cost control measures in general government, public safety, culture and recreation, and nondepartmental. Public works health and welfare, conservation and development, debt service, and transfers out came in over budget.
- At the end of 2023, total fund balance for the general fund is \$5,503,553. The unassigned portion of fund balance \$5,011,634 increased \$343,185 or 7.35%, and it is equal to 29.75% of 2023 budgeted general fund expenditures.
- The City's outstanding general obligation debt decreased \$1,805,000 from \$50,375,000 to \$48,570,000 for the fiscal year ended December 31, 2023. The city retired more general obligated debt in 2023 than it borrowed.
- The City's outstanding revenue bonds decreased \$4,870,000 from \$84,815,000 to \$79,945,000 for the fiscal year ended December 31, 2023.
- Kaukauna Utility's net position increased \$5,320,517 or 6.14% in 2023 as compared to 2022. This increase is in large part due to some favorable nonoperating expenses in addition to an increase in operating revenue.
- Kaukauna Utility's cash and cash equivalents increased \$2,633,312 in 2023. Most cash flow activities remained the same when compared to 2022.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

**Government-Wide Financial Statements** - Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner like a private-sector business. The government-wide statements are made up of the statement of net position and the statement of activities.

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

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. This means, some revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues from those functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities (those supported primarily by taxes and intergovernmental revenues) of the City include general government; public safety; public works; health and welfare; culture and recreation; conservation and development, and non-departmental. The business-type activities (those supported by user fees) are Kaukauna Utilities (electric and water utilities), Sanitary Sewer Utility and Storm Water Utility.

The government-wide financial statements can be found on pages 17 to 18 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 purposes or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds** - Governmental funds are used to account for the same activities as governmental activities in the government-wide financial statements; however, the governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

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. This comparison may help readers better understand the long-term impact of a government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintained 33 individual governmental type funds during 2023. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance sheet for the general fund and debt service fund, which are considered major funds. Data from the remaining 30 governmental type funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the combining statements found later in this report.

The City adopts annual appropriation budgets for several funds. Budgetary comparison statements have been provided for the general fund to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 19 to 23 of this report.

**Proprietary Funds** - Enterprise funds are used to report the functions of the Kaukauna Utilities, storm water utility, and sanitary sewer utility are presented as business-type activities in the government-wide financial statements. Individual fund data for enterprise funds is provided later in this report.

The basic proprietary fund financial statements can be found on pages 24 to 28 of this report.

**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 31 to 80 of this report.

**Supplementary Information** - The combining statements referring to non-major governmental funds is presented immediately following the required supplementary information. Required supplementary information and supplementary combining and individual fund statements and schedules can be found on pages 88 to 96 of this report.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As discussed earlier, net position over time, serve as a useful indicator of a government's financial position. The assets and deferred outflows of resources of the City exceed liabilities and deferred inflows of resources for total net position of \$161,172,029 at year-end December 31, 2023.

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
<b>ASSETS</b>						
Current and Other Assets	\$ 50,397,182	\$ 48,304,791	\$ 46,697,908	\$ 48,348,909	\$ 97,095,090	\$ 96,653,700
Capital Assets	86,068,779	83,757,510	164,577,302	161,885,274	250,646,081	245,642,784
Total Assets	<u>136,465,961</u>	<u>132,062,301</u>	<u>211,275,210</u>	<u>210,234,183</u>	<u>347,741,171</u>	<u>342,296,484</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Related to Pension	12,931,493	9,956,387	6,317,256	5,056,646	19,248,749	15,013,033
Related to OPEB	1,353,363	1,254,068	352,425	360,359	1,705,788	1,614,427
Total Deferred Outflows of Resources	<u>14,284,856</u>	<u>11,210,455</u>	<u>6,669,681</u>	<u>5,417,005</u>	<u>20,954,537</u>	<u>16,627,460</u>
<b>LIABILITIES</b>						
Noncurrent Liabilities	75,626,315	68,868,048	89,226,377	91,326,749	164,852,692	160,194,797
Other Liabilities	5,135,375	3,838,815	7,584,225	8,036,363	12,719,600	11,875,178
Total Liabilities	<u>80,761,690</u>	<u>72,706,863</u>	<u>96,810,602</u>	<u>99,363,112</u>	<u>177,572,292</u>	<u>172,069,975</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Property Taxes	17,801,892	16,590,001	-	-	17,801,892	16,590,001
Related to Pension	7,224,672	11,981,428	3,540,841	6,099,647	10,765,513	18,081,075
Related to OPEB	1,045,468	822,521	338,514	217,697	1,383,982	1,040,218
Total Deferred Inflows of Resources	<u>26,072,032</u>	<u>29,393,950</u>	<u>3,879,355</u>	<u>6,317,344</u>	<u>29,951,387</u>	<u>35,711,294</u>
<b>NET POSITION</b>						
Net Investment in Capital Assets	33,124,799	24,734,791	80,850,305	79,004,216	113,975,104	103,739,007
Restricted	6,598,171	12,019,816	\$ 8,665,330	\$ 9,979,259	15,263,501	21,999,075
Unrestricted	4,194,125	4,417,336	27,739,299	20,987,257	31,933,424	25,404,593
Total Net Position	<u>\$ 43,917,095</u>	<u>\$ 41,171,943</u>	<u>\$ 117,254,934</u>	<u>\$ 109,970,732</u>	<u>\$ 161,172,029</u>	<u>\$ 151,142,675</u>

**Management's Analysis**

By far the largest portion of the City's total net position, \$113,975,104 or 70.72%, is its investment in capital assets (e.g., land, buildings, improvements, equipment, and infrastructure), less any related outstanding indebtedness used to acquire those assets. The City uses these capital assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's total net position, \$15,263,501 or 9.47% represents resources that are subject to restrictions regarding their use. The remaining balance of unrestricted net position, \$31,933,424 or 19.81% may be used to meet the government's ongoing obligations to creditors and provide services to its citizens.

Business-type activities total net position increased by \$7,284,202 to \$117,254,934 in 2023, an increase of 6.62%, primarily due to favorable revenue and expense budget outcomes.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

At the end of the current fiscal year, the City can report growth in total net position for governmental activities, and positive balances in all categories of net position for governmental activities as well as for business-type activities.

	Governmental Activities		Business-Type Activities		Totals	
	2023	2022	2023	2022	2023	2022
<b>REVENUES</b>						
Program Revenues						
Charges for Services	\$ 2,156,117	\$ 2,110,840	\$ 68,147,047	\$ 63,535,404	\$ 70,303,164	\$ 65,646,244
Operating Grants and Contributions	1,827,383	1,673,873	-	-	1,827,383	1,673,873
Capital Grants Cnd contributions	542,404	1,252,215	1,273,771	785,383	1,816,175	2,037,598
General Revenues						
Property Taxes	13,849,570	12,188,143	-	-	13,849,570	12,188,143
Sales Tax	222,329	194,615	-	-	222,329	194,615
Other Taxes	401,434	409,516	-	-	401,434	409,516
State and Federal Aids not Restricted to Specific Functions	2,773,539	2,795,197	-	-	2,773,539	2,795,197
Interest and Investment Earnings	1,763,078	576,526	1,061,099	444,974	2,824,177	1,021,500
Gain on Sale of Capital Assets	-	-	-	-	-	-
Miscellaneous Revenues	987,631	1,191,522	-	-	987,631	1,191,522
Total	<u>24,523,485</u>	<u>22,392,447</u>	<u>70,481,917</u>	<u>64,765,761</u>	<u>95,005,402</u>	<u>87,158,208</u>
<b>EXPENSES</b>						
General Government	3,445,020	2,946,636	-	-	3,445,020	2,946,636
Public Safety	8,143,372	6,551,493	-	-	8,143,372	6,551,493
Public Works	6,603,589	5,444,667	-	-	6,603,589	5,444,667
Health and Human Services	4,484	4,536	-	-	4,484	4,536
Culture and Recreation	3,267,499	3,214,710	-	-	3,267,499	3,214,710
Development	725,017	1,848,708	-	-	725,017	1,848,708
Interest on Debt	1,699,662	1,334,675	-	-	1,699,662	1,334,675
Electric Utility	-	-	52,616,075	50,989,814	52,616,075	50,989,814
Water Utility	-	-	4,247,749	3,423,593	4,247,749	3,423,593
Storm Water Utility	-	-	823,203	1,143,552	823,203	1,143,552
Sanitary Sewer Utility	-	-	3,400,378	3,614,209	3,400,378	3,614,209
Total Expenses	<u>23,888,643</u>	<u>21,345,425</u>	<u>61,087,405</u>	<u>59,171,168</u>	<u>84,976,048</u>	<u>80,516,593</u>
<b>INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS</b>	634,842	1,047,022	9,394,512	5,594,593	10,029,354	6,641,615
<b>TRANSFERS</b>	<u>2,110,310</u>	<u>2,257,600</u>	<u>(2,110,310)</u>	<u>(2,257,600)</u>	<u>-</u>	<u>-</u>
<b>CHANGE IN NET POSITION</b>	2,745,152	3,304,622	7,284,202	3,336,993	10,029,354	6,641,615
<b>BEGINNING NET POSITION</b>	41,171,943	37,867,321	109,970,732	106,633,739	151,142,675	144,501,060
<b>ENDING NET POSITION</b>	<u>\$ 43,917,095</u>	<u>\$ 41,171,943</u>	<u>\$ 117,254,934</u>	<u>\$ 109,970,732</u>	<u>\$ 161,172,029</u>	<u>\$ 151,142,675</u>

The increase in net position for governmental activities for year ended December 31, 2023 was at 6.67% compared to previous years increase in net position of 8.73% for year ended December 31, 2022. Current year activity increased net position by \$2,745,152.

Business-type activities growth in net position for year ended December 31, 2023 was 6.62% compared with 2.62% for year ended December 31, 2022. Management expects growth to continue at a modest rate especially for business-type activities.

Business-type activities revenue increased \$5,716,156 or 8.83% and expenses increased \$1,916,237 or 3.24% during 2023 primarily due to increased customer demand in the business-type activities.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

**Debt and Debt Management**

	Outstanding 1/1/2023	Issued in 2023	Retired in 2023	Outstanding 12/31/2023	Due Within One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
General Obligation Notes	\$ 41,380,002	\$ 3,240,000	\$ 4,075,000	\$ 40,545,002	\$ 4,211,000
General Obligation Bonds	8,334,998	-	790,000	7,544,998	800,000
Lease Liability	1,635,932	-	128,144	1,507,788	129,545
Note Anticipation Note	-	5,520,000	-	5,520,000	-
Taxable Redevelopment Lease					
Revenue Bonds	7,650,000	-	425,000	7,225,000	425,000
Premium	1,485,102	274,113	291,272	1,467,943	-
Compensated Absences	680,590	66,658	52,688	694,560	173,640
Total Governmental Activities Debt	<u>\$ 61,166,624</u>	<u>\$ 9,100,771</u>	<u>\$ 5,762,104</u>	<u>\$ 64,505,291</u>	<u>\$ 5,739,185</u>
<b>BUSINESS-TYPE ACTIVITIES</b>					
General Obligation Notes	\$ 660,000	\$ -	\$ 180,000	\$ 480,000	\$ 224,000
Revenue Bonds	84,815,000	-	4,870,000	79,945,000	4,750,000
Direct Placement Revenue Bonds	-	1,936,085	-	1,936,085	78,539
Premium	3,867,525	-	537,740	3,329,785	-
Compensated Absences	10,719	14,415	3,243	21,891	-
Total Business-Type Activities Debt	<u>\$ 89,353,244</u>	<u>\$ 1,950,500</u>	<u>\$ 5,590,983</u>	<u>\$ 85,712,761</u>	<u>\$ 5,052,539</u>

**Management's Analysis**

Overall, long-term obligations decreased from \$150,519,868 in 2022 to \$150,218,052 in 2023. Governmental activities outstanding debt increased \$3,338,667 or 5.46%. Whereas the business-type activities outstanding debt decreased \$3,640,483 or 4.07%. All general obligation notes and bonds are scheduled to be paid off within ten (10) years and all the revenue bonds are scheduled to be paid off within twenty-five (25) years.

The City has maintained its current Standard & Poor's general obligation bond rating of AA- for the past several years. The current outstanding general obligation bonds and notes of \$48,570,000 is 57.08% of the statutory limit for cities in the State of Wisconsin.

The City's five-year capital improvement plan anticipates general obligation borrowing of approximately \$5,000,000 per year for the next five (5) years.



**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

**FINANCIAL ANALYSIS OF THE GOVERNMENTS' FUNDS**

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

**General Fund Budgetary Analysis**

	Final Budget 2023	Actual 2023	Budget Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 7,924,408	\$ 7,935,316	\$ 10,908
Intergovernmental	4,318,582	4,361,079	42,497
Licenses and Permits	473,400	550,660	77,260
Fines and Forfeits	123,000	102,036	(20,964)
Changes for Services	1,039,753	1,079,157	39,404
Other	67,100	1,057,740	990,640
Transfers In	2,866,145	2,689,361	(176,784)
Total Revenues	<u>16,812,388</u>	<u>17,775,349</u>	<u>962,961</u>
<b>EXPENDITURES</b>			
General Government	2,704,992	2,702,830	2,162
Public Safety	7,279,182	7,231,520	47,662
Public Works	3,660,798	3,663,699	(2,901)
Health and Welfare	2,500	4,484	(1,984)
Culture and Recreation	2,673,438	2,508,816	164,622
Conservation and Development	305,452	331,979	(26,527)
Nondepartmental	218,027	211,987	6,040
Debt Service	-	143,918	(143,918)
Transfers Out	-	624,000	(624,000)
Total Expenditures	<u>16,844,389</u>	<u>17,423,233</u>	<u>(578,844)</u>
Net Change in Fund Balance	<u>\$ (32,001)</u>	<u>\$ 352,116</u>	<u>\$ 384,117</u>

**Management's Analysis**

The 2023 general fund budget to actual comparison is showing a surplus of \$384,117. The increase is due to increase in recreation revenues with the moving forward from COVID-19 protocols, and increased interest revenue, in combination with budget savings in expenditures throughout.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

**Debt Service Fund Budgetary Analysis**

	Final Budget 2023	Actual 2023	Budget Variance Positive (Negative)
<b>REVENUES</b>			
Taxes	\$ 4,222,817	\$ 4,222,817	\$ -
Total Revenues	<u>4,222,817</u>	<u>4,222,817</u>	<u>-</u>
<b>EXPENDITURES</b>			
Debt Service Principal	5,290,000	5,290,000	-
Debt Service Interest	<u>1,739,330</u>	<u>1,814,277</u>	<u>(74,947)</u>
Total Expenditures	<u>7,029,330</u>	<u>7,104,277</u>	<u>(74,947)</u>
Excess (Deficit) of Revenues Over Expenditures	<u>(2,806,513)</u>	<u>(2,881,460)</u>	<u>(74,947)</u>
<b>OTHER FINANCING SOURCES</b>			
Premium on Debt Issued	220,000	274,113	54,113
Transfers in	<u>2,463,970</u>	<u>2,542,090</u>	<u>78,120</u>
Total Other Financing Sources	<u>2,683,970</u>	<u>2,816,203</u>	<u>132,233</u>
Net Change in Fund Balance	<u>\$ (122,543)</u>	<u>\$ (65,257)</u>	<u>\$ 57,286</u>

**Management's Analysis**

Management takes a conservative approach to budgeting for special assessments. Special assessment projects are funded from the proceeds of long-term borrowing and from resources available in the special assessment fund. The specific projects and the timing of the repayment by individual property owners to repay the assessments vary from year to year. Special assessment funds are transferred into the debt service fund in an amount that approximates the debt services requirement for debt incurred to fund special assessment projects.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

## **GOVERNMENTAL FUNDS**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. Note how unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2023, the City's governmental funds reported combined year ending fund balance of \$21,869,900, an increase of \$6,992,790 for the calendar year 2023. Of the total fund balance, the unassigned fund balance is \$642,193, which is ordinarily available for spending at the City's discretion. The remainder of fund balance is not available because it is designated as follows:

- Nonspendable, \$66,919
- Restricted for debt service capital projects, TIDs and donations, \$12,056,375
- Committed, \$8,679,413
- Assigned, \$425,000

### **Fund Balance Analysis – General Fund**

The total general fund balance increased from \$5,151,437 at calendar year end 2022 to \$5,503,553 for calendar year end 2023. The city council adopted a policy in 2010 to maintain the fund balance at 15% of the operating budget. Fifteen percent of the 2023 operating budget is \$2,526,658. The unassigned general fund balance as of December 31, 2023 was \$5,011,634. The year-end fund balance for 2023 follows the policy that was established in 2010. As a measure of the general fund's liquidity, it is useful to compare both unassigned and total fund balance to budgeted expenditures for 2023. Unassigned fund balance equals 29.75% of budgeted expenditures while total fund balance represents 32.67% of budgeted expenditures for 2023.

### **Fund Balance Analysis – Debt Service Fund**

The debt service fund balance has a balance of \$5,425,238 at year-end 2023, which primarily represents amounts due from other funds. Going forward, the debt service fund is expected to have no balance at yearend except for an amount equal to due from other funds.

### **Fund Balance Analysis – Special Revenue Funds**

The combined non-major special revenue funds have a calendar year-end 2023 fund balance of \$2,205,837. The combined fund balance for special revenue funds decreased \$234,036 for calendar year ended.

### **Fund Balance Analysis – Capital Project Funds**

The combined nonmajor capital project funds have a calendar year end 2023 surplus fund balance of \$8,013,444. The ongoing capital funds surplus is due to timing of borrowed funds being spent. Tax Incremental Districts (TID) 4, 5, 6 8, 9, 10, 12 and environment remediation TID have a deficit, while TID 11 has a surplus. The intent is to ensure all districts are at a net balance of zero at the time the district close.

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

## POPRIETARY FUNDS

### Net Position Analysis – Stormwater Utility

Unrestricted net position of the Stormwater Utility at the end of the year amounted to \$2,938,195. The total increase in net position was \$706,532.

### Net Position Analysis – Sanitary Sewer Utility

Unrestricted net position of the Sanitary Sewer Utility at the end of the year amounted to \$5,463,896. The total increase in net position was \$1,257,153.

### Capital Assets and Debt Administration

The City's investment in capital assets for its governmental and business-type activities as of December 31, 2023, net of accumulated depreciation is \$250,646,081. Governmental activities capital assets increased in 2023 by 2,311,269 from \$83,757,510 to \$86,068,779. The increase is because of the construction/remodel of the street improvements, etc. The net increase of \$2,692,028 in business-type activities capital assets from \$161,885,274 to \$164,577,302 for the calendar year ended 2023 is result of investment in ongoing system improvements.

## ECONOMIC FACTORS

The City of Kaukauna, Wisconsin benefits from its location in the Fox River Valley. Located south of Green Bay, the city benefits from its favorable location in the Fox River Valley. From 2009 - 2022, the City's tax base, which currently stands at \$1.7 Billion (see following schedule), averaged a 4.57% annual increase. Management believes that tax base growth, which has historically been driven by residential and commercial construction, will increase consistently in the near term. Over the past five years (2019 - 2023), the city saw an average increase of 9.42%.

Ahlstom (a.k.a Thilmany), the City's largest employer and largest taxpayer poses some risk to the local economy. However, this concern is mitigated by the City's proximity to numerous employment opportunities located throughout the Fox River Valley and the decreasing assessed value Thilmany relative to the City's overall assessed value over the past several years.

Summary of Changes in Equalized Value

Assessment Year	Equalized Value Including TID's	% Change	Equalized Value Excluding TID's	% Change
2023	\$ 1,701,744,900	16.29 %	\$ 1,585,367,000	14.81 %
2022	1,463,310,100	11.33	1,380,840,000	13.07
2021	1,314,411,300	8.78	1,221,182,000	8.04
2020	1,208,319,100	4.72	1,130,278,300	3.02
2019	1,153,840,300	6.01	1,097,194,600	6.05
2018	1,088,457,300	5.88	1,034,627,000	5.50
2017	1,027,973,700	4.12	980,725,200	3.79
2016	987,250,900	4.48	944,893,400	4.50
2015	944,939,000	2.38	904,221,100	1.06
2014	922,944,000	3.00	894,717,600	2.39
2013	896,096,700	(0.25)	873,869,600	(0.26)
2012	898,369,100	(3.63)	876,128,200	(3.64)
2011	932,227,600	(0.34)	909,241,100	(0.56)
2010	935,396,400	1.25	914,342,300	1.66
2009	923,842,800		899,406,800	

**CITY OF KAUKAUNA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
DECEMBER 31, 2023**

Standard & Poor's, which currently has the City's debt rated at AA-, supported by very strong budgetary flexibility, very strong liquidity, strong budgetary performance, strong management, adequate economy and very weak debt and contingent liability position tempered by the City's participation in the deep and diverse Fox Cities metropolitan area economy. The City rapidly retires general obligation debt within ten years. Debt service accounts for high, though manageable, expenditures reflecting the City's above average debt burden and rapid principal payout.

The City's sound financial operations will be maintained through prudent financial management and growth in tax base, resulting in increased property tax revenues, which is the City's largest operating revenue source.

The City has garnered significant interest from external developers seeking to expand their operations within its limits. Such developments play a crucial role in the overall functioning of the city, as they contribute to its tax base and enable the provision of quality services without imposing a substantial burden on current property owners. Moreover, the City remains committed to investing in and enhancing the amenities it offers. Exciting upcoming projects will further bolster the long-term investment in the city's infrastructure and amenities.

#### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the finances of the City of Kaukauna for interested parties. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the William Van Rossum, Finance Director, City of Kaukauna, 144 W. Second Street, Kaukauna, Wisconsin 54130.

## **BASIC FINANCIAL STATEMENTS**

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 25,924,446	\$ 18,273,301	\$ 44,197,747
Receivables:			
Taxes and Special Charges	9,529,453	14,986	9,544,439
Delinquent Taxes	288	-	288
Accounts, Net	723,383	5,922,855	6,646,238
Special Assessments	3,030,640	-	3,030,640
Loans	2,441,981	-	2,441,981
Internal Balances	(33,057)	33,057	-
Due from Other Governments	680	-	680
Inventories and Prepaid Items	66,631	3,738,919	3,805,550
Investment in ATC LLC	-	4,306,832	4,306,832
Nonutility Plant, Net	-	300,165	300,165
Regulatory Asset	-	880,543	880,543
Assets Held for Resale	-	236,297	236,297
Restricted Assets:			
Cash and Investments	8,712,737	12,990,953	21,703,690
Capital Assets, Not Being Depreciated	14,597,886	8,099,983	22,697,869
Capital Assets, Being Depreciated and Amortized, Net	71,470,893	156,477,319	227,948,212
Total Assets	136,465,961	211,275,210	347,741,171
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	12,931,493	6,317,256	19,248,749
Other Postemployment Related Amounts	1,353,363	352,425	1,705,788
Total Deferred Outflows of Resources	14,284,856	6,669,681	20,954,537
<b>LIABILITIES</b>			
Accounts Payable	2,676,156	4,082,708	6,758,864
Accrued and Other Current Liabilities	1,104,707	617,317	1,722,024
Due to Other Governments	8,262	-	8,262
Accrued Interest Payable	368,293	306,464	674,757
Customer Deposits	-	1,405,197	1,405,197
Unearned Revenues	977,957	1,172,539	2,150,496
Long-Term Obligations:			
Due within One Year	5,739,185	5,052,539	10,791,724
Due in More Than One Year	58,766,106	80,660,222	139,426,328
Net Pension Liability	3,444,914	1,688,367	5,133,281
Net Other Postemployment Benefits	7,676,110	1,825,249	9,501,359
Total Liabilities	80,761,690	96,810,602	177,572,292
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes Levied for Subsequent Year	17,801,892	-	17,801,892
Pension Related Amounts	7,224,672	3,540,841	10,765,513
Other Postemployment Related Amounts	1,045,468	338,514	1,383,982
Total Deferred Inflows of Resources	26,072,032	3,879,355	29,951,387
<b>NET POSITION</b>			
Net Investment in Capital Assets	33,124,799	80,850,305	113,975,104
Restricted:			
Debt Service	5,795,573	8,665,330	14,460,903
Tax Incremental Districts	330,383	-	330,383
Donations	472,215	-	472,215
Unrestricted	4,194,125	27,739,299	31,933,424
Total Net Position	\$ 43,917,095	\$ 117,254,934	\$ 161,172,029

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2023**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 3,445,020	\$ 56,212	\$ -	\$ -	\$ (3,388,808)	\$ -	\$ (3,388,808)
Public Safety	8,143,372	1,270,975	123,739	5,167	(6,743,491)	-	(6,743,491)
Public Works	6,603,589	528,685	1,272,850	466,584	(4,335,470)	-	(4,335,470)
Health and Human Services	4,484	1,364	-	-	(3,120)	-	(3,120)
Culture and Recreation	3,267,499	297,521	305,325	70,653	(2,594,000)	-	(2,594,000)
Conservation and Development	725,017	1,360	125,469	-	(598,188)	-	(598,188)
Interest and Fiscal Charges	1,699,662	-	-	-	(1,699,662)	-	(1,699,662)
Total Governmental Activities	23,888,643	2,156,117	1,827,383	542,404	(19,362,739)	-	(19,362,739)
<b>BUSINESS-TYPE ACTIVITIES</b>							
Kaukauna Utilities	56,863,824	62,133,318	-	1,256,357	-	6,525,851	6,525,851
Storm Water Utility	823,203	1,595,863	-	17,414	-	790,074	790,074
Sanitary Sewer Utility	3,400,378	4,417,866	-	-	-	1,017,488	1,017,488
Total Business-Type Activities	61,087,405	68,147,047	-	1,273,771	-	8,333,413	8,333,413
Total Primary Government	\$ 84,976,048	\$ 70,303,164	\$ 1,827,383	\$ 1,816,175	(19,362,739)	8,333,413	(11,029,326)
<b>GENERAL REVENUES</b>							
Taxes:							
Property Taxes					13,849,570	-	13,849,570
Sales Tax					222,329	-	222,329
Other Taxes					401,434	-	401,434
Federal and State Grants and Other Contributions					2,773,539	-	2,773,539
not Restricted to Specific Functions					1,763,078	1,061,099	2,824,177
Interest and Investment Earnings					987,631	-	987,631
Miscellaneous					2,110,310	(2,110,310)	-
Transfers					22,107,891	(1,049,211)	21,058,680
Total General Revenues and Transfers					2,745,152	7,284,202	10,029,354
<b>CHANGE IN NET POSITION</b>							
Net Position - Beginning of Year					41,171,943	109,970,732	151,142,675
<b>NET POSITION - END OF YEAR</b>					\$ 43,917,095	\$ 117,254,934	\$ 161,172,029

See accompanying Notes to Basic Financial Statements.

(18)



**CITY OF KAUKAUNA, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2023**

	General	Debt Service	Capital Projects Streets and Sidewalks	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 9,510,508	\$ -	\$ 1,121,809	\$ 15,292,129	\$ 25,924,446
Restricted Cash and Investments	-	2,490,995	-	6,221,742	8,712,737
Receivables:					
Taxes and Special Charges	5,925,859	2,094,947	-	1,508,647	9,529,453
Delinquent Taxes	288	-	-	-	288
Accounts, Net	396,296	-	-	327,087	723,383
Special Assessments	-	-	-	3,030,640	3,030,640
Loans	100,000	-	-	2,341,981	2,441,981
Due from Other Funds	1,419,775	5,275,000	-	63,607	6,758,382
Due from Other Governments	680	-	-	-	680
Inventories and Prepaid Items	66,631	-	-	-	66,631
<b>Total Assets</b>	<b>\$ 17,420,037</b>	<b>\$ 9,860,942</b>	<b>\$ 1,121,809</b>	<b>\$ 28,785,833</b>	<b>\$ 57,188,621</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 217,351	\$ -	\$ 399,981	\$ 2,058,824	\$ 2,676,156
Accrued and Other Current Liabilities	1,104,707	-	-	-	1,104,707
Due to Other Funds	10,225	-	-	6,781,214	6,791,439
Due to Other Governments	8,262	-	-	-	8,262
Unearned Revenues	35	-	-	-	35
<b>Total Liabilities</b>	<b>1,340,580</b>	<b>-</b>	<b>399,981</b>	<b>8,840,038</b>	<b>10,580,599</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Taxes Levied for Subsequent Year	10,171,877	4,435,704	-	3,194,311	17,801,892
Other Public Charges, Grants, and Donations	304,027	-	-	1,159,582	1,463,609
Loans Receivable	100,000	-	-	2,341,981	2,441,981
Special Assessments	-	-	-	3,030,640	3,030,640
<b>Total Deferred Inflows of Resources</b>	<b>10,575,904</b>	<b>4,435,704</b>	<b>-</b>	<b>9,726,514</b>	<b>24,738,122</b>
<b>FUND BALANCES</b>					
Nonspendable	66,919	-	-	-	66,919
Restricted	-	5,425,238	-	6,631,137	12,056,375
Committed	-	-	721,828	7,957,585	8,679,413
Assigned	425,000	-	-	-	425,000
Unassigned	5,011,634	-	-	(4,369,441)	642,193
<b>Total Fund Balances</b>	<b>5,503,553</b>	<b>5,425,238</b>	<b>721,828</b>	<b>10,219,281</b>	<b>21,869,900</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 17,420,037</b>	<b>\$ 9,860,942</b>	<b>\$ 1,121,809</b>	<b>\$ 28,785,833</b>	<b>\$ 57,188,621</b>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
BALANCE SHEET  
GOVERNMENTAL FUNDS (CONTINUED)  
DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF NET POSITION**

Total fund balances as shown on previous page \$ 21,869,900

Amounts reported for governmental activities in the Statement of Net Position  
are different because:

Capital assets used in governmental activities are not current financial  
resources and therefore are not reported in the funds. 86,068,779

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

Ambulance Charges	485,687
Loans Receivable	2,441,981
Special Assessments	3,030,640

Some deferred outflows and inflows of resources reflect changes in  
long-term liabilities and are not reported in the funds.

Deferred Outflows Related to Pensions	12,931,493
Deferred Inflows Related to Pensions	(7,224,672)
Deferred Outflows Related to Other Postemployment Benefits	1,353,363
Deferred Inflows Related to Other Postemployment Benefits	(1,045,468)

Long-term liabilities are not due and payable in the current period and,  
therefore, are not reported in the funds.

Bonds and Notes Payable	(62,342,788)
Premium on Debt	(1,467,943)
Compensated Absences	(694,560)
Net Pension Liability	(3,444,914)
Other Postemployment Benefit	(7,676,110)
Accrued Interest on Long-Term Obligations	(368,293)

Net Position of Governmental Activities as Reported on the Statement of Net Position	<u><u>\$ 43,917,095</u></u>
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See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	General	Debt Service	Capital Projects Streets and Sidewalks	Nonmajor Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 7,935,316	\$ 4,222,817	\$ -	\$ 2,315,200	\$ 14,473,333
Special Assessments	-	-	-	1,061,178	1,061,178
Intergovernmental	4,361,079	-	1,814,787	150,132	6,325,998
Licenses and Permits	550,660	-	-	-	550,660
Fines and Forfeits	102,036	-	-	643	102,679
Public Charges for Services	1,079,157	-	-	459,903	1,539,060
Miscellaneous	1,057,740	-	152,146	2,266,956	3,476,842
Total Revenues	15,085,988	4,222,817	1,966,933	6,254,012	27,529,750
<b>EXPENDITURES</b>					
Current:					
General Government	2,702,830	-	-	6,458	2,709,288
Public Safety	7,231,520	-	-	112,422	7,343,942
Public Works	3,663,699	-	-	244,654	3,908,353
Health and Human Services	4,484	-	-	-	4,484
Culture and Recreation	2,508,816	-	-	78,216	2,587,032
Conservation and Development	331,979	-	-	602,280	934,259
Nondepartmental	211,987	-	-	-	211,987
Debt Service:					
Principal	128,144	5,290,000	-	-	5,418,144
Interest and Fiscal Charges	15,774	1,814,277	-	611	1,830,662
Capital Outlay	-	-	3,729,805	3,240,404	6,970,209
Total Expenditures	16,799,233	7,104,277	3,729,805	4,285,045	31,918,360
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,713,245)	(2,881,460)	(1,762,872)	1,968,967	(4,388,610)
<b>OTHER FINANCING SOURCES (USES)</b>					
Long-Term Debt Issued	-	-	2,561,000	6,179,000	8,740,000
Premium on Debt Issued	-	274,113	-	-	274,113
Proceeds from Sale of Capital Assets	-	-	-	256,977	256,977
Transfers In	2,689,361	2,542,090	357,000	1,476,568	7,065,019
Transfers Out	(624,000)	-	-	(4,330,709)	(4,954,709)
Total Other Financing Sources (Uses)	2,065,361	2,816,203	2,918,000	3,581,836	11,381,400
<b>NET CHANGE IN FUND BALANCES</b>	352,116	(65,257)	1,155,128	5,550,803	6,992,790
Fund Balances - Beginning of Year	5,151,437	5,490,495	(433,300)	4,668,478	14,877,110
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,503,553</u>	<u>\$ 5,425,238</u>	<u>\$ 721,828</u>	<u>\$ 10,219,281</u>	<u>\$ 21,869,900</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2023**

**RECONCILIATION TO THE STATEMENT OF ACTIVITIES**

Net change in fund balances as shown on previous page \$ 6,992,790

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.

Capital Assets Reported as Expenditures in Governmental Fund Statements	7,023,411
Depreciation and Amortization Expense Reported in the Statement of Activities	(3,834,685)
Net Book Value of Disposals	(877,457)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	(2,178,884)
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Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Long-Term Debt Issued	(8,760,000)
Principal Repaid	5,290,000
Interest Accrued on Long-Term Debt	(140,272)
Premium on Debt Issued, Including Current Year Amortization	17,159
Lease Liability Paid	128,144

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

Compensated Absences	(13,970)
Net Pension Liability (Asset)	(8,534,608)
Deferred Outflows of Resources Related to Pensions	2,975,106
Deferred Inflows of Resources Related to Pensions	4,756,756
Other Postemployment Benefits	25,314
Deferred Outflows of Resources Related to Other Postemployment Benefits	99,295
Deferred Inflows of Resources Related to Other Postemployment Benefits	(222,947)

Change in Net Position of Governmental Activities as Reported in the Statement of Activities	\$ 2,745,152
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See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE**  
**BUDGET AND ACTUAL — GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2023**

	Budget			Variance Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Taxes	\$ 7,924,408	\$ 7,924,408	\$ 7,935,316	\$ 10,908
Intergovernmental	4,318,582	4,318,582	4,361,079	42,497
Licenses and Permits	473,400	473,400	550,660	77,260
Fines and Forfeits	123,000	123,000	102,036	(20,964)
Public Charges for Services	1,039,753	1,039,753	1,079,157	39,404
Miscellaneous	67,100	67,100	1,057,740	990,640
Total Revenues	13,946,243	13,946,243	15,085,988	1,139,745
<b>EXPENDITURES</b>				
Current:				
General Government	2,704,992	2,704,992	2,702,830	2,162
Public Safety	7,279,182	7,279,182	7,231,520	47,662
Public Works	3,660,798	3,660,798	3,663,699	(2,901)
Health and Human Services	2,500	2,500	4,484	(1,984)
Culture and Recreation	2,673,438	2,673,438	2,508,816	164,622
Conservation and Development	305,452	305,452	331,979	(26,527)
Nondepartmental	218,027	218,027	211,987	6,040
Debt Service:				
Principal	-	-	128,144	(128,144)
Interest and Fiscal Charges	-	-	15,774	(15,774)
Total Expenditures	16,844,389	16,844,389	16,799,233	45,156
<b>EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES</b>	(2,898,146)	(2,898,146)	(1,713,245)	1,184,901
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	2,866,145	2,866,145	2,689,361	(176,784)
Transfers Out	-	-	(624,000)	(624,000)
Total Other Financing Sources (Uses)	2,866,145	2,866,145	2,065,361	(800,784)
<b>NET CHANGE IN FUND BALANCE</b>	(32,001)	(32,001)	352,116	384,117
Fund Balance - Beginning of Year	4,936,230	4,936,230	4,936,230	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,904,229</u>	<u>\$ 4,904,229</u>	<u>\$ 5,288,346</u>	<u>\$ 384,117</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF NET POSITION — PROPRIETARY FUNDS**  
**DECEMBER 31, 2023**

	Kaukauna Utilities	Stormwater Utility	Sanitary Sewer Utility	Total
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 11,711,647	\$ 2,759,814	\$ 3,801,840	\$ 18,273,301
Receivables:				
Taxes and Special Charges	-	2,480	12,506	14,986
Accounts, Net	5,921,655	-	1,200	5,922,855
Due from Other Funds	102,177	276,628	1,975,233	2,354,038
Inventories and Prepaid Items	3,738,919	-	-	3,738,919
Total Current Assets	21,474,398	3,038,922	5,790,779	30,304,099
Restricted Assets:				
Cash and Investments	7,119,893	3,812,376	2,058,684	12,990,953
Other Assets:				
Investment in ATC LLC	4,306,832	-	-	4,306,832
Regulatory Asset	880,543	-	-	880,543
Nonutility Plant, Net	300,165	-	-	300,165
Property Held for Future Use	236,297	-	-	236,297
Total Other Assets	5,723,837	-	-	5,723,837
Capital Assets:				
Nondepreciable	5,426,828	1,675,388	997,767	8,099,983
Depreciable, Net	126,405,484	9,304,144	20,767,691	156,477,319
Total Capital Assets	131,832,312	10,979,532	21,765,458	164,577,302
Total Assets	166,150,440	17,830,830	29,614,921	213,596,191
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Related Amounts	6,022,953	101,075	193,228	6,317,256
Other Postemployment Related Amounts	347,797	1,555	3,073	352,425
Total Deferred Outflows of Resources	6,370,750	102,630	196,301	6,669,681

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF NET POSITION — PROPRIETARY FUNDS (CONTINUED)**  
**DECEMBER 31, 2023**

	Kaukauna Utilities	Stormwater Utility	Sanitary Sewer Utility	Total
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 3,486,365	\$ 76,826	\$ 519,517	\$ 4,082,708
Accrued and Other Current Liabilities	601,777	7,327	8,213	617,317
Due to Other Funds	2,317,606	-	3,375	2,320,981
Customer Deposits	1,405,197	-	-	1,405,197
Unearned Revenues	1,140,809	5,250	26,480	1,172,539
Current Portion of Long-Term Debt:				
General Obligation	-	224,000	-	224,000
Revenue Bonds	4,053,539	350,000	425,000	4,828,539
Accrued Interest Payable	98,798	94,506	113,160	306,464
Total Current Liabilities	13,104,091	757,909	1,095,745	14,957,745
Long-Term Obligations, Less Current Portion:				
General Obligation Debt	-	256,000	-	256,000
Revenue Bonds	56,992,546	9,340,000	10,720,000	77,052,546
Compensated Absences	-	5,936	15,955	21,891
Debt Premium	3,277,646	26,678	25,461	3,329,785
Net Pension Liability	1,609,929	26,359	52,079	1,688,367
Net Other Postemployment Benefits	1,813,627	3,906	7,716	1,825,249
Total Long-Term Liabilities	63,693,748	9,658,879	10,821,211	84,173,838
Total Liabilities	76,797,839	10,416,788	11,916,956	99,131,583
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Related Amounts	3,376,343	55,279	109,219	3,540,841
Other Postemployment Related Amounts	329,357	3,077	6,080	338,514
Total Deferred Inflows of Resources	3,705,700	58,356	115,299	3,879,355
<b>NET POSITION</b>				
Net Investment in Capital Assets	65,659,348	3,760,074	11,430,883	80,850,305
Restricted:				
Debt Service	7,021,095	760,047	884,188	8,665,330
Unrestricted	19,337,208	2,938,195	5,463,896	27,739,299
Total Net Position	\$ 92,017,651	\$ 7,458,316	\$ 17,778,967	\$ 117,254,934

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Electric Utility	Water Utility	Kaukauna Utilities	Stormwater Utility	Sanitary Sewer Utility	Total
<b>OPERATING REVENUES</b>						
Charges for Services	\$ 57,109,590	\$ 4,325,566	\$ 61,435,156	\$ 1,595,863	\$ 4,417,866	\$ 67,448,885
Other	535,264	114,173	649,437	-	-	649,437
Total Operating Revenues	57,644,854	4,439,739	62,084,593	1,595,863	4,417,866	68,098,322
<b>OPERATING EXPENSES</b>						
Operation and Maintenance	45,768,858	2,638,057	48,406,915	356,016	2,619,998	51,382,929
Depreciation	5,324,607	915,303	6,239,910	163,220	416,741	6,819,871
Taxes	-	-	-	10,962	-	10,962
Total Operating Expenses	51,093,465	3,553,360	54,646,825	530,198	3,036,739	58,213,762
<b>OPERATING INCOME</b>	6,551,389	886,379	7,437,768	1,065,665	1,381,127	9,884,560
<b>NONOPERATING REVENUES (EXPENSES)</b>						
Interest Income	975,801	76,275	1,052,076	5,777	3,246	1,061,099
Merchandising and Jobbing	48,725	-	48,725	-	-	48,725
Interest and Fiscal Charges	(1,948,056)	(226,502)	(2,174,558)	(293,005)	(363,639)	(2,831,202)
Amortization of Debt Discount/Premium	446,013	2,595	448,608	-	-	448,608
Miscellaneous Revenues (Expenses)	(20,567)	(470,482)	(491,049)	-	-	(491,049)
Total Nonoperating Revenues (Expenses)	(498,084)	(618,114)	(1,116,198)	(287,228)	(360,393)	(1,763,819)
<b>INCOME BEFORE CONTRIBUTIONS AND TRANSFERS</b>	6,053,305	268,265	6,321,570	778,437	1,020,734	8,120,741
Capital Contributions	685,456	570,901	1,256,357	17,414	-	1,273,771
Transfers In	-	-	-	-	360,000	360,000
Transfers Out	(1,696,431)	(560,979)	(2,257,410)	(89,319)	(123,581)	(2,470,310)
<b>CHANGE IN NET POSITION</b>	5,042,330	278,187	5,320,517	706,532	1,257,153	7,284,202
Net Position - Beginning of Year	61,138,007	25,559,127	86,697,134	6,751,784	16,521,814	109,970,732
<b>NET POSITION - END OF YEAR</b>	\$ 66,180,337	\$ 25,837,314	\$ 92,017,651	\$ 7,458,316	\$ 17,778,967	\$ 117,254,934

See accompanying Notes to Basic Financial Statements.



**CITY OF KAUKAUNA, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2023**

	Kaukauna Utilities	Stormwater Utility	Sanitary Sewer Utility	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Customers	\$ 60,058,947	\$ 1,594,563	\$ 4,421,458	\$ 66,074,968
Cash Paid for Employee Wages and Benefits	(42,374,217)	(227,953)	(277,685)	(42,879,855)
Cash Paid to Suppliers	(4,898,800)	(62,541)	(2,128,684)	(7,090,024)
Net Cash Provided by Operating Activities	12,785,930	1,304,070	2,015,089	16,105,089
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Due to/from Other Funds	-	(50,553)	(1,051,198)	(1,101,751)
Transfers In/Out	(2,257,410)	(89,319)	236,419	(2,110,310)
Net Cash Used by Noncapital Financing Activities	(2,257,410)	(139,872)	(814,779)	(3,212,061)
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition of Capital Assets	(5,328,318)	(1,792,398)	(1,493,917)	(8,614,633)
Cost of Removal of Capital Assets	(158,995)	-	-	(158,995)
Capital Contributions	1,165,456	1,042	1,516	1,168,014
Principal Paid on Long-Term Debt	(4,095,000)	(530,000)	(425,000)	(5,050,000)
Interest Paid on Long-Term Debt	(2,174,522)	(408,247)	(459,189)	(3,041,958)
Proceeds of Long-Term Debt	1,936,085	-	-	1,936,085
Debt Issuance Costs Paid	(13,500)	-	-	(13,500)
Net Cash Used by Capital and Related Financing Activities	(8,668,794)	(2,729,603)	(2,376,590)	(13,774,987)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	955,635	5,777	3,246	964,658
Investment in ATC LLC	(182,049)	-	-	(182,049)
Net Cash Provided by Investing Activities	773,586	5,777	3,246	782,609
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	2,633,312	(1,559,628)	(1,173,034)	(99,350)
Cash and Cash Equivalents - Beginning of Year	16,198,228	8,131,818	7,033,558	31,363,604
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 18,831,540</u>	<u>\$ 6,572,190</u>	<u>\$ 5,860,524</u>	<u>\$ 31,264,254</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2023**

	Kaukauna Utilities	Stormwater Utility	Sanitary Sewer Utility	Total
<b>RECONCILIATION OF OPERATING INCOME TO NET</b>				
<b>CASH PROVIDED BY OPERATING ACTIVITIES</b>				
Operating Income	\$ 7,437,768	\$ 1,065,665	\$ 1,381,127	\$ 9,884,560
Adjustments to Reconcile Operating Income to				
Net Cash Provided by Operating Activities:				
Nonoperating Revenue	28,159	-	-	28,159
Depreciation	6,239,910	163,220	416,741	6,819,871
Depreciation Charged to Operating Accounts	321,010	-	-	321,010
Depreciation on Nonutility Plant	8,679	-	-	8,679
Change in Liability (Asset) and Deferred				
Outflows and Inflows of Resources:				
Pension Asset/Liability	4,090,338	67,875	121,276	4,279,489
Pension Related Deferred Outflows	(1,184,051)	(21,475)	(55,084)	(1,260,610)
Pension Related Deferred Inflows	(2,462,681)	(42,451)	(53,674)	(2,558,806)
Other Postemployment Benefits Liability	(142,024)	(2,789)	(3,443)	(148,256)
Other Postemployment Benefits Liability				
Related Deferred Outflows	6,657	659	618	7,934
Other Postemployment Benefits Liability				
Related Deferred Inflows	114,099	2,162	4,556	120,817
Regulatory Asset	220,136	-	-	220,136
Change in Operating Assets and Liabilities:				
Accounts Receivables, Net of Allowance	(760,083)	-	3,190	(756,893)
Due to/from Municipality	117,800	-	-	117,800
Inventories and Prepaid Items	(174,381)	-	-	(174,381)
Accounts Payable	306,673	72,885	185,478	565,036
Accrued and Other Current Liabilities	41,036	(381)	13,902	54,557
Customer Deposits	(1,061,098)	-	-	(1,061,098)
Unearned Revenues	(362,017)	(1,300)	402	(362,915)
Net Cash Provided by Operating Activities	<u>\$ 12,785,930</u>	<u>\$ 1,304,070</u>	<u>\$ 2,015,089</u>	<u>\$ 16,105,089</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS</b>				
<b>TO THE STATEMENT OF NET POSITION</b>				
Cash and Investments in Current Assets	\$ 11,711,647	\$ 2,759,814	\$ 3,801,840	\$ 18,273,301
Cash and Investments in Restricted Assets	7,119,893	3,812,376	2,058,684	12,990,953
Total Cash and Cash Equivalents	<u>\$ 18,831,540</u>	<u>\$ 6,572,190</u>	<u>\$ 5,860,524</u>	<u>\$ 31,264,254</u>
<b>NONCASH CAPITAL AND RELATED FINANCING</b>				
<b>ACTIVITIES</b>				
ATC Dividends Reinvested	\$ (94,442)	\$ -	\$ -	\$ (94,442)
Amortization	\$ 462,107	\$ -	\$ -	\$ 462,107
Acquisition of Capital Assets Purchase on Account	\$ -	\$ (53,288)	\$ (311,852)	\$ (365,140)
Developer Financed Additions to Utility Plant	\$ 570,901	\$ -	\$ -	\$ 570,901

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
STATEMENT OF NET POSITION  
FIDUCIARY FUND  
DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ASSETS</b>	
Cash and Investments	\$ 8,128,406
Taxes Receivable	<u>7,274,733</u>
Total Assets	15,403,139
 <b>DEFERRED INFLOW</b>	
Property Taxes Levied for Subsequent Year	<u>15,403,139</u>
 <b>NET POSITION</b>	
Restricted	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
STATEMENT OF CHANGES IN NET POSITION  
FIDUCIARY FUND  
YEAR ENDED DECEMBER 31, 2023**

	<u>Tax Collection Custodial Fund</u>
<b>ADDITIONS</b>	
Property Tax Collections	\$ 13,779,265
<b>DEDUCTIONS</b>	
Payments to Taxing Jurisdictions	<u>13,779,265</u>
<b>CHANGE IN NET POSITION</b>	-
Net Position - Beginning of Year	<u>-</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Kaukauna, Wisconsin (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the City are described below:

**A. Reporting Entity**

The City is a municipal corporation governed by an elected eight member council. Included in the City's operations (the primary government) are the City's Electric and Water Utilities, managed by a separate commission appointed by the City Council. In accordance with GAAP, the basic financial statements are required to include the City and any separate component units that have a significant operational or financial relationship with the City. The City has identified the following component unit that is required to be included in the basic financial statements as required by standards.

**Redevelopment Authority**

The Redevelopment Authority of the City of Kaukauna provides services entirely to the City of Kaukauna. Although it is legally separate from the City, the Redevelopment Authority is blended and reported as if it were part of the primary government because of the nature of its relationship with the City. The Redevelopment Authority does not issue separate financial statements.

**B. Related Organization**

The City's officials are also responsible for appointing the members of the board of another organization, but the City's accountability for this organization does not extend beyond making the appointments. Therefore, this organization is not included in the City's reporting entity. The City Council appoints some or all of the members of the following related organization:

**Housing Authority of the City of Kaukauna**

The Housing Authority was established by the City to administer the low and moderate income housing program funded by federal grants and rental income. Although board members of the Housing Authority are appointed by the City Council, there is no financial interdependency with the City of Kaukauna nor does the City have any significant influence over Housing Authority operations. The City does not provide funding for the Housing Authority. Additionally, the City does not hold title to any of the Housing Authority assets, nor does it have any right to the Housing Authority's surpluses. The City has no legal obligation to fund Housing Authority programs should grant funding no longer be available.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the City. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds and proprietary funds. Governmental funds include general, special revenue, debt service and capital projects funds. Proprietary funds include enterprise funds. The City has no internal service funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following major governmental funds:

**General Fund**

This is the City's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

**Debt Service Fund**

This fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

**Capital Projects Streets and Sidewalks Fund**

This fund is used to account for financial resources used for the construction of major capital street and sidewalks projects.

The City reports the following major enterprise funds:

**Kaukauna Utilities**

This fund accounts for the provision of electric service to City residents, businesses, public authorities and the communities of Little Chute and Combined Locks, Wisconsin and the provision of water service to City residents, businesses and public authorities.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**C. Government-Wide and Fund Financial Statements (Continued)**

**Stormwater Utility**

This fund accounts for the provision of storm water management to City residents, businesses and public authorities.

**Sanitary Sewer Utility**

This fund accounts for the provision of wastewater collection to City residents, businesses and public authorities.

**Custodial Fund**

The City accounts for assets held for individuals or other government agencies in custodial funds.

**Tax Collection**

The tax collection custodial fund accounts for property taxes and specials collected on behalf of other governments.

**D. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions, including entering into contracts giving the City of Kaukauna the right-to-use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues such as licenses and permits, fines and forfeits and miscellaneous revenues are recognized when received in cash or when measurable and available.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**D. Measurement Focus and Basis of Accounting (Continued)**

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses for proprietary funds include the costs of services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance**

**1. Cash and Investments**

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. For purposes of the statement of cash flows, all cash deposits and highly liquid investments (including restricted assets) with a maturity of three months or less from date of acquisition are considered to be cash equivalents.

**2. Property Taxes and Special Charges Receivable**

Property taxes and special charges consist of taxes on real estate and personal property and user charges assessed against City properties. They are levied during December of the prior year and become an enforceable lien on property the following January 1. Property taxes are payable in various options depending on the type and amount. Personal property taxes and special charges are payable on or before January 31 in full. Real estate taxes are payable in full by January 31 or in two equal installments on or before January 31 and July 31. Real estate taxes not paid by January 31 are purchased by the County as part of the February tax settlement. Delinquent personal property taxes remain the collection responsibility of the City.

Special charges not paid by January 31 are held in trust by the County and remitted to the City, including interest, when collected by the County.



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**2. Property Taxes and Special Charges Receivable (Continued)**

The City bills and collects its own property taxes and also levies and collects taxes for the Kaukauna School District, Outagamie County and Fox Valley Technical College.

**3. Accounts Receivable**

Accounts receivable have been shown net of allowance for uncollectible accounts of \$434,359.

**4. Special Assessments**

Assessments against property owners for public improvements are generally not subject to full settlement in the year levied. Special assessments are placed on tax rolls on an installment basis. Revenue from special assessments recorded in governmental funds is recognized as collections are made or as current installments are placed on tax rolls. (Installments placed on the 2023 tax roll are recognized as revenue in 2024.)

**5. Loans Receivable**

The City has received federal and state grant funds for economic development and housing rehabilitation loan programs and has passed the funds to various businesses and individuals in the form of loans. The City records a loan receivable and expenditure when the loan has been made and the funds disbursed. No allowance for uncollectible accounts has been provided since it is believed that the amount of such allowance would not be material to the basic financial statements. In the governmental funds, the City records a deferred inflow of resources for the net amount of the receivable. As the loans are repaid, revenue is recognized. Any unspent loan proceeds are presented as restricted fund balance in the fund financial statements.

**6. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" and "due to other funds" in the fund financial statements.

The amount reported on the statement of net position for internal balances represents the residual balance outstanding between the governmental and business-type activities.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**7. Inventories**

Inventories are recorded at cost, which approximates market, using the first-in, first-out method. Inventories consist of expendable supplies held for consumption. The cost is recorded as an expenditure at the time individual inventory items are consumed rather than when purchased.

Inventories of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**8. Prepaid Items**

Payments made to vendors that will benefit periods beyond the end of the current fiscal year are recorded as prepaid items and are accounted for on the consumption method.

Prepaid items of governmental funds in the fund financial statements are classified as nonspendable fund balance to indicate that they do not represent spendable available financial resources.

**9. Investment in American Transmission Company (ATC)**

The City's Electric Utility is a member of ATC. ATC was formed by approximately 25 utilities to plan, construct, maintain, monitor and own electric transmission facilities in Wisconsin. The Utility owns less than 1/2 of 1% of ATC.

The investment earns dividends quarterly, some of which are paid in cash and some of which are required to be reinvested. From time to time, the Utility has the option to contribute additional funds to maintain its proportionate share of ownership. The investment is valued at net asset value per share which is equal to the original cost plus additional contributions and reinvested dividends and approximates fair value.

**10. Capital Assets**

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or higher and an estimated useful life in excess of a year. Such assets, except intangible right-to-use lease assets, the measurement of which is discussed in Note 1.E.15 below, are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**10. Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the City are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Governmental Activities	Business-Type Activities
	Years	
Buildings	20 to 40	25 to 50
Improvements Other Than Buildings	10 to 20	25 to 100
Machinery and Equipment	3 to 20	3 to 10
Infrastructure	18 to 70	70
Right-to-Use Lease Asset - Buildings	3 to 5	3 to 5

**11. Regulatory Asset**

During 2017, a large industrial customer of the Utilities went into receivership, resulting in an uncollectible receivable of \$2,201,357. The Utilities subsequently requested the Public Service Commission of Wisconsin (PSC) to allow the Utilities to recover this cost in future years. The PSC subsequently authorized the Utilities to amortize this cost over 10 years and allowed an annual uncollectible expense of \$220,136 to be included in the Utilities revenue requirement beginning in 2018. The Utilities expects that the PSC will continue to include this amortization in its revenue requirement through 2028, and will amortize the asset in accordance with the PSC order.

**12. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits in accordance with employee handbook policies and/or bargaining unit agreements. All vacation and sick leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**13. Deferred Outflows/Inflows of Resources**

Deferred outflows of resources are a consumption of net position by the government that is applicable to a future reporting period. Deferred inflows of resources are an acquisition of net position by the government that is applicable to a future reporting period. The recognition of those outflows and inflows as expenses or expenditures and revenues are deferred until the future periods to which the outflows and inflows are applicable.

Governmental funds may report deferred inflows of resources for unavailable revenues. The City reports unavailable revenues for special assessments and loan and developer receivables. These inflows are recognized as revenues in the government-wide financial statements.

**14. Long-Term Obligations**

In the government-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed as incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**15. Leases**

The City is a lessee for space usage.

Lessee

The City recognizes a lease liability and an intangible right-to-use lease asset in the district-wide financial statements based on the criteria dictated in GASB Statement No. 87, *Leases*.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**15. Leases (Continued)**

*Lessee (Continued)*

At the commencement of a lease, the City determines based on the criteria dictated in GASB Statement No. 87, *Leases*, if the lease is a financed purchased or a lease liability. Then the City initially measures the lease liability at the present value of payments expected to be made during the lease term.

Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease liabilities are reported with the long-term obligations on the statement of net position.

An intangible right-to-use lease asset is initially measured as the initial amount of the lease liability adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. The intangible right-to-use lease asset is amortized on a straight-line basis over the life of the lease. The intangible right-to-use lease asset is reported with the City capital assets in its own category called Leased Assets (Right-to-Use).

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

The City accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the City treats the components as a single lease unit.

The City monitors changes in circumstances that would require a re-measurement of its lease and will re-measure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**16. Pensions**

The fiduciary net position of the Wisconsin Retirement System (WRS) has been determined using the flow of economic resources measurement focus and accrual basis of accounting. This includes for purposes of measuring the following:

- Net Pension Liability (Asset),
- Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions,
- Pension Expense (Revenue).

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

**17. Other Postemployment Benefits Other Than Pensions (OPEB)**

**Defined Benefit Plan**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's Other Postemployment Benefit Plan (the Plan) and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

**Local Retiree Life Insurance Fund**

The fiduciary net position of the Local Retiree Life Insurance Fund (LRLIF) has been determined using the flow of economic resources measurement focus and the accrual basis of accounting. This includes for purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to other postemployment benefits, OPEB expense (revenue). Information about the fiduciary net position of the LRLIF and additions to/deductions from LRLIF's fiduciary net position have been determined on the same basis as they are reported by LRLIF. For this purpose, benefit payments (including refunds of member contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**18. Fund Equity**

**Governmental Fund Financial Statements**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable Fund Balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted Fund Balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Committed Fund Balance.** Amounts that are constrained for specific purposes by action of the City Council. These constraints can only be removed or changed by the City Council using the same action that was used to create them.
- **Assigned Fund Balance.** Amounts that are constrained for specific purposes by action of City management. The City Council has authorized the City Finance Director to assign fund balance. Residual amounts in any governmental fund, other than the General Fund, are also reported as assigned.
- **Unassigned Fund Balance.** Amounts that are available for any purpose. Positive unassigned amounts are only reported in the General Fund.

The City has adopted a fund balance spend-down policy regarding the order in which fund balance will be utilized. Where applicable, the policy requires restricted funds to be spent first, followed by committed funds, and then assigned funds. Unassigned funds would be spent last.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance (Continued)**

**18. Fund Equity (Continued)**

**Government-Wide and Proprietary Fund Statements**

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

- **Net Investment in Capital Assets.** Amount of capital assets, net of accumulated depreciation or amortization, and capital related deferred outflows of resources less outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets and any capital related deferred inflows of resources.
- **Restricted Net Position.** Amount of net position that is subject to restrictions that are imposed by 1) external groups, such as creditors, grantors, contributors or laws or regulations of other governments or 2) law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position.** Net position that is neither classified as restricted nor as net investment in capital assets.

**F. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**NOTE 2 STEWARDSHIP AND COMPLIANCE**

**A. Budgets and Budgetary Accounting**

The City follows these procedures in establishing the budgetary data reflected in the basic financial statements:

1. During November, City management submits to the City Council a proposed operating budget for the calendar year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. After submission to the governing body, public hearings are held to obtain taxpayer comments. Following the public hearings, the proposed budget, including authorized additions and deletions, is legally enacted by City Council action.



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**A. Budgets and Budgetary Accounting (Continued)**

2. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general, certain special revenue, debt service funds and certain capital projects funds. Budget is defined as the originally approved budget plus or minus approved amendments. Budget appropriations not expended during the year are closed to fund balance unless authorized by the governing body to be forwarded into the succeeding year's budget.
3. During the year, formal budgetary integration is employed as a management control device for the general fund, certain special revenue funds, debt service funds and certain capital projects funds.
4. Expenditures may not exceed appropriations provided in detailed budget accounts maintained for each activity or department of the City. Amendments to the budget during the year require initial approval by management and are subsequently authorized by the City Council.
5. Encumbrance accounting is not used by the City to record commitments related to unperformed contracts for goods or services.

**B. Excess of Expenditures over Budget Appropriations**

The following expenditure accounts of the governmental funds had actual expenditures in excess of budget appropriations for the year ended December 31, 2023 as follows:

Funds	Excess Expenditures
General Fund:	
Public works	\$ 2,901
Health and Human Services	1,984
Conservation and Development	26,527
Debt service fund	
Interest and Fiscal Charges	74,947

**C. Deficit Fund Equity**

The following funds had deficit fund balance as of December 31, 2023:

Funds	Deficit Fund Balance
Capital Projects Funds:	
Tax Incremental District #5	\$ 3,380,886
Tax Incremental District #6	16,511
Tax Incremental District #8	414,482
Tax Incremental District #9	90,354
Tax Incremental District #10	91,669
Tax Incremental District #12	14,777
Environmental Remediation TID	360,762

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 2 STEWARDSHIP AND COMPLIANCE (CONTINUED)**

**C. Deficit Fund Equity (Continued)**

The City anticipates funding the above deficits from future revenues and tax levies of the funds.

**D. Property Tax Levy Limit**

Wisconsin state statutes provide for a limit on the property tax levies for all Wisconsin cities, villages, towns and counties. For the 2023 and 2024 budget years, Wisconsin Statutes limit the increase in the maximum allowable tax levy to the change in the City's January 1 equalized value as a result of net new construction. The actual limit for the City for the 2023 budget was 2.09%. The actual limit for the City for the 2024 budget was 2.72%. Debt service for debt authorized after July 1, 2005 is exempt from the levy limit. In addition, Wisconsin statutes allow the limit to be adjusted for the increase in debt service authorized prior to July 1, 2005 and in certain other situations.

**NOTE 3 DETAILED NOTES ON ALL FUNDS**

**A. Cash and Investments**

The City maintains various cash and investment accounts, including pooled funds that are available for use by all funds. Each fund's portion of these accounts is displayed on the financial statements as "Cash and investments".

Invested cash consists of deposits and investments that are restricted by Wisconsin Statutes to the following:

Time deposits; repurchase agreements; securities issued by federal, state and local governmental entities; statutorily authorized commercial paper and corporate securities; and the Wisconsin local government investment pool.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

The carrying amount of the City's cash and investments totaled \$74,029,843 on December 31, 2023, as summarized below:

Petty Cash and Cash on Hand	\$ 1,175
Deposits with Financial Institutions	17,278,392
Investments:	
Bond Mutual Funds	228,696
Wisconsin Investment Series Cooperative (WISC):	
LTD Series	1,242,345
TS Series	1,521,500
Negotiable Certificates of Deposit	2,614,700
Repurchase Agreements	14,020,855
Money Market Mutual Funds	966,883
U.S. Treasury Notes and Bonds	2,526,657
Wisconsin Local Government Investment Pool	33,628,640
Total	<u>\$ 74,029,843</u>

Reconciliation to the basic financial statements:

Government-Wide Statement of Net Position:	
Cash and Investments	\$ 44,197,747
Restricted Cash and Investments	21,703,690
Fiduciary Fund Statement of Net Position:	
Custodial Fund	8,128,406
Total	<u>\$ 74,029,843</u>

**Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following fair value measurements as of December 31, 2023:

	Fair Value Measurements Using:		
	Level 1	Level 2	Level 3
Investments:			
U.S. Treasuries	\$ -	\$ 2,526,657	\$ -
Bond Mutual Funds	-	228,696	-
Negotiable Certificates of Deposit	-	2,614,700	-
Total	<u>\$ -</u>	<u>\$ 5,370,053</u>	<u>\$ -</u>

Deposits and investments of the City are subject to various risks. Presented below is a discussion of the City's deposits and investments and the related risks.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. Wisconsin statutes require repurchase agreements to be fully collateralized by bonds or securities issued or guaranteed by the federal government or its instrumentalities. The City does not have an additional custodial credit policy.

Deposits with financial institutions within the state of Wisconsin are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for the combined amount of all time and savings deposits and \$250,000 for interest-bearing and noninterest-bearing demand deposits per official custodian per insured depository institution. Deposits with financial institutions located outside the state of Wisconsin are insured by the FDIC in the amount of \$250,000 for the combined amount of all deposit accounts per official custodian per depository institution. Deposits with credit unions are insured by the National Credit Union Share Insurance Fund (NCUSIF) in the amount of \$250,000 per credit union member. Also, the state of Wisconsin has a State Guarantee Fund which provides a maximum of \$400,000 per public depository above the amount provided by an agency of the U.S. Government. However, due to the relatively small size of the State Guarantee Fund in relation to the Fund's total coverage, total recovery of insured losses may not be available. This coverage has been considered in determining custodial credit risk.

As of December 31, 2023, \$9,680,835 of the City's deposits with financial institutions were in excess of federal and state depository insurance limits. No amounts were collateralized.

On December 31, 2023, the City held repurchase agreement investments of \$14,020,855 of which the underlying securities are, held by the investment's counterparty, not in the name of the City.

**CITY OF KAUKAUNA, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Wisconsin statutes limit investment in securities to the top two ratings assigned by nationally recognized statistical rating organizations. Presented below is the actual rating as of the year-end for each investment type.

Investment Type	Amount	Exempt from Disclosure	AAA	Aa	Not Rated
Money Market Mutual Funds	\$ 966,883	\$ -	\$ -	\$ -	\$ 966,883
Mutual Bond Funds	228,696	-	-	-	228,696
U.S. Treasuries	2,526,657	-	-	-	2,526,657
Negotiable Certificates of Deposit	2,614,700	-	-	-	2,614,700
WISC Investments:					
LTD Series	1,242,345	-	-	-	1,242,345
TS Series	1,521,500	-	-	-	1,521,500
Wisconsin Local Government Investment Pool	33,628,640	-	-	-	33,628,640
Totals	<u>\$ 42,729,421</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 42,729,421</u>

**Concentration of Credit Risk**

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer. At December 31, 2023, the City had no investments in one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**A. Cash and Investments (Continued)**

**Interest Rate Risk (Continued)**

As of December 31, 2023, the Wisconsin Local Government Investment Pool had a weighted average maturity of 17 days. Information about the sensitivity of the fair values of the City's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Amount	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More Than 60 Months
Money Market Mutual Funds	\$ 966,883	\$ 966,883	\$ -	\$ -	\$ -
Mutual Funds	228,696	228,696	-	-	-
U.S. Treasuries	2,526,657	1,652,530	623,307	250,820	-
WISC Investments:					
TS Series	1,521,500	1,521,500	-	-	-
LTD Series	1,242,345	1,242,345	-	-	-
Repurchase Agreements	14,020,855	14,020,855	-	-	-
Negotiable Certificates of Deposit	2,614,700	2,614,700	-	-	-
Wisconsin Local Government Investment Pool	33,628,640	33,628,640	-	-	-
Totals	<u>\$ 56,750,276</u>	<u>\$ 55,876,149</u>	<u>\$ 623,307</u>	<u>\$ 250,820</u>	<u>\$ -</u>

**Investment in Wisconsin Local Government Investment Pool**

The City has investments in the Wisconsin Local Government Investment Pool of \$33,628,640 at year-end. The LGIP is part of the State Investment Fund (SIF), and is managed by the State of Wisconsin Investment Board. The SIF is not registered with the Securities and Exchange Commission, but operates under the statutory authority of Wisconsin Chapter 25. The SIF reports the fair value of its underlying assets annually. Participants in the LGIP have the right to withdraw their funds in total on one day's notice. At December 31, 2023, the fair value of the City's share of the LGIP's assets was substantially equal to the carrying value.

**Investment in Wisconsin Investment Series Cooperative**

The Wisconsin Investment Series Cooperative (WISC) is organized by and operated exclusively for Wisconsin public schools, technical colleges, and municipal entities. WISC is not registered with the Securities and Exchange Commission, but operated under Wisconsin Intergovernmental Cooperation Statute, Wisconsin Statutes, Section 66.0301. WISC is governed by the Wisconsin Investment Series Cooperative Commission in accordance with the terms of the Intergovernmental Cooperation Agreement. WISC invests Utilities' funds in accordance with Wisconsin law. WISC investments are valued at amortized cost, which approximates market value.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**B. Restricted Assets**

Restricted assets of the primary government on December 31, 2023 totaled \$21,703,690 and consisted of cash and investments held for the following purposes:

Funds	Amount	Purpose
Special Revenue:		
Thousand Islands Environmental Center	\$ 470,368	To be used for future activities of the Environmental Center
American Rescue Plan Act	1,061,170	To be used for future expenditures relating to the American Rescue Plan Act
Nelson Crossing	1,847	To be used for future activities of Nelson Crossing
Total Special Revenue	1,533,385	
Debt Service	2,490,995	
Capital Projects:		
Pools and Parks	586,386	To be used for future capital expenditures relating to space improvements
Tax Incremental District #4	377,978	To be used for future expenses relating to the tax incremental district
Tax Incremental District #5	1,283,306	To be used for future expenses relating to the tax incremental district
Tax Incremental District #6	505,584	To be used for future expenses relating to the tax incremental district
Tax Incremental District #8	508,695	To be used for future expenses relating to the tax incremental district
Tax Incremental District #9	40,971	To be used for future expenses relating to the tax incremental district
Tax Incremental District #10	94,370	To be used for future expenses relating to the tax incremental district
Tax Incremental District #11	153,502	To be used for future expenses relating to the tax incremental district
Environmental Remediation TID	398,937	To be used for future expenses relating to the tax incremental district
Redevelopment Authority	738,628	To be used for retirement of Taxable Redevelopment Lease Revenue Bonds
Total Capital Projects	4,688,357	
Total Governmental Activities	8,712,737	
Enterprise:		
Electric Utility:		
Debt Reserve	6,359,074	To be used for subsequent year payments and to reserve additional
Water Utility:		
Debt Reserve/Special Redemption	760,819	To be used for subsequent year payments and to reserve additional
Stormwater Utility:		
Capital Improvements	3,052,329	To be used for future stormwater capital projects
Debt Reserve	760,047	To reserve additional funds for debt retirement
Total Stormwater Utility	3,812,376	
Sanitary Sewer Utility:		
Capital Improvements	1,174,496	To be used for future sanitary sewer capital projects
Debt Reserve	884,188	To reserve additional funds for debt retirement
Total Sanitary Sewer Utility	2,058,684	
Total Business-Type Activities	12,990,953	
Total Restricted Assets	\$ 21,703,690	

**CITY OF KAUKAUNA, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets**

Capital asset activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 8,285,039	\$ 130,000	\$ 877,457	\$ 7,537,582
Construction in Progress	1,610,434	6,406,840	956,970	7,060,304
Total Capital Assets, Nondepreciable	9,895,473	6,536,840	1,834,427	14,597,886
Capital Assets, Being Depreciated and Amortized:				
Land Improvements	1,871,093	-	-	1,871,093
Buildings and Improvements	28,544,161	254,232	-	28,798,393
Machinery and Equipment	10,893,023	227,230	-	11,120,253
Infrastructure	71,042,777	962,079	-	72,004,856
Right-to-Use Lease Assets - Buildings	2,549,180	-	-	2,549,180
Subtotals	114,900,234	1,443,541	-	116,343,775
Less: Accumulated Depreciation and Amortization	41,038,197	3,834,685	-	44,872,882
Total Capital Assets, Depreciable, Net	73,862,037	(2,391,144)	-	71,470,893
Governmental Activities Capital Assets, Net	<u>\$ 83,757,510</u>	<u>\$ 4,145,696</u>	<u>\$ 1,834,427</u>	86,068,779
Less: Debt Incurred for Capital Assets				49,877,877
Less: Premium				1,467,943
Less: Accounts Payable Related to Capital Assets				1,598,160
Net Investment in Capital Assets				<u>\$ 33,124,799</u>
<b>Business-Type Activities:</b>				
Capital Assets, Nondepreciable:				
Land	\$ 2,517,811	\$ -	\$ -	\$ 2,517,811
Intangible	837,951	-	-	837,951
Construction in Progress	3,354,599	9,429,990	8,040,368	4,744,221
Total Capital Assets, Nondepreciable	6,710,361	9,429,990	8,040,368	8,099,983
Capital Assets, Depreciable:				
Buildings	26,562,238	19,964	-	26,582,202
Improvements Other Than Buildings	146,979,370	6,434,655	652,858	152,761,167
Machinery and Equipment	38,997,034	690,328	346,204	39,341,158
Infrastructure	34,875,536	2,242,276	-	37,117,812
Subtotals	247,414,178	9,387,223	999,062	255,802,339
Less: Accumulated Depreciation	92,239,265	8,084,817	999,062	99,325,020
Subtotals	92,239,265	8,084,817	999,062	99,325,020
Total Capital Assets, Depreciable, Net	155,174,913	1,302,406	-	156,477,319
Business-Type Activities Capital Assets, Net	<u>\$ 161,885,274</u>	<u>\$ 10,732,396</u>	<u>\$ 8,040,368</u>	164,577,302
Less: Capital Related Debt				78,151,004
Less: Debt Premium				3,361,620
Less: Accounts Payable Related to Capital Assets				2,214,373
Net Investment in Capital Assets				<u>\$ 80,850,305</u>



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**C. Capital Assets (Continued)**

Depreciation and amortization expense was charged to functions of the City as follows:

Governmental Activities:	
General Government	\$ 83,716
Public Safety	245,771
Public Works	2,541,667
Culture and Recreation	697,371
Conservation and Development	266,160
Total Depreciation Expense -	
Governmental Activities	<u>\$ 3,834,685</u>
Business-Type Activities:	
Kaukauna Utilities	\$ 7,504,856
Stormwater Utility	163,220
Sanitary Sewer Utility	416,741
Total Increase in Accumulated Depreciation -	
Business-Type Activities	<u>\$ 8,084,817</u>

The Utilities holds nonutility property consisting of land and buildings and improvements totaling \$300,165, net of accumulated depreciation.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers**

Interfund receivables and payables between individual funds of the City, as reported in the fund financial statements, as of December 31, 2023 are detailed below:

	Interfund Receivables	Interfund Payables
Operating Accounts Between Funds:		
General Fund	\$ 1,419,775	\$ 10,225
Debt Service Fund	5,275,000	-
Nonmajor Governmental Funds:		
Industrial Park	-	240,000
Special Assessments	-	5,330
Environmental Remediation TID	-	700,000
Tax Incremental District #4	-	50,000
Tax Incremental District #5	-	4,575,000
Tax Incremental District #6	-	16,512
Tax Incremental District #8	-	884,564
Tax Incremental District #9	-	111,300
Tax Incremental District #10	-	91,670
Tax Incremental District #12	-	14,777
Grignon Home		
Nelson Crossing		
Solid Waste	63,607	8,813
American Rescue Plan Act	-	83,248
Enterprise Funds:		
Kaukauna Utilities	102,177	2,317,606
Stormwater Utility	276,628	-
Sanitary Sewer Utility	1,975,233	3,375
Totals	<u>\$ 9,112,420</u>	<u>\$ 9,112,420</u>

Stormwater and Sanitary Sewer Utility amounts include amounts due from customers.

Interfund transfers for the year ended December 31, 2023 were as follows:

Fund	Transfer In	Transfer Out
General	\$ 2,689,361	\$ 624,000
Debt Service	2,542,090	-
Streets and Sidewalks	357,000	-
Nonmajor Governmental	1,476,568	4,330,709
Kaukauna Utilities	-	2,257,410
Stormwater Utility	-	89,319
Sanitary Sewer	360,000	123,581
Total	<u>\$ 7,425,019</u>	<u>\$ 7,425,019</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**D. Interfund Receivable, Payables, and Transfers (Continued)**

Transfers are used for the following purposes:

Tax Equivalent Payment Made by Water and Electric Utility to General Fund	\$ 2,257,411
Administration Fees from the Storm Water and Sewer Utilities	212,900
Transfers for Debt Retirement	2,542,090
To Finance Construction Project Costs	1,833,568
To Move Unrestricted Revenues to the Fund That is Required or Allowed to Expend	<u>579,050</u>
Transfers - Fund Statements	7,425,019
Less: Eliminating Transfers Out	<u>(5,314,709)</u>
Transfers - Government-Wide Statements	<u><u>\$ 2,110,310</u></u>

**E. Long-Term Obligations**

The following is a summary of changes in long-term obligations of the City for the year ended December 31, 2023:

	Beginning Balance	Issued	Retired	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
General Obligation Debt:					
Bonds	\$ 8,334,998	\$ -	\$ 790,000	\$ 7,544,998	\$ 800,000
Notes	41,380,002	3,240,000	4,075,000	40,545,002	4,211,000
Total General Obligation Debt	49,715,000	3,240,000	4,865,000	48,090,000	5,011,000
Lease Liability	1,635,932	-	128,144	1,507,788	129,545
Note Anticipation Note	-	5,520,000	-	5,520,000	-
Taxable Redevelopment Lease					
Revenue Bonds	7,650,000	-	425,000	7,225,000	425,000
Premium on Outstanding Debt	1,485,102	274,113	291,272	1,467,943	-
Compensated Absences	680,590	66,658	52,688	694,560	173,640
Governmental Activities					
Long-Term Obligations	<u>\$ 61,166,624</u>	<u>\$ 9,100,771</u>	<u>\$ 5,762,104</u>	<u>\$ 64,505,291</u>	<u>\$ 5,739,185</u>
<b>Business-Type Activities:</b>					
General Obligation Debt:					
Notes	\$ 660,000	\$ -	\$ 180,000	\$ 480,000	\$ 224,000
Revenue Bonds	84,815,000	-	4,870,000	79,945,000	4,750,000
Direct Placement Revenue Bonds	-	1,936,085	-	1,936,085	78,539
Premium on Outstanding Debt	3,867,525	-	537,740	3,329,785	-
Compensated Absences	10,719	14,415	3,243	21,891	-
Business-Type Activities					
Long-Term Obligations	<u>\$ 89,353,244</u>	<u>\$ 1,950,500</u>	<u>\$ 5,590,983</u>	<u>\$ 85,712,761</u>	<u>\$ 5,052,539</u>

Total interest paid during the year on long-term debt totaled \$2,507,541.

**CITY OF KAUKAUNA, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**General Obligation Debt**

General obligation debt currently outstanding is detailed as follows:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
General Obligation Notes	05/20/14	11/01/24	2.00 - 3.00%	\$ 875,000	\$ 50,000
General Obligation Notes	05/20/14	11/01/24	2.00 - 4.00%	1,000,000	150,000
General Obligation Notes	09/02/14	09/01/24	1.50 - 3.00%	1,300,000	350,000
General Obligation Bonds	03/17/15	09/01/25	2.00 - 3.00%	2,435,000	460,000
General Obligation Bonds	09/01/15	12/01/27	2.00 - 4.00%	1,650,000	975,000
General Obligation Notes	09/01/15	12/01/25	2.00 - 3.00%	3,550,000	1,200,000
General Obligation Notes	11/01/16	11/01/24	2.00 - 3.00%	1,525,000	200,000
General Obligation Bonds	08/15/17	12/01/30	2.00 - 3.00%	1,565,000	905,000
General Obligation Notes	08/15/17	12/01/27	2.00 - 3.00%	8,450,000	4,800,000
General Obligation Notes	09/05/18	06/01/28	2.00 - 3.25%	5,200,000	4,465,000
General Obligation Bonds	10/30/19	06/01/28	1.95 - 2.50%	6,305,000	4,200,000
General Obligation Notes	10/30/19	09/01/29	2.00 - 3.00%	5,025,000	5,205,000
General Obligation Notes	09/03/20	09/01/30	1.00 - 2.00%	9,800,000	8,150,000
General Obligation Notes	09/01/21	09/01/31	0.35 - 1.85%	5,200,000	5,000,000
General Obligation Notes	09/01/21	09/01/31	2.00 - 3.00%	3,680,000	3,320,000
General Obligation Notes	05/03/22	03/01/32	4.00%	6,000,000	5,900,000
General Obligation Notes	08/01/23	06/01/33	4.00%	3,240,000	3,240,000
Total Outstanding General Obligation Debt					<u><u>\$ 48,570,000</u></u>

Annual principal and interest maturities of the outstanding general obligation debt of \$48,570,000 on December 31, 2023 are detailed below:

Year Ended December 31,	Governmental Activities		Business-Type Activities		Totals	
	Principal	Interest	Principal	Interest	Principal	Interest
2024	\$ 5,011,000	\$ 1,296,110	\$ 224,000	\$ 11,040	\$ 5,235,000	\$ 1,307,150
2025	4,969,000	1,129,238	256,000	3,840	5,225,000	1,133,078
2026	6,660,000	1,000,053	-	-	6,660,000	1,000,053
2027	6,885,000	813,934	-	-	6,885,000	813,934
2028	6,450,000	654,246	-	-	6,450,000	654,246
2029 - 2033	18,115,000	1,399,575	-	-	18,115,000	1,399,575
Total	<u>\$ 48,090,000</u>	<u>\$ 6,293,156</u>	<u>\$ 480,000</u>	<u>\$ 14,880</u>	<u>\$ 48,570,000</u>	<u>\$ 6,308,036</u>

For governmental activities, the other long-term liabilities are generally funded by the general fund.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Legal Margin for New Debt**

The City's legal margin for creation of additional general obligation debt on December 31, 2023 was \$36,517,255 as follows:

Equalized Valuation of the City	\$ 1,701,745,100
Statutory Limitation Percentage	(x) 5%
General obligation debt limitation, per Section 67.03 of the Wisconsin Statutes	85,087,255
Total Outstanding General Obligation Debt Applicable to Debt Limitation	48,570,000
Legal Margin for New Debt	<u><u>\$ 36,517,255</u></u>

**Note Anticipation Notes**

Note anticipation notes currently outstanding is detailed as follows:

	<u>Date of Issue</u>	<u>Final Maturity</u>	<u>Interest Rates</u>	<u>Original Indebtedness</u>	<u>Balance 12/31/23</u>
Note Anticipation Notes	10/18/23	6/1/28	5.00%	\$ 5,520,000	<u><u>\$ 5,520,000</u></u>

Annual principal and interest maturities of the outstanding note anticipation notes of \$5,520,000 on December 31, 2023 are detailed below:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ -	\$ 308,967	\$ 308,967
2025	-	276,000	276,000
2026	-	276,000	276,000
2027	-	276,000	276,000
2028	5,520,000	138,000	5,658,000
Total	<u><u>\$ 5,520,000</u></u>	<u><u>\$ 1,274,967</u></u>	<u><u>\$ 6,794,967</u></u>

**CITY OF KAUKAUNA, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Revenue Bonds**

Revenue bonds outstanding on December 31, 2023 totaled \$81,881,085 and were comprised of the following issues:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
Kaukauna Utilities:					
Electric Utility:					
Revenue Bond	06/02/15	12/15/30	2.0-4.0%	\$ 9,415,000	\$ 3,875,000
Revenue Bond	12/15/15	12/15/25	2.0-3.0%	3,365,000	965,000
Revenue Bond	03/08/18	12/15/37	4.0%	11,150,000	9,025,000
Revenue Bond	10/09/18	12/15/28	3.00-5.00%	10,130,000	5,080,000
Revenue Bond	09/10/19	12/15/35	2.6-3.0%	20,275,000	19,680,000
Revenue Bond	12/15/20	12/15/30	3.0-4.0%	16,320,000	14,065,000
Total Electric Utility Revenue Bonds					52,690,000
Water Utility:					
Revenue Bond	10/03/17	12/01/37	2.0-3.25%	3,950,000	3,700,000
Revenue Bond	12/30/20	12/04/40	2.0-3.0%	3,085,000	2,720,000
Direct Placement Revenue Bonds	08/22/23	05/01/43	2.0-3.0%	1,936,085	1,936,085
Total Water Utility Revenue Bonds					8,356,085
Stormwater:					
Revenue Bond	11/01/16	09/01/31	2.0-3.25%	1,350,000	800,000
Revenue Bond	06/03/22	09/01/42	3.0-4.25%	9,140,000	8,890,000
					9,690,000
Sanitary Sewer:					
Revenue Bond	09/04/13	09/01/28	3.00-5.00%	1,950,000	775,000
Revenue Bond	09/01/15	09/01/30	3.00-4.00%	1,225,000	650,000
Revenue Bond	11/01/16	09/01/31	3.00-3.25%	1,225,000	725,000
Revenue Bond	09/05/18	09/01/33	2.00-4.00%	1,190,000	975,000
Revenue Bond	06/03/22	09/01/42	3.00-4.25%	8,095,000	8,020,000
Total Sanitary Sewer Revenue Bonds					11,145,000
Total Outstanding Revenue Bonds					<u>\$ 81,881,085</u>

Annual principal and interest maturities of the outstanding revenue bonds of \$81,881,085 on December 31, 2023 are detailed below:

Year Ending December 31.	Business-Type Activities				
	Revenue Bonds		Direct Placement Revenue Bonds		Total
	Principal	Interest	Principal	Interest	
2024	\$ 4,750,000	\$ 2,855,607	\$ 78,539	\$ 40,687	\$ 7,724,833
2025	4,950,000	2,672,001	80,224	38,894	7,741,119
2026	5,120,000	2,489,490	81,944	37,245	7,728,679
2027	5,295,000	2,317,739	83,702	35,468	7,731,909
2028	5,520,000	2,122,427	85,497	33,653	7,761,577
2029 - 2033	28,910,000	7,536,503	455,795	139,656	37,041,954
2034 - 2038	19,440,000	2,901,107	506,822	88,082	22,936,011
2039 - 2043	5,960,000	626,500	563,562	30,734	7,180,796
Total	<u>\$ 79,945,000</u>	<u>\$ 23,521,374</u>	<u>\$ 1,936,085</u>	<u>\$ 444,419</u>	<u>\$ 105,846,878</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Utility Revenues Pledged**

The electric, water, storm water, and sanitary sewer utility enterprise funds have pledged future electric, water, storm water, and sanitary sewer customer revenues, net of specified operating expenses, to repay the revenue bonds through 2037, 2037, 2031, and 2033, respectively. Proceeds from the bonds provided financing for the construction or acquisition of capital assets used by the utilities. A summary of net customer revenues and remaining principal and interest due on revenue bonds follows:

	Kaukauna Utilities			
	Electric Utility	Water Utility	Stormwater Utility	Sanitary Sewer Utility
Net Customer Revenues:				
Operating Revenues	\$ 57,644,854	\$ 4,439,739	\$ 1,595,863	\$ 4,417,866
Other Income	1,003,959	76,275	5,777	3,246
Total Revenues	58,648,813	4,516,014	1,601,640	4,421,112
Less: Operating Expenses	45,768,858	2,638,057	366,978	2,619,998
Net Customer Revenues	<u>\$ 12,879,955</u>	<u>\$ 1,877,957</u>	<u>\$ 1,234,662</u>	<u>\$ 1,801,114</u>
Debt Service:				
Principal	\$ 3,495,000	\$ 600,000	\$ 530,000	\$ 425,000
Interest	1,953,616	220,906	408,247	459,189
Total Debt Service	<u>\$ 5,448,616</u>	<u>\$ 820,906</u>	<u>\$ 938,247</u>	<u>\$ 884,189</u>
Remaining Principal and Interest	<u>\$ 64,900,425</u>	<u>\$ 10,638,423</u>	<u>\$ 14,122,949</u>	<u>\$ 16,185,081</u>

**Taxable Redevelopment Lease Revenue Bonds**

Taxable redevelopment lease revenue bond debt service requirements are financed from operations of the Redevelopment Authority. Revenue bond debt outstanding on December 31, 2023 totaled \$7,225,000 and was composed of the following issue:

	Date of Issue	Final Maturity	Interest Rates	Original Indebtedness	Balance 12/31/23
Lease Revenue Bond	7/1/15	12/1/40	2.00 - 4.125%	\$ 10,500,000	<u>\$ 7,225,000</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**E. Long-Term Obligations (Continued)**

**Taxable Redevelopment Lease Revenue Bonds (Continued)**

Annual principal maturities of the outstanding debt of \$7,225,000 on December 31, 2023 are detailed below:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 425,000	\$ 277,844	\$ 702,844
2025	425,000	260,844	685,844
2026	425,000	243,844	668,844
2027	425,000	226,844	651,844
2028	425,000	209,844	634,844
2029 - 2033	2,125,000	811,750	2,936,750
2034 - 2038	2,125,000	393,391	2,518,391
2039 - 2040	850,000	35,063	885,063
Total	<u>\$ 7,225,000</u>	<u>\$ 2,459,424</u>	<u>\$ 9,684,424</u>

**F. Leases Payable**

The City leases space usage for various terms under long-term, noncancelable lease agreements. The leases expire in 2034.

Total principal and interest costs for such leases for governmental funds were \$144,031 for the year ended December 31, 2023. The future minimum lease payments for these agreements are as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 129,545	\$ 14,486	\$ 144,031
2025	132,118	13,178	145,296
2026	133,445	11,851	145,296
2027	134,786	10,510	145,296
2028	136,140	9,156	145,296
2029 - 2033	707,840	24,863	732,703
2034 - 2038	133,914	671	134,585
Total Minimum Payments Required	<u>\$ 1,507,788</u>	<u>\$ 84,715</u>	<u>\$ 1,592,503</u>

Right-to-use assets acquired through outstanding leases are as follows:

Buildings and Improvements	\$ 2,549,180
Less Accumulated Depreciation for:	
Buildings and Improvements	1,157,752
Total	<u>\$ 1,391,428</u>



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan**

**Wisconsin Retirement System**

**1. Plan Description**

The Wisconsin Retirement System (WRS) is a cost-sharing multiple-employer defined benefit pension plan. WRS benefits and other plan provisions are established by Chapter 40 of the Wisconsin Statutes. Benefit terms may only be modified by the legislature. The retirement system is administered by the Wisconsin Department of Employee Trust Funds (ETF). The system provides coverage to all eligible State of Wisconsin, local government and other public employees. All employees, initially employed by a participating WRS employer on or after July 1, 2011, expected to work at least 1200 hours a year (880 hours for teachers and school district educational support employees) and expected to be employed for at least one year from employee's date of hire are eligible to participate in the WRS.

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Wisconsin Retirement System Financial Report, which can also be found using the link above.

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

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

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

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**Wisconsin Retirement System (Continued)**

**1. Plan Description (Continued)**

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

The WRS also provides death and disability benefits for employees.

**2. Postretirement 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:

<u>Year</u>	<u>Core Fund Adjustment (%)</u>	<u>Variable Fund Adjustment (%)</u>
2013	(9.6)	9
2014	4.7	25
2015	2.9	2
2016	0.5	(5)
2017	2.0	4
2018	2.4	17
2019	0.0	(10)
2020	1.7	21
2021	5.1	13
2022	7.4	15

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**3. Contributions**

Required contributions are determined by an annual actuarial valuation in accordance with Chapter 40 of the Wisconsin Statutes. The employee required contribution is one-half of the actuarially determined contribution rate for general category employees, including teachers, Executives and Elected Officials. Starting on January 1, 2016, the Executives and Elected Officials category was merged into the General Employee Category. Required contributions for protective employees are the same rate as general employees. Employers are required to contribute the remainder of the actuarially determined contribution rate. The employer may not pay the employee required contribution unless provided for by an existing collective bargaining agreement.

During the year ending December 31, 2023, the WRS recognized \$1,340,242 in contributions from the City.

Contribution rates for the reporting period are:

Employee Category	Employee	Employer
General (Including Executives and Elected Officials)	6.80 %	6.80 %
Protective with Social Security	6.80 %	13.20 %
Protective without Social Security	6.80 %	18.10 %

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

At December 31, 2023, the City reported a liability of \$5,133,280 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021 rolled forward to December 31, 2022. 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, 2022, the City's proportion was 0.09689632%, which was an increase of 0.00160302% from its proportion measured as of December 31, 2021.

For the year ended December 31, 2023, the City recognized pension expense of \$2,602,327.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**4. Pension Assets Liabilities, Pension Expense (Revenue), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)**

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 8,175,723	\$ 10,741,066
Net Differences Between Projected and Actual Earnings on Pension Plan Investments	8,720,258	-
Changes in Assumptions	1,009,415	-
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	3,111	24,447
Employer Contributions Subsequent to the Measurement Date	1,340,242	-
Total	<u>\$ 19,248,749</u>	<u>\$ 10,765,513</u>

\$1,340,242 reported as deferred outflows related to pension resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	<u>Expense</u>
2024	\$ 291,624
2025	1,477,353
2026	1,514,416
2027	3,859,601
Total	<u>\$ 7,142,994</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions**

The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Date:	December 31, 2021
Measurement Date of Net Pension Liability:	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
Asset Valuation Method:	Fair Value
Long-Term Expected Rate of Return:	6.8%
Discount Rate:	6.8%
Salary Increases:	
Wage Inflation	3.0%
Seniority/Merit	0.1% - 5.6%
Mortality	2020 WRS Experience Mortality Table
Postretirement Adjustments*	1.7%

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

Actuarial assumptions are based upon an experience study conducted in 2021 that covered a three-year period from January 1, 2018 to December 31, 2020. The Total Pension Liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the December 31, 2021 actuarial valuation.

**CITY OF KAUKAUNA, WISCONSIN**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

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

	Current Asset Allocation %	Long-Term Expected Nominal Rate of Return %	Long-Term Expected Real Rate of Return %
<u>Core Fund Asset Class</u>			
Public Equity	48.0%	7.6%	5.0%
Public Fixed Income	25.0%	5.3%	2.7%
Inflation Sensitive Assets	19.0%	3.6%	1.1%
Real Estate	8.0%	5.2%	2.6%
Private Equity/Debt	15.0%	9.6%	6.9%
Cash	-15.0%	N/A	N/A
Total Core Fund	100.0%	7.4%	4.8%
<u>Variable Fund Asset Class</u>			
U.S. Equities	70.0%	7.2%	4.6%
International Equities	30.0%	8.1%	5.5%
Total Variable Fund	100.0%	7.7%	5.1%

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

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

The investment policy used for the Core Fund involves reducing equity exposure by leveraging lower-volatility assets, such as fixed income securities. This results in an asset allocation beyond 100%. Currently, an asset allocation target of 15% policy leverage is used, subject to an allowable range of up to 20%.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**5. Actuarial Assumptions (Continued)**

**Single Discount Rate.** A single discount rate of 6.8% was used to measure the total pension liability for the current and prior year. This single discount rate is based on the expected rate of return on pension plan investments of 6.8% and a municipal bond rate of 4.05% (Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-year Municipal GO AA Index" as of December 31, 2022. In describing this index, Fidelity notes that the Municipal Curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.). Because of the unique structure of WRS, the 6.8% expected rate of return implies that a dividend of approximately 1.7% will always be paid. For purposes of the single discount rate, it was assumed that the dividend would always be paid. The projection of cash flows used to determine this single discount rate assumed that plan members contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments (including expected dividends) of current plan members.

**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 6.80%, 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 (5.80%) or 1-percentage-point higher (7.80%) than the current rate:

	1% Decrease to Discount Rate (5.80%)	Current Discount Rate (6.80%)	1% Increase to Discount Rate (7.80%)
City's Proportionate Share of the Net Pension Liability (Asset)	\$ 17,037,188	\$ 5,133,280	\$ 3,055,588

**Pension Plan Fiduciary Net Position.** Detailed information about the pension plan's fiduciary net position is available in separately issued financial statements available at <https://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

**6. Payables to the Pension Plan**

At December 31, 2023, the City has outstanding amount of contributions to the pension plan of \$209,019 for the year ended December 31, 2023.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**G. Pension Plan (Continued)**

**6. Payables to the Pension Plan (Continued)**

**Defined Contribution Pension Plan**

The City contributes to the Service Award Program (SAP), a defined contribution pension plan, for its volunteer firefighters, first responders and emergency medical technicians. SAP is administered by Glatfelter Specialty Benefits/VFIS.

The City determines annually the amount it will contribute on behalf of each individual in the program. Participants are fully vested to receive a service award once he or she attains 15 years of service for a municipality and paid a service award upon reaching age of 60. A participant who has discontinued providing eligible service after performing a minimum 10 years of service shall be partially vested and may elect to receive a partial service award at any time after reaching age 53. Nonvested accounts are forfeited if the individual ceases to perform creditable service for a period of 12 months or more and distributed equally among all other open accounts sponsored by the participating municipality at the time of the forfeiture.

For the year ended December 31, 2023, the City contributed \$1,900 to the plan, and the City recognized pension expense of \$1,900.

**H. Other Postemployment Benefits**

The City reports OPEB related balances at December 31, 2023 as summarized below:

	OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
Local Retiree Life Insurance Fund (LRLIF)	\$ 760,599	\$ 302,900	\$ 599,269	\$ 62,801
Single-Employer Defined OPEB Plan	8,740,760	1,402,889	784,713	553,950
Total Pension Liability	<u>\$ 9,501,359</u>	<u>\$ 1,705,789</u>	<u>\$ 1,383,982</u>	<u>\$ 616,751</u>

**1. Single-Employer Defined Postemployment Benefit Plan**

**Plan Description**

The Plan is a single-employer defined benefit postemployment health plan that covers retired employees of the Utilities, fire and police, and elected and appointed. Eligible retired employees have access to group medical coverage through the City's group plan until they reach the age of 65. The retired employee is required to have served 15 years for the City in order to be eligible.

**Benefits Provided**

The City provides medical (including prescription drugs) for retired employees through the City's insured plans.



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Postemployment Benefit Plan (Continued)**

**Employees Covered by Benefit Terms**

At December 31, 2023, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefit Payments	28
Active Employees	146
Total	<u>174</u>

**Contributions**

Certain retired plan members and beneficiaries currently receiving benefits are required to contribute specified amounts monthly towards the cost of insurance premiums based on the employee group and their retirement date. The retired employee contributes a percentage of the premium based on the number of years they retire after eligibility for Wisconsin Retirement (currently age 55).

**Total OPEB Liability**

The City's total OPEB liability was measured as of December 31, 2023 and was determined by an actuarial valuation as of January 1, 2023.

**Actuarial Assumptions.** The total OPEB liability in the January 1, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation:	2.25%
Salary Increases:	2%
Inflation	3.00%
Seniority/Merit	0.1%-5.6%
Investment Rate of Return:	3.26%
Healthcare Cost Trend Rates:	6.00% for 2023 decreasing to 5.0%

Mortality rates are the same as those used in the December 2014 Wisconsin Retirement System's annual report.

The actuarial assumptions used in the January 1, 2018 valuation were based on the "Wisconsin Retirement System 2015 - 2017 Experience Study".

The discount rate of 3.26% used for all years of benefit payments was based on the current yield for 20-year, tax-exempt AA Municipal bond rate or higher as of the measurement date.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Postemployment Benefit Plan (Continued)**

**Total OPEB Liability (Continued)**

**Discount Rate.** The discount rate used to measure the total OPEB liability was 3.26%. The projection of cash flows used to determine the discount rate assumed that Utilities contributions will be made at rates equal to the actuarially determined contribution rates.

**Changes in the Total OPEB Liability**

	Increase (Decrease)
	<u>Total OPEB</u>
Balance at December 31, 2022	\$ 8,436,299
Changes for the Year:	
Service Cost	188,594
Interest	303,900
Change in Assumptions	345,849
Benefit Payments	(533,882)
Net Changes	<u>304,461</u>
Balance at December 31, 2023	<u>\$ 8,740,760</u>

**Sensitivity of the Total OPEB Liability to Changes in the Discount Rate.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.26%) or 1-percentage-point higher (4.26%) than the current rate:

	1% Decrease to Discount Rate (2.26%)	Current Discount Rate (3.26%)	1% Increase to Discount Rate (4.26%)
Total OPEB Liability	\$ 9,564,564	\$ 8,740,760	\$ 8,013,259

**Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates.** The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (5.0% decreasing to 1.0%) or 1-percentage-point higher (7.0% decreasing to 3.0%) than the current healthcare cost trend rates:

	1% Decrease (Varies)	Healthcare Cost Trend Rates (Varies)	1% Increase (Varies)
Total OPEB Liability	\$ 7,802,258	\$ 8,740,760	\$ 9,840,729

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**1. Single-Employer Defined Postemployment Benefit Plan (Continued)**

**OPEB Expense**

For the year ended December 31, 2023, the City recognized OPEB expense of \$553,950.

As of December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 329,342	\$ 697,369
Changes in Assumptions	1,073,547	87,344
Total	<u>\$ 1,402,889</u>	<u>\$ 784,713</u>

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense in the upcoming years:

<u>Year Ending December 31,</u>	<u>Expense</u>
2024	\$ 61,456
2025	61,456
2026	61,456
2027	61,456
2028	61,456
Thereafter	310,896
Total	<u>\$ 618,176</u>

**Payable to the OPEB Plan**

At December 31, 2023, the City had no outstanding amount of contributions to the Plan required for the year ended December 31, 2023.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund**

**Plan Description**

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

**OPEB Plan Fiduciary Net Position**

ETF issues a standalone Annual Comprehensive Financial Report (ACFR), which can be found at <http://etf.wi.gov/about-etf/reports-and-studies/financial-reports-and-statements>.

Additionally, ETF issued a standalone Retiree Life Insurance Financial Report, which can also be found at using the link above.

**Benefits Provided**

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

**Contributions**

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

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

Contribution rates as of December 31, 2023 are:

<u>Coverage Type</u>	<u>Employer Contribution</u>
50% Postretirement Coverage	40% of Employee Contribution
25% Postretirement Coverage	20% of Employee Contribution

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**Contributions (Continued)**

Member contributions are based upon nine age bands through age 69 and an additional eight age bands for those age 70 and over. Participating members must pay monthly contribution rates per \$1,000 of coverage until the age of 65 (age 70 if active). The member contribution rates in effect for the year ended December 31, 2022 are listed below:

Life Insurance Member Contribution Rates* For the Year Ended December 31, 2022		
Attained Age	Basic	Supplemental
Under 30	\$0.05	\$0.05
30-34	0.06	0.06
35-39	0.07	0.07
40-44	0.08	0.08
45-49	0.12	0.12
50-54	0.22	0.22
55-59	0.39	0.39
60-64	0.49	0.49
65-69	0.57	0.57

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

During the year ending December 31, 2023, the LRLIF recognized \$4,294 in contributions from the employer.

**OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2023, the City reported a liability of \$760,599 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2022 rolled forward to December 31, 2022. No material changes in assumptions or benefits terms occurred between the actuarial valuation date and the measurement date. The City's proportion of the net OPEB liability (asset) was based on the City's share of contributions to the OPEB plan relative to the contributions of all participating employers. At December 31, 2022, the City's proportion was 0.19964100%, which was a decrease of .00992800% from its proportion measured as of December 31, 2021.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense (Revenue) and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)**

For the year ended December 31, 2023, the City recognized OPEB expense of \$62,801.

At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 74,436
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	14,273	-
Changes in Assumptions	273,266	448,961
Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions	15,361	75,872
Total	<u>\$ 302,900</u>	<u>\$ 599,269</u>

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

<u>Year Ending December 31,</u>	<u>Expense</u>
2024	\$ (28,821)
2025	(33,281)
2026	(19,830)
2027	(54,293)
2028	(85,281)
Thereafter	(74,863)
Total	<u>\$ (296,369)</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

**Actuarial Assumptions.** The total OPEB liability in the January 1, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date:	January 1, 2022
Measurement Date of Net OPEB	
Liability (Asset):	December 31, 2022
Experience Study:	January 1, 2018 - December 31, 2020 Published November 19, 2021
Actuarial Cost Method:	Entry Age Normal
20 Year Tax-Exempt Municipal Bond Yield*:	3.72%
Long-Term Expected Rate of Return:	4.25%
Discount Rate:	3.76%
Salary Increases:	
Wage Inflation	3.00%
Seniority/Merit	0.1% - 5.6%
Mortality:	2020 WRS Experience Mortality Table

\*Based on the Bond Buyers GO Index

Actuarial assumptions are based upon an experience study conducted in 2018 that covered a three-year period from January 1, 2018 to December 31, 2020. The total OPEB liability for December 31, 2022 is based upon a roll-forward of the liability calculated from the January 1, 2022 actuarial valuation.

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

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Geometric Real Rate of Return %</u>
U.S. Intermediate Credit Bonds	Bloomberg US Interim Credit	50%	2.45%
U.S. Mortgages	Bloomberg US MBS	50%	2.86%
Inflation			2.30%
Long-Term Expected Rate of Return			4.25%

The long-term expected rate of return remained unchanged from the prior year at 4.25%. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The expected inflation rate remained unchanged from the prior year at 2.30%.

**Single Discount Rate.** A single discount rate of 3.76% was used to measure the total OPEB liability for the current year, as opposed to a discount rate of 2.17% for the prior year. The significant change was primarily caused by the increase in the municipal bond rate from 2.06% as of December 31, 2021 to 3.72% as of December 31, 2022. The Plan's fiduciary net position was projected to be insufficient to make all projected future benefit payments of current active and inactive members. Therefore, the discount rate for calculating the Total OPEB Liability is equal to the single equivalent rate that results in the same actuarial present value as the long-term expected rate of return applied to benefit payments, to the extent that the plan's fiduciary net position is projected to be sufficient to make projected benefit payments, and the municipal bond rate applied to benefit payment to the extent that the plan's fiduciary net position is projected to be insufficient. The plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through December 31, 2036.

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



**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**H. Other Postemployment Benefits (Continued)**

**2. Local Retiree Life Insurance Fund (Continued)**

**OPEB Liabilities, OPEB Expense and Deferred Outflows of Resources and  
Deferred Inflows of Resources Related to OPEB (Continued)**

**Sensitivity of the City's Proportionate Share of Net OPEB Liability (Asset) to Changes in the Discount Rate.** The following presents the City's proportionate share of the net OPEB liability (asset) calculated using the discount rate of 3.76%, as well as what the City's proportionate share of the net OPEB liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (2.76%) or 1-percentage-point higher (4.76%) than the current rate:

	1% Decrease to Discount Rate (2.76%)	Current Discount Rate (3.76%)	1% Increase to Discount Rate (4.76%)
City's Proportionate Share of the Net OPEB Liability	\$ 1,036,994	\$ 760,599	\$ 548,772

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

**Payable to the OPEB Plan**

At December 31, 2023, the City had no outstanding amount of contributions to the Plan required for the year ended December 31, 2023.

**I. Fund Equity**

**Nonspendable Fund Balance**

In the fund financial statements, portions of the governmental fund balances are amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact. At December 31, 2023, nonspendable fund balance was as follows:

General Fund:

Nonspendable:

Inventories and Prepaid Items	\$ 66,631
Delinquent Taxes	288
Total Nonspendable Fund Balance	<u>\$ 66,919</u>

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

**Restricted Fund Balance**

In the fund financial statements, portions of governmental fund balances are not available for appropriation or are legally restricted for use for a specific purpose. At December 31, 2023, restricted fund balance was as follows:

Debt Service Fund:

Restricted for:

Debt Service	\$ 5,425,238
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Special Revenue Fund:

Restricted for:

Donations	470,368
Nelson Crossing	1,847

Capital Projects Fund:

Restricted for:

Tax Incremental Districts	330,383
Capital Expenditures	5,089,911
Debt Service	738,628

Total Restricted Fund Balance	\$ 12,056,375
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**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)**

**I. Fund Equity (Continued)**

**Committed Fund Balance**

In the fund financial statements, portions of government fund balances are committed by City Council action. At December 31, 2023, governmental fund balance was committed as follows:

Special Revenue Funds:

Committed for:

Subdivision Fees	\$ 192,073
1000 Islands Environmental Center	5,342
Revolving Economic Development Loans	981,060
Rental Rehabilitation Grants	3,165
Housing Development Grants	28,670
CDBG Grant	198,102
Public Safety Grants	142,215
Grignon Home	594
Vehicle Registration	4,157
Solid Waste	55,033
Red Hill Landfill	106,416
Nelson Crossing	1,823
Library Special Use	<u>14,972</u>

Capital Projects Fund:

Committed for:

Industrial Park	318,878
Special Assessments	1,334,071
Streets and Sidewalks	721,828
Equipment	446,290
Pools and Parks	2,981,647
Buildings and Miscellaneous	<u>1,143,077</u>

Total Committed Fund Balance	<u><u>\$ 8,679,413</u></u>
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**Assigned Fund Balance**

Portions of governmental fund balances have been assigned to represent tentative management plans that are subject to change. At December 31, 2023, fund balance was assigned as follows:

General Fund:

Subsequent Year's Expenditures	<u><u>\$ 425,000</u></u>
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**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION**

**A. WIPPI Energy Contract (WPPI)**

The Kaukauna Electric Utility purchases its electric requirements from WPPI Energy (WPPI). WPPI is a municipal electric company and political subdivision of the State of Wisconsin created by contract by its members on September 5, 1980 pursuant to the Municipal Electric Company Act, Sec. 66.073 of the Wisconsin Statutes (the Act). WPPI's purposes include providing an adequate, economical and reliable supply of electric energy to its members.

The Kaukauna Electric Utility is one of 51 members of WPPI located throughout the States of Wisconsin, Iowa, and Michigan. On December 31, 1989, each of WPPI's members, including the City of Kaukauna, commenced purchasing electric service from WPPI under a new Long-term Power Supply Contract for Participating Members (the Long-term Contract) under which WPPI has agreed to sell and deliver to each member, and each member has agreed to take and pay for, the electric power and energy requirements of the members for an initial thirty-five (35) year term. The contract has been amended to extend the term of the contract through 2037. A subsequent amendment has extended the contract through 2055.

Under the Long-Term Contract, the Kaukauna Electric Utility and the other members of WPPI are required to pay for all power and energy requirements supplied or made available by WPPI at rates sufficient to cover all of WPPI's revenue requirement which includes power supply costs, administrative expenses and debt service on outstanding bonds. WPPI's subsequent year's rates and operating budget are approved annually by its board of directors, which consists of representatives from each member municipality. The Kaukauna Electric Utility has agreed to charge rates to the retail ratepayers of its electric system sufficient to meet its obligations to WPPI. The Long-term Contract provides that all payments to WPPI under the Contract constitute operating expenses of the Kaukauna electric system payable from any operating and maintenance fund established by the Kaukauna Electric Utility.

The Long-term Contract may be terminated by either party upon five years prior written notice effective at the end of the initial 35-year term, or at any other time thereafter, provided that no WPPI bonds are outstanding at the time of the proposed termination and certain other contract provisions are met.

Electric power purchases by the Kaukauna Electric Utility from the WPPI for distribution to its customers under the above arrangement amounted to approximately \$253 million in 2023.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**B. Tax Incremental Financing Districts**

The City has established separate capital projects funds for eight Tax Incremental Districts (TID) created by the City in accordance with Section 66.1105 of the Wisconsin Statutes. At the time the Districts were created, the property tax base within each District was "frozen" and increment taxes resulting from increases to the property tax base are used to finance District improvements, including principal and interest on long-term debt issued by the City to finance such improvements. Except for certain exceptions under Section 66.1105(6)(am)(2), the Statutes allow a tax incremental district to incur project costs up to five years prior to termination of the district. The City's TID No. 4 was created in September, 2000, TID No. 5 was created in September, 2003, the Environmental Remediation TID (ERTID) was created September 2005, TID No. 6 was created in September, 2006, TID No. 7 was created in September, 2012, TID No. 8 was created in September, 2013, TID No. 9 was created in September 2016, TID No. 10 was created in September 2019, TID No. 11 was created in September 2021, and TID No. 12 was created in September 2022. All TID's are still eligible to incur project costs.

Since creation of the above Districts, the City has provided various financing sources to the TID. Detail of the amounts recoverable by the City as of December 31, 2023 from future excess tax increment revenues of the TID's are as follows:

	Tax Incremental District #4	Tax Incremental District #5	Tax Incremental District #6	Tax Incremental District #8
Net Unreimbursed (Reimbursed) Project Costs	<u>\$ 212,081</u>	<u>\$ 9,895,885</u>	<u>\$ 461,509</u>	<u>\$ 5,656,878</u>
	Tax Incremental District #9	Tax Incremental District #10	Tax Incremental District #11	Tax Incremental District #12
Net Unreimbursed (Reimbursed) Project Costs	<u>\$ 90,355</u>	<u>\$ 554,069</u>	<u>\$ (72,303)</u>	<u>\$ 14,777</u>
	Tax Incremental ERTID			
Net Unreimbursed (Reimbursed) Project Costs	<u>\$ 595,763</u>			

The intent of the City is to recover the above amounts from future TID surplus funds, if any, prior to termination of the Districts. Unless terminated by the City prior thereto, each TID has a statutory termination year as follows:

	Termination Year
TID No. 4	2031
TID No. 5	2034
TID No. 6	2026
TID No. 8	2033
TID No. 9	2043
TID No. 10	2040
TID No. 11	2041
TID No. 12	2042

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2023**

**NOTE 4 OTHER INFORMATION (CONTINUED)**

**C. Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. The City completes an annual review of its insurance coverage to ensure adequate coverage. Settled claims have not exceed coverage amounts in the past three years.

**D. Contingencies**

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

**E. Enterprise Funds – Significant Customers**

The utility has two significant customers who were responsible for 26% of operating revenues.

**REQUIRED SUPPLEMENTARY INFORMATION**

**CITY OF KAUKAUNA, WISCONSIN**  
**SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET) —**  
**WISCONSIN RETIREMENT SYSTEM**  
**LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	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 (Asset)
12/31/14	0.09136299%	\$ (2,244,125)	\$ 10,905,307	20.58 %	102.74 %
12/31/15	0.09115131%	1,481,191	10,808,317	13.70 %	98.20 %
12/31/16	0.09216838%	759,688	11,279,812	6.73 %	99.12 %
12/31/17	0.09272600%	(2,753,143)	11,297,910	24.37 %	102.93 %
12/31/18	0.09416558%	3,350,116	11,511,788	29.10 %	96.45 %
12/31/19	0.09438667%	(3,043,457)	11,899,616	25.58 %	102.96 %
12/31/20	0.09484905%	(5,921,557)	12,302,168	48.13 %	105.26 %
12/31/21	0.09529330%	(7,680,815)	12,606,353	60.93 %	106.02 %
12/31/22	0.09689632%	5,133,281	13,446,295	38.18 %	95.72 %

**SCHEDULE OF CONTRIBUTIONS —**  
**WISCONSIN RETIREMENT SYSTEM**  
**LAST 10 FISCAL YEARS**

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Payroll (Fiscal Year)	Contributions as a Percentage of Covered Payroll
12/31/15	\$ 870,444	\$ 870,444	\$ -	\$ 10,808,317	8.05 %
12/31/16	890,178	890,178	-	11,279,812	7.89 %
12/31/17	956,240	956,240	-	11,297,910	8.46 %
12/31/18	980,740	980,740	-	11,511,789	8.52 %
12/31/19	991,980	991,980	-	11,899,616	8.34 %
12/31/20	1,081,683	1,081,683	-	12,302,169	8.79 %
12/31/21	1,117,295	1,117,295	-	12,606,353	8.86 %
12/31/22	1,167,094	1,167,094	-	13,446,295	8.68 %
12/31/23	1,340,242	1,340,242	-	14,431,596	9.29 %

See Notes to Required Supplementary Information.



**CITY OF KAUKAUNA, WISCONSIN**  
**SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS**  
**LAST 10 FISCAL YEARS**

	2023	2022	2021	2020	2019	2018
Total OPEB Liability:						
Service Cost	\$ 188,594	\$ 332,749	\$ 322,333	\$ 354,074	\$ 347,131	\$ 355,549
Interest	303,900	161,572	163,634	308,561	315,176	301,683
Changes of Benefit Terms	-	-	-	(343,744)	-	-
Differences Between Expected and Actual Experience	-	398,100	-	(1,005,945)	-	-
Changes of Assumptions	345,849	(105,616)	38,653	1,049,847	-	-
Benefit Payments	(533,883)	(387,559)	(412,303)	(304,140)	(328,495)	(311,475)
Net Change in Total OPEB Liability	304,460	399,246	112,317	58,653	333,812	345,757
Total OPEB Liability - Beginning	8,436,300	8,037,054	7,924,737	7,866,084	7,532,272	7,186,515
Total OPEB Liability - Ending	<u>\$ 8,740,760</u>	<u>\$ 8,436,300</u>	<u>\$ 8,037,054</u>	<u>\$ 7,924,737</u>	<u>\$ 7,866,084</u>	<u>\$ 7,532,272</u>
Covered-Employee Payroll	\$ 15,241,307	\$ 14,285,967	\$ 13,366,187	\$ 13,203,276	\$ 12,454,203	\$ 12,210,002
City's Total OPEB Liability as a Percentage of Covered-Employee Payroll	57.35%	59.05%	60.13%	60.02%	63.16%	61.69%

See Notes to Required Supplementary Information.

**CITY OF KAUKAUNA, WISCONSIN**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (ASSET) —**  
**LOCAL RETIREE LIFE INSURANCE FUND**  
**LAST 10 MEASUREMENT PERIODS**

Measurement Period Ending	Proportion of the Net OPEB Liability (Asset)	Proportionate Share of the Net OPEB Liability (Asset)	Covered Employee Payroll	Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability (Asset)
12/31/17	0.21612700%	\$ 539,434	\$ 11,297,910	4.77 %	44.81 %
12/31/18	0.21705100%	560,065	11,511,789	4.87 %	48.69 %
12/31/19	0.21097000%	898,349	11,899,616	7.55 %	37.58 %
12/31/20	0.21875200%	1,203,293	12,606,353	9.55 %	31.36 %
12/31/21	0.20956900%	1,238,630	12,420,000	9.97 %	29.57 %
12/31/22	0.19964100%	760,599	12,745,000	5.97 %	38.81 %

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

Fiscal Year Ending	Contractually Required Contributions	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	Covered Employee Payroll	Contributions as a Percentage of Covered-Employee Payroll
12/31/18	\$ 4,357	\$ 4,357	\$ -	\$ 11,511,789	0.04 %
12/31/19	4,192	4,192	-	11,899,616	0.04 %
12/31/20	4,382	4,382	-	12,302,169	0.04 %
12/31/21	4,182	4,182	-	12,606,353	0.03 %
12/31/22	4,030	4,030	-	12,420,000	0.03 %
12/31/23	4,294	4,294	-	14,431,596	0.03 %

See Notes to Required Supplementary Information.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2023**

**NOTE 1 WISCONSIN RETIREMENT SYSTEM**

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 WRS.

Based on a three-year experience study conducted in 2021 covering January 1, 2018 through December 31, 2020, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-end December 31, 2021, including the following:

- Lowering the long-term expected rate of return from 7.0% to 6.8%
- Lowering the discount rate from 7.0% to 6.8%
- Lowering the price inflation rate from 2.5% to 2.4%
- Lowering the post-retirement adjustments from 1.9% to 1.7%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

Based on a three-year experience study conducted in 2018 covering January 1, 2015 through December 31, 2017, the ETF Board adopted assumption changes that were used to measure the total pension liability beginning with the year-ended December 31, 2018, including the following:

- Lowering the long-term expected rate of return from 7.2% to 7.0%
- Lowering the discount rate from 7.2% to 7.0%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Lowering the post-retirement adjustments from 2.1% to 1.9%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

**NOTE 2 OTHER POSTEMPLOYMENT BENEFITS**

**Single-Employer Defined Postemployment Benefit Plan**

There were no changes in benefit terms. No assets are accumulated in a trust that meets the criteria in paragraph 4 of Statement 75.

**Local Retiree Life Insurance Fund (LRLIF)**

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.

*Benefit Terms:* There were no recent changes in benefit terms.

**CITY OF KAUKAUNA, WISCONSIN  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2023**

**NOTE 2 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Local Retiree Life Insurance Fund (LRLIF) (Continued)**

*Assumptions:* In addition to the rate changes detailed in the tables above, the State of Wisconsin Employee Trust Fund Board adopted economic and demographic assumption changes based on a three year experience study performed for the Wisconsin Retirement System. These assumptions are used in the actuarial valuations of OPEB liabilities (assets) for the retiree life insurance programs and are summarized below.

The assumption changes that were used to measure the December 31, 2021 total OPEB liabilities, including the following:

- Lowering the price inflation rate from 2.5% to 2.4%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2018 Mortality Table to the 2020 WRS Experience Mortality Table.

The assumption changes that were used to measure the December 31, 2018 total OPEB liabilities, including the following:

- Lowering the long-term expected rate of return from 5.00% to 4.25%
- Lowering the wage inflation rate from 3.2% to 3.0%
- Lowering the price inflation rate from 2.7% to 2.5%
- Mortality assumptions were changed to reflect updated trends by transitioning from the Wisconsin 2012 Mortality Table to the Wisconsin 2018 Mortality Table.

## SUPPLEMENTARY INFORMATION

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2023**

	Special Revenue						
	1000 Islands Environmental Center	Revolving Economic Development Loans	Rental Rehabilitation Grants	Housing Development Grants	CDBG Grant	Public Safety Grants	Subdivision Fees
<b>ASSETS</b>							
Cash and Investments	\$ 6,034	\$ 979,844	\$ 3,165	\$ 28,670	\$ 198,102	\$ 144,192	\$ 192,126
Restricted Cash and Investments	470,368	-	-	-	-	-	-
Receivables:							
Taxes and Special Charges	-	-	-	-	-	-	48
Accounts, Net	-	1,426	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	368
Loans	-	507,604	13,960	68,200	108,371	-	-
Due from Other Funds	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 476,402</b>	<b>\$ 1,488,874</b>	<b>\$ 17,125</b>	<b>\$ 96,870</b>	<b>\$ 306,473</b>	<b>\$ 144,192</b>	<b>\$ 192,542</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 692	\$ 210	\$ -	\$ -	\$ -	\$ 1,977	\$ -
Due to Other Funds	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>692</b>	<b>210</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,977</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-	101
Other Public Charges, Grants, and Donations	-	-	-	-	-	-	-
Loans Receivable	-	507,604	13,960	68,200	108,371	-	-
Special Assessments	-	-	-	-	-	-	368
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>507,604</b>	<b>13,960</b>	<b>68,200</b>	<b>108,371</b>	<b>-</b>	<b>469</b>
<b>FUND BALANCES</b>							
Restricted	470,368	-	-	-	-	-	-
Committed	5,342	981,060	3,165	28,670	198,102	142,215	192,073
Unassigned	-	-	-	-	-	-	-
<b>Total Fund Balances</b>	<b>475,710</b>	<b>981,060</b>	<b>3,165</b>	<b>28,670</b>	<b>198,102</b>	<b>142,215</b>	<b>192,073</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 476,402</b>	<b>\$ 1,488,874</b>	<b>\$ 17,125</b>	<b>\$ 96,870</b>	<b>\$ 306,473</b>	<b>\$ 144,192</b>	<b>\$ 192,542</b>

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2023**

		Special Revenue (Continued)						
ASSETS		Grignon Home	Vehicle Registration	Solid Waste	Red Hill Landfill	American Rescue Plan Act	Nelson Crossing	Library Special Use
Cash and Investments	\$	594	\$ 4,157	\$ -	\$ 106,416	\$ 2,500	\$ 3,710	\$ 16,080
Restricted Cash and Investments	-	-	-	-	-	1,061,170	1,847	-
Receivables:								
Taxes and Special Charges	-	-	-	-	-	-	1,653	-
Accounts, Net	-	-	-	251	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	63,607	-	-	-	-
Total Assets	\$	594	\$ 4,157	\$ 63,858	\$ 106,416	\$ 1,063,670	\$ 7,210	\$ 16,080
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable	\$	-	\$ -	\$ 12	\$ -	\$ 2,500	\$ 40	\$ 1,108
Due to Other Funds	-	-	-	8,813	-	83,248	-	-
Total Liabilities	-	-	-	8,825	-	85,748	40	1,108
DEFERRED INFLOWS OF RESOURCES								
Property Taxes Levied for Subsequent Year	-	-	-	-	-	-	3,500	-
Other Public Charges, Grants, and Donations	-	-	-	-	-	977,922	-	-
Loans Receivable	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	977,922	3,500	-
FUND BALANCES								
Restricted	-	-	-	-	-	-	1,847	-
Committed	594	594	4,157	55,033	106,416	-	1,823	14,972
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	594	594	4,157	55,033	106,416	-	3,670	14,972
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$	594	\$ 4,157	\$ 63,858	\$ 106,416	\$ 1,063,670	\$ 7,210	\$ 16,080

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2023**

Capital Projects										
	Industrial Park	Special Assessments	Space Needs	Tax		Tax		Tax		Tax Incremental District #9
				Incremental District #4	Incremental District #5	Incremental District #6	Incremental District #8	Incremental District #9	Incremental District #8	
<b>ASSETS</b>										
Cash and Investments	\$ 557,394	\$ 1,659,626	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Restricted Cash and Investments	-	-	-	377,978	1,283,306	505,584	508,695	40,971		
Receivables:										
Taxes and Special Charges	-	286,597	-	61,661	181,221	452,491	60,362	17,922		
Accounts, Net	1,529	-	-	-	113,389	-	210,492	-		
Special Assessments	-	3,030,272	-	-	-	-	-	-		
Loans	-	-	-	-	-	-	1,643,846	-		
Due from Other Funds	-	-	-	-	-	-	-	-		
Total Assets	\$ 558,923	\$ 4,976,495	\$ -	\$ 439,639	\$ 1,577,916	\$ 958,075	\$ 2,423,395	\$ 58,893		
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>										
<b>LIABILITIES</b>										
Accounts Payable	45	-	\$ -	\$ -	\$ 97	\$ -	\$ -	\$ -		
Due to Other Funds	240,000	5,330	-	50,000	4,575,000	16,512	884,564	111,300		
Total Liabilities	240,045	5,330	-	51,000	4,575,097	16,512	884,564	111,300		
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Property Taxes Levied for Subsequent Year	-	606,822	-	130,558	383,705	958,074	127,807	37,947		
Special Charges Assessed	-	-	-	-	-	-	181,660	-		
Loans Receivable	-	-	-	-	-	-	1,643,846	-		
Special Assessments	-	3,030,272	-	-	-	-	-	-		
Total Deferred Inflows of Resources	-	3,637,094	-	130,558	383,705	958,074	1,953,313	37,947		
<b>FUND BALANCES</b>										
Restricted	-	-	-	258,081	-	-	-	-		
Committed	318,878	1,334,071	-	-	-	-	-	-		
Unassigned	-	-	-	-	(3,380,886)	(16,511)	(414,482)	(90,354)		
Total Fund Balances	318,878	1,334,071	-	258,081	(3,380,886)	(16,511)	(414,482)	(90,354)		
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 558,923	\$ 4,976,495	\$ -	\$ 439,639	\$ 1,577,916	\$ 958,075	\$ 2,423,395	\$ 58,893		



**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**DECEMBER 31, 2023**

	Capital Projects (Continued)							
	Tax Incremental District #10	Tax Incremental District #11	Tax Incremental District #12	Environmental Remediation TID	Equipment	Pool and Parks	RDA	Buildings and Miscellaneous
<b>ASSETS</b>								
Cash and Investments	\$ 94,370	-	\$ -	\$ -	\$ 728,449	\$ 9,517,993	\$ -	\$ 1,143,077
Restricted Cash and Investments		153,502	-	398,937	-	586,386	738,628	-
Receivables								
Taxes and Special Charges	84,460	72,672	-	53,414	-	236,146	-	-
Accounts, Net	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 178,830</b>	<b>\$ 226,174</b>	<b>\$ -</b>	<b>\$ 452,351</b>	<b>\$ 728,449</b>	<b>\$ 10,340,525</b>	<b>\$ 738,628</b>	<b>\$ 1,143,077</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>								
<b>LIABILITIES</b>								
Accounts Payable	\$ -	\$ -	\$ -	\$ 17	\$ 48,479	\$ 2,002,647	\$ -	\$ -
Due to Other Funds	91,670	-	14,777	700,000	-	-	-	-
<b>Total Liabilities</b>	<b>91,670</b>	<b>-</b>	<b>14,777</b>	<b>700,017</b>	<b>48,479</b>	<b>2,002,647</b>	<b>-</b>	<b>-</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>								
Property Taxes Levied for Subsequent Year	178,829	153,872	-	113,096	-	500,000	-	-
Other Public Charges, Grants, and Donations	-	-	-	-	-	-	-	-
Loans Receivable	-	-	-	-	-	-	-	-
Special Assessments	-	-	-	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>178,829</b>	<b>153,872</b>	<b>-</b>	<b>113,096</b>	<b>-</b>	<b>500,000</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>								
Restricted	-	72,302	-	-	233,680	4,856,231	738,628	-
Committed	-	-	-	-	446,290	2,981,647	-	1,143,077
Unassigned	(91,669)	-	(14,777)	(360,762)	-	-	-	-
<b>Total Fund Balances</b>	<b>(91,669)</b>	<b>72,302</b>	<b>(14,777)</b>	<b>(360,762)</b>	<b>679,970</b>	<b>7,837,878</b>	<b>738,628</b>	<b>1,143,077</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 178,830</b>	<b>\$ 226,174</b>	<b>\$ -</b>	<b>\$ 452,351</b>	<b>\$ 728,449</b>	<b>\$ 10,340,525</b>	<b>\$ 738,628</b>	<b>\$ 1,143,077</b>
								<b>\$ 28,785,833</b>

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2023**

	Special Revenue									
	1000 Islands Environmental Center	Revolving Economic Development Loans	Rental Rehabilitation Grants	Housing Development Grants	CDBG Grant	Public Safety Grants	Library Foundation	Subdivision Fees		
<b>REVENUES</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,847		
Special Assessments	-	-	-	-	-	-	-	7,083		
Intergovernmental	25,000	-	-	-	-	20,881	-	-		
Fines and Forfeits	-	-	-	-	-	643	-	-		
Public Charges for Services	-	-	-	-	-	5,167	-	-		
Miscellaneous	69,881	188,418	-	-	5	-	-	-		
Total Revenues	94,881	188,418	-	-	5	26,691	-	-		10,930
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	-	-	-	-	-	-		
Public Safety	-	-	-	-	-	57,822	-	-		
Public Works	-	-	-	-	-	-	-	-		
Culture and Recreation	30,159	-	-	-	-	-	17,667	-		
Conservation and Development	-	254,646	-	-	-	-	-	-		
Debt Service:										
Interest and Fiscal Charges	-	-	-	-	-	-	-	-		
Capital Outlay	-	-	-	-	-	-	-	-		
Total Expenditures	30,159	254,646	-	-	-	57,822	17,667	-		-
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	64,722	(66,228)	-	-	5	(31,131)	(17,667)	10,930		
<b>OTHER FINANCING SOURCES (USES)</b>										
Long-Term Debt Issued	-	-	-	-	-	-	-	-		
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-		
Transfers In	-	-	-	-	-	-	-	-		
Transfers Out	(40,050)	-	-	-	-	-	-	-		
Total Other Financing Sources (Uses)	(40,050)	-	-	-	-	-	-	-		-
<b>NET CHANGE IN FUND BALANCES</b>	24,672	(66,228)	-	-	5	(31,131)	(17,667)	10,930		
Fund Balance - Beginning of Year	451,038	1,047,288	3,165	28,670	198,097	173,346	17,667	181,143		
<b>FUND BALANCE - END OF YEAR</b>	\$ 475,710	\$ 981,060	\$ 3,165	\$ 28,670	\$ 198,102	\$ 142,215	\$ -	\$ 192,073		

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2023**

Special Revenue (Continued)							
	Grignon Home	Vehicle Registration	Solid Waste	Red Hill Landfill	American Rescue Plan Act	Nelson Crossing	Library Special Use
REVENUES							
Taxes	\$ -	\$ 137,581	\$ -	\$ -	\$ -	\$ 3,500	\$ -
Special Assessments	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	66,008	-	-
Fines and Forfeits	-	-	-	-	-	-	-
Public Charges for Services	-	-	380,117	74,619	-	-	-
Miscellaneous	27,593	-	4,981	-	-	-	11,575
Total Revenues	27,593	137,581	385,098	74,619	66,008	3,500	11,575
EXPENDITURES							
Current:							
General Government	-	-	-	-	6,458	-	-
Public Safety	-	-	-	-	54,600	-	-
Public Works	-	-	239,704	-	4,950	-	-
Culture and Recreation	-	-	-	-	-	1,489	8,548
Conservation and Development	-	-	-	-	-	-	-
Debt Service:							
Interest and Fiscal Charges	-	-	-	-	-	-	-
Capital Outlay	-	-	-	120,842	-	-	-
Total Expenditures	-	-	239,704	120,842	66,008	1,489	8,548
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	27,593	137,581	145,394	(46,223)	-	2,011	3,027
OTHER FINANCING SOURCES (USES)							
Long-Term Debt Issued	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-
Transfers In	-	-	-	-	-	-	-
Transfers Out	(27,000)	(200,000)	(152,000)	(45,000)	-	-	-
Total Other Financing Sources (Uses)	(27,000)	(200,000)	(152,000)	(45,000)	-	-	-
NET CHANGE IN FUND BALANCES	593	(62,419)	(6,606)	(91,223)	-	2,011	3,027
Fund Balance - Beginning of Year	1	66,576	61,639	197,639	-	1,659	11,945
FUND BALANCE - END OF YEAR	594	\$ 4,157	\$ 55,033	\$ 106,416	\$ -	\$ 3,670	\$ 14,972

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2023**

Capital Projects									
	Industrial Park	Special Assessments	Space Needs	Tax Incremental District #4	Tax Incremental District #5	Tax Incremental District #6	Tax Incremental District #8	Tax Incremental District #9	
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ -	\$ 3,813	\$ 357,763	\$ 902,746	\$ 80,517	\$ 28,821	
Special Assessments	-	1,054,095	-	-	-	-	-	-	
Intergovernmental	-	-	-	8,421	1,980	12,977	14,645	220	
Fines and Forfeits	-	-	-	-	-	-	-	-	
Public Charges for Services	-	-	-	-	-	-	-	-	
Miscellaneous	-	110,343	-	-	1,000,032	-	147,580	-	
Total Revenues	-	1,164,438	-	12,234	1,359,775	915,723	242,742	29,041	
<b>EXPENDITURES</b>									
Current:									
General Government	-	-	-	-	-	-	-	-	
Public Safety	-	-	-	-	-	-	-	-	
Public Works	-	-	-	-	-	-	-	-	
Culture and Recreation	-	-	-	-	-	-	-	-	
Conservation and Development	-	-	-	-	330,395	17,089	-	-	
Debt Service:									
Interest and Fiscal Charges	-	-	-	-	-	-	-	-	
Capital Outlay	577	-	-	21,842	894	1,033	150	20,150	
Total Expenditures	577	-	-	21,842	331,289	18,122	150	20,150	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(577)	1,164,438	-	(9,608)	1,028,486	897,601	242,592	8,891	
<b>OTHER FINANCING SOURCES (USES)</b>									
Long-Term Debt Issued	-	-	-	-	-	-	-	-	
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	-	
Transfers In	-	-	-	-	537,500	-	-	-	
Transfers Out	-	(922,000)	-	(158,825)	(973,745)	(998,993)	(493,963)	-	
Total Other Financing Sources (Uses)	-	(922,000)	-	(158,825)	(436,245)	(998,993)	(493,963)	-	
<b>NET CHANGE IN FUND BALANCES</b>	(577)	242,438	-	(168,433)	592,241	(101,392)	(251,371)	8,891	
Fund Balance - Beginning of Year	319,455	1,091,633	-	426,514	(3,973,127)	84,881	(163,111)	(99,245)	
<b>FUND BALANCE - END OF YEAR</b>	\$ 318,878	\$ 1,334,071	\$ -	\$ 258,081	\$ (3,380,886)	\$ (16,511)	\$ (414,482)	\$ (90,354)	

**CITY OF KAUKAUNA, WISCONSIN**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED DECEMBER 31, 2023**

	Capital Projects (Continued)									
	Tax Incremental District #10	Tax Incremental District #11	Tax Incremental District #12	Environmental Remediation TID	Equipment	Pool and Parks	RDA	Buildings and Miscellaneous	Total	
<b>REVENUES</b>										
Taxes	\$ 95,269	\$ 87,727	\$ -	\$ 113,616	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ 2,315,200
Special Assessments	-	-	-	-	-	-	-	-	-	1,061,178
Intergovernmental	-	-	-	-	-	-	-	-	-	150,132
Fines and Forfeits	-	-	-	-	-	-	-	-	-	643
Public Charges for Services	-	-	-	-	-	-	-	-	-	459,903
Miscellaneous	-	-	-	-	48,294	569,411	36,604	52,239	-	2,266,966
Total Revenues	95,269	87,727	-	113,616	48,294	1,069,411	36,604	52,239	-	6,254,012
<b>EXPENDITURES</b>										
Current:										
General Government	-	-	-	-	-	-	-	-	-	6,458
Public Safety	-	-	-	-	-	-	-	-	-	112,422
Public Works	-	-	-	-	-	-	-	-	-	244,654
Culture and Recreation	-	-	-	-	-	-	-	20,353	-	78,216
Conservation and Development	150	-	-	-	-	-	-	-	-	602,280
Debt Service:										
Interest and Fiscal Charges	-	-	-	-	-	-	611	-	-	611
Capital Outlay	-	151	6,641	14,330	196,614	2,672,180	-	185,000	-	3,240,404
Total Expenditures	150	151	6,641	14,330	196,614	2,672,180	611	205,353	-	4,285,045
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	95,119	87,576	(6,641)	99,286	(148,320)	(1,602,769)	35,993	(153,114)	-	1,968,967
<b>OTHER FINANCING SOURCES (USES)</b>										
Long-Term Debt Issued	-	-	-	-	372,000	5,790,000	-	17,000	-	6,179,000
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	-	256,977	-	256,977
Transfers In	-	-	-	270,068	-	669,000	-	-	-	1,476,568
Transfers Out	(69,550)	-	-	(171,463)	-	-	(78,120)	-	-	(4,330,709)
Total Other Financing Sources (Uses)	(69,550)	-	-	98,605	372,000	6,459,000	(78,120)	273,977	-	3,581,836
<b>NET CHANGE IN FUND BALANCES</b>	25,569	87,576	(6,641)	197,891	223,680	4,856,231	(42,127)	120,863	-	5,550,803
Fund Balance - Beginning of Year	(117,238)	(15,274)	(8,136)	(558,653)	456,290	2,981,647	780,755	1,022,214	-	4,668,478
<b>FUND BALANCE - END OF YEAR</b>	\$ (91,669)	\$ 72,302	\$ (14,777)	\$ (360,762)	\$ 679,970	\$ 7,837,878	\$ 738,628	\$ 1,143,077	\$ -	\$ 10,219,281

**CITY OF KAUKAUNA, WISCONSIN**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE —**  
**BUDGET AND ACTUAL — DEBT SERVICE FUND**  
**YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 4,222,817	\$ 4,222,817	\$ 4,222,817	\$ -
<b>EXPENDITURES</b>				
Debt Service:				
Principal	5,290,000	5,290,000	5,290,000	-
Interest and Fiscal Charges	1,739,330	1,739,330	1,814,277	(74,947)
Total Expenditures	<u>7,029,330</u>	<u>7,029,330</u>	<u>7,104,277</u>	<u>(74,947)</u>
<b>EXCESS OF REVENUES UNDER EXPENDITURES</b>	(2,806,513)	(2,806,513)	(2,881,460)	(74,947)
<b>OTHER FINANCING SOURCES</b>				
Premium on Debt Issued	220,000	220,000	274,113	54,113
Transfers In	<u>2,463,970</u>	<u>2,463,970</u>	<u>2,542,090</u>	<u>78,120</u>
Total Other Financing Sources	<u>2,683,970</u>	<u>2,683,970</u>	<u>2,816,203</u>	<u>132,233</u>
<b>NET CHANGE IN FUND BALANCE</b>	(122,543)	(122,543)	(65,257)	57,286
Fund Balance - Beginning of Year	<u>5,490,495</u>	<u>5,490,495</u>	<u>5,490,495</u>	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5,367,952</u>	<u>\$ 5,367,952</u>	<u>\$ 5,425,238</u>	<u>\$ 57,286</u>

**ADDITIONAL INDEPENDENT AUDITORS' REPORT  
FOR BASIC FINANCIAL STATEMENTS**



CliftonLarsonAllen LLP  
CLAconnect.com

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Honorable Mayor and City Council  
City of Kaukauna  
Kaukauna, Wisconsin

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Kaukauna, Wisconsin (the City) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 11, 2024. Our report includes a reference to other auditors who audited the financial statements of Kaukauna Utilities as described in our report on City of Kaukauna's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses.



Honorable Mayor and City Council  
City of Kaukauna, Wisconsin

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **City of Kaukauna, Wisconsin's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the City's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**CliftonLarsonAllen LLP**

Green Bay, Wisconsin  
June 11, 2024

**CITY OF KAUKAUNA, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023**

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***Internal Control Over Financial Reporting***

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**FINDING NO.****2023-001                      Preparation of Annual Financial Report**

Type of Finding:      Significant Deficiency in Internal Control over Financial Reporting

Condition:              Management and the Board of the City share the ultimate responsibility for the City's internal control system. While it is acceptable to outsource various accounting functions, the responsibility for internal control cannot be outsourced.

The City engages CliftonLarsonAllen LLP (CLA) to assist in preparing its financial statements and accompanying disclosures. However, as independent auditors, CLA cannot be considered part of the City's internal control system. As part of its internal control over the preparation of its financial statements, including disclosures, the City has implemented a comprehensive review procedure to ensure that the financial statements, including disclosures, are complete and accurate. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the City's activities and operations.

The City's personnel have not monitored recent accounting developments to the extent necessary to enable them to prepare the City's financial statements and related disclosures, to provide a high level of assurance that potential omissions or other errors that are material would be identified and corrected on a timely basis.

Criteria or Specific  
Requirement:

The preparation and review of the annual financial report by staff with expertise in financial reporting is an internal control intended to prevent, detect and correct a potential omission or misstatement in the financial statements or notes or other required State Financial reports.

Cause:                      City management has determined that the additional costs associated with training staff to become experienced in applicable accounting principles and note disclosures outweigh the derived benefits.

Effect:                      The City may not be able to completely prepare an annual financial report in accordance with accounting principles generally accepted in the United States of America.

Repeat Finding:        This is a repeat of Finding 2022-001.

**CITY OF KAUKAUNA, WISCONSIN  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED DECEMBER 31, 2023**

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***Internal Control Over Financial Reporting (Continued)***

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**FINDING NO.**

**2023-001                      Preparation of Annual Financial Report (Continued)**

Recommendation: We recommend the City continue reviewing the annual financial report. Such review procedures should be performed by an individual possessing a thorough understanding of accounting principles generally accepted in the United States of America and knowledge of the System's activities and operations. While it may not be cost beneficial to train additional staff to completely prepare the report, a thorough review of this information by appropriate staff of the City is necessary to obtain a complete and adequate understanding of the City's annual financial report.

Management's  
Response:

Management believes that the cost of hiring additional staff to prepare year-end adjusting and closing entries and to prepare financial reports outweigh the benefits to be received. Management will continue to review financial statements and information prior to issuance.



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# MEMO

## Finance

To: Common Council

From: Finance Director, Van Rossum

Date: 06/18/2024

Re: 2024A and 2024B General Obligation Bonding Results and Ratings

### Background information:

The recent rating assigned by S&P Global Ratings to the City of Kaukauna's General Obligation Promissory Notes, Series 2024A is consistent with past years.

As per the letter dated June 7, 2024, from S&P Global Ratings, our city's General Obligation Promissory Notes, Series 2024A, have been assigned a rating of "AA-". The outlook for this rating is viewed as stable by S&P Global Ratings.

This rating is based on the financial and other relevant information provided to S&P Global Ratings from the Finance Department. Decision made through the year influence how this rating will turn out. Things like maintaining policy and a fund balance all contributes to the high rating and stable outlook.

This rating dictates the marketability and borrowing rate at which the city can sell the bonds. By maintaining a high rating, the City is afforded inexpensive borrowing to continue to make improvements to the City's infrastructure and equipment.

We are pleased with this rating as it reflects the financial stability of our city. We will continue to work towards maintaining and improving this rating in the future.

Jeff Belongia from Huntington will go over more detail on this rating and the two sales that will have a resolution for these sales under Section 9 **Resolution and ordinances**.

### Staff Recommended Action:

Receive and place on file the S&P Global Ratings

# RatingsDirect®

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## Summary:

# Kaukauna, Wisconsin; Appropriations; General Obligation

### Primary Credit Analyst:

David H Smith, Chicago + 1 (312) 233 7029; david.smith@spglobal.com

### Secondary Contact:

Rebecca Y Roman, Chicago (1) 708-219-0455; rebecca.roman@spglobal.com

## Table Of Contents

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Credit Highlights

Outlook

Related Research

## Summary:

# Kaukauna, Wisconsin; Appropriations; General Obligation

### Credit Profile

US\$7.87 mil note antic nts ser 2024B due 06/01/2029

<i>Long Term Rating</i>	A+/Stable	New
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US\$5.475 mil GO prom nts ser 2024A due 06/01/2035

<i>Long Term Rating</i>	AA-/Stable	New
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Kaukauna GO

<i>Long Term Rating</i>	AA-/Stable	Affirmed
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### **Kaukauna Redevelopment Authority, Wisconsin**

Kaukauna, Wisconsin

Kaukauna Redev Auth (Kaukauna) APPROP

<i>Long Term Rating</i>	A+/Stable	Affirmed
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## Credit Highlights

- S&P Global Ratings assigned its 'AA-' long-term rating to the City of Kaukauna, Wis.' \$5.4 million series 2024A general obligation (GO) promissory notes.
- At the same time, we assigned our 'A+' long-term rating to the city's \$7.8 million series 2024B taxable note anticipation notes (NANs).
- In addition, we affirmed our 'AA-' long term rating (SPUR) on the city's existing GO debt, 'A+' long-term rating on the city's existing NANs subject to annual appropriation, and our 'A+' rating on the Kaukauna Redevelopment Authority's redevelopment lease revenue debt, supported by the city.
- The outlook on all ratings is stable.

## Security

The city's full-faith-credit-and-resource pledge and agreement to levy ad valorem property taxes without limitation as to rate or amount secure the series 2024A GO promissory notes and existing GO debt. The series 2024B NANs are secured by proceeds of the NANs set aside for the payment of interest, proceeds from the future sale of GO promissory notes, and to the extent these amounts are insufficient, available funds subject to annual appropriation.

Based on the application of our criteria, titled "Issue Credit Ratings Linked To U.S. Public Finance Obligors' Creditworthiness," published Nov. 20, 2019, the rating on the series 2024B NANs is one notch lower than the city's general creditworthiness, as reflected in the GO rating, due to the appropriation risk associated with debt service payments.

The authority's existing lease revenue bonds are payable from the city's lease rental payments, in accordance with a lease agreement between the city and authority. The city's conditional obligation to pay rental payments reflects its

quiet enjoyment of the leased property. We rate the authority's bonds one notch below the city's GO debt due to annual appropriation risk.

Officials will use the series 2024A note proceeds to finance city building improvements, grounds and facilities, park and pool improvements, street improvements, and the acquisition of vehicles and equipment. The series 2024B NANs are being used to pay development incentives and to fund developer loans in tax-increment finance (TIF) districts.

### Credit overview

The city has experienced significant tax base gains in recent years, with its equalized valuation (EV) growing by an annual average of 12% over the past three years, fueled by strong housing development and reassessments of existing properties. Officials indicate that new housing developments are ongoing, with approximately 70 residential lots being developed within the city. The tax base is primarily residential, with 77% of taxable property consisting of residential properties. The city expects another year of significant tax base growth in 2024. With regard to finances, the city's budgetary performance is adequate, in our view, with a general fund deficit in fiscal 2022 (year-end Dec. 31) after adjusting for one-time revenue from the sale of property. The city is expected to report a 2.1% surplus in the general fund in unaudited fiscal 2023, a result driven primarily by higher interest income. For fiscal 2024, officials indicate that the city is on track with its budget and should achieve a small general fund surplus by fiscal year-end. Major revenue streams include taxes (mostly property taxes) at 52% of general fund revenue, followed by intergovernmental revenue (33%). After adjusting for a receivable owed to the general fund from one of its TIF districts, the city's reserve position is very strong at 25% of general fund expenditures.

Kaukauna's debt profile is weak, with a substantial debt burden as a percent of its total governmental funds revenue and high debt service carrying charges. Rapid amortization is a credit strength for the city, in our view.

The rating reflects our view of the city's:

- Strong economy in the broad and diverse Appleton metropolitan statistical area, highlighted by robust valuation gains, which is offset somewhat by weaker incomes;
- Very strong reserves and liquidity, supported by stable operating performance, which is expected to continue;
- Weak debt and contingent liability profile, with elevated annual debt service carry charges; with an additional \$6 million planned within the next two years. The pension plan is well-funded with risk mitigating features. (See "Pension Spotlight: Risk Sharing Dilutes Pension Burden For Five States," published April 21, 2021, on RatingsDirect); and
- Adequate financial management with standard financial policies and practices under our Financial Management Assessment methodology, with a five-year capital improvement plan; and a strong institutional framework score.

### Environmental, social, and governance

We analyzed environmental, social, and governance (ESG) risks relative to the city's economy, management, financial measures, and debt and liability profile and view them as neutral considerations in our credit analysis. We note that the city experienced a tornado in May 2024, which led to some damage, although we do not consider the event as indicative of the city experiencing higher environmental risk than other similarly situated municipalities.



## Outlook

The stable outlook reflects our belief that the city will maintain stable operations during the next few years while sustaining its very strong reserve and liquidity position.

### Downside scenario

We could consider a lower rating if Kaukauna does not maintain balanced operations and, at least, adequate budgetary performance, resulting in significantly weaker reserves.

### Upside scenario

A higher rating is possible if the local economy demonstrates improved incomes and if its debt burden moderates significantly, which we consider unlikely during the next few years.

Kaukauna, Wis.--Key credit metrics				
	Most recent	Historical information		
		2022	2021	2020
<b>Strong economy</b>				
Projected per capita EBI % of U.S.	88.8			
Market value per capita (\$)	101,409	78,327	72,825	69,585
Population		16,781	16,592	16,581
County unemployment rate(%)	2.5			
Market value (\$000)	1,701,745	1,314,411	1,208,319	1,153,794
Ten largest taxpayers % of taxable value	9.0			
<b>Adequate budgetary performance</b>				
Operating fund result % of expenditures		-3.4	-1.9	1.1
Total governmental fund result % of expenditures		-5.8	5.0	0.2
<b>Very strong budgetary flexibility</b>				
Available reserves % of operating expenditures		25.1	33.4	36.0
Total available reserves (\$000)		3,871	4,846	5,170
<b>Very strong liquidity</b>				
Total government cash % of governmental fund expenditures		136.9	145.5	98.5
Total government cash % of governmental fund debt service		519.3	492.8	441.0
<b>Adequate management</b>				
Financial Management Assessment	Standard			
<b>Weak debt and long-term liabilities</b>				
Debt service % of governmental fund expenditures		26.4	29.5	22.3
Net direct debt % of governmental fund revenue	281.1			
Overall net debt % of market value	5.0			
Direct debt 10-year amortization (%)	80.8			
Required pension contribution % of governmental fund expenditures	4.6			
OPEB actual contribution % of governmental fund expenditures	0.0			

## Summary: Kaukauna, Wisconsin; Appropriations; General Obligation

## Kaukauna, Wis.--Key credit metrics (cont.)

	Most recent	Historical information		
		2022	2021	2020

**Strong institutional framework**

Data points and ratios may reflect analytical adjustments. EBI--Effective buying income. OPEB--Other postemployment benefits.

## Related Research

- S&P Public Finance Local GO Criteria: How We Adjust Data For Analytic Consistency, Sept. 12, 2013
- Criteria Guidance: Assessing U.S. Public Finance Pension And Other Postemployment Obligations For GO Debt, Local Government GO Ratings, And State Ratings, Oct. 7, 2019
- Through The ESG Lens 3.0: The Intersection Of ESG Credit Factors And U.S. Public Finance Credit Factors, March 2, 2022
- 2023 Update Of Institutional Framework For U.S. Local Governments

## Ratings Detail (As Of June 7, 2024)

Kaukauna note antic nts ser 2023B dtd 08/01/2023 due 06/01/2028

<i>Long Term Rating</i>	A+/Stable	Affirmed
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Kaukauna taxable note antic nts ser 2023C dtd 08/01/2023 due 06/01/2026

<i>Long Term Rating</i>	A+/Stable	Affirmed
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Kaukauna GO (BAM)

<i>Unenhanced Rating</i>	AA-(SPUR)/Stable	Affirmed
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Many issues are enhanced by bond insurance.

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at [www.spglobal.com/ratings](http://www.spglobal.com/ratings) for further information. Complete ratings information is available to RatingsDirect subscribers at [www.capitaliq.com](http://www.capitaliq.com). All ratings affected by this rating action can be found on S&P Global Ratings' public website at [www.spglobal.com/ratings](http://www.spglobal.com/ratings).

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# S&P Global Ratings

130 East Randolph Street  
Suite 2900  
Chicago, IL 60601  
tel 312-233-7000  
reference no.: 1797282

June 7, 2024

City of Kaukauna  
201 West Second Street  
PO Box 890  
Kaukauna, WI 54130  
Attention: William Van Rossum, Finance Director

Re: **US\$5,475,000 City of Kaukauna, Wisconsin, General Obligation Promissory Notes, Series 2024A, dated:  
Date of delivery, due: June 01, 2035**

Dear William Van Rossum

Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "AA-". S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

This letter constitutes S&P Global Ratings' permission for you to disseminate the above-assigned ratings to interested parties in accordance with applicable laws and regulations. However, permission for such dissemination (other than to professional advisors bound by appropriate confidentiality arrangements or to allow the Issuer to comply with its regulatory obligations) will become effective only after we have released the ratings on [standardandpoors.com](http://standardandpoors.com). Any dissemination on any Website by you or your agents shall include the full analysis for the rating, including any updates, where applicable. Any such dissemination shall not be done in a manner that would serve as a substitute for any products and services containing S&P Global Ratings' intellectual property for which a fee is charged.

To maintain the rating, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: [pubfin\\_statelocalgovt@spglobal.com](mailto:pubfin_statelocalgovt@spglobal.com). If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

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The rating is subject to the Terms and Conditions, if any, attached to the Engagement Letter applicable to the rating. In the absence of such Engagement Letter and Terms and Conditions, the rating is subject to the attached Terms and Conditions. The applicable Terms and Conditions are incorporated herein by reference.

S&P Global Ratings is pleased to have the opportunity to provide its rating opinion. For more information please visit our website at [www.standardandpoors.com](http://www.standardandpoors.com). If you have any questions, please contact us. Thank you for choosing S&P Global Ratings.

Sincerely yours,

S&P Global Ratings  
a division of Standard & Poor's Financial Services LLC

jm  
enclosures

cc: **Debra Opgenorth**  
**Jeffery Belongia**

# S&P Global Ratings

130 East Randolph Street  
Suite 2900  
Chicago, IL 60601  
tel 312-233-7000  
reference no.: 1801843

June 7, 2024

City of Kaukauna  
201 West Second Street  
PO Box 890  
Kaukauna, WI 54130  
Attention: William Van Rossum, Finance Director

Re: *US\$7,870,000 City of Kaukauna, Wisconsin, Note Anticipation Notes, Series 2024B, dated: Date of delivery, due: June 01, 2029*

Dear William Van Rossum

Pursuant to your request for an S&P Global Ratings rating on the above-referenced obligations, S&P Global Ratings has assigned a rating of "A+" . S&P Global Ratings views the outlook for this rating as stable. A copy of the rationale supporting the rating is enclosed.

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To maintain the rating, S&P Global Ratings must receive all relevant financial and other information, including notice of material changes to financial and other information provided to us and in relevant documents, as soon as such information is available. Relevant financial and other information includes, but is not limited to, information about direct bank loans and debt and debt-like instruments issued to, or entered into with, financial institutions, insurance companies and/or other entities, whether or not disclosure of such information would be required under S.E.C. Rule 15c2-12. You understand that S&P Global Ratings relies on you and your agents and advisors for the accuracy, timeliness and completeness of the information submitted in connection with the rating and the continued flow of material information as part of the surveillance process. Please send all information via electronic delivery to: [pubfin\\_statelocalgovt@spglobal.com](mailto:pubfin_statelocalgovt@spglobal.com). If SEC rule 17g-5 is applicable, you may post such information on the appropriate website. For any information not available in electronic format or posted on the applicable website,

Please send hard copies to:

S&P Global Ratings  
Public Finance Department  
55 Water Street  
New York, NY 10041-0003

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Sincerely yours,

S&P Global Ratings  
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jm  
enclosures

cc: *Debra Opgenorth*  
*Jeffery Belongia*

**S&P Global Ratings**  
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Item 5.c.



## PROCLAMATION

designating July as National Park and Recreation Month.

WHEREAS, parks and recreation programs are an integral part of communities throughout this country, including Kaukauna; and

WHEREAS, our parks and recreation programs are vitally important to establishing and maintaining the quality of life in our communities, ensuring the health of all citizens, and

WHEREAS, parks and recreation programs build healthy communities, and improve the mental and emotional health of all citizens; and

WHEREAS, parks and recreation programs increase a community's economic prosperity through increased property values, expansion of the local tax base, the attraction and retention of businesses, and crime reduction; and

WHEREAS, parks and recreation areas are fundamental to the environmental wellbeing of our community; and

WHEREAS, parks and natural recreation areas improve water quality, protect groundwater, prevent flooding, improve the quality of the air we breathe, provide vegetative buffers to development, and produce habitat for wildlife; and

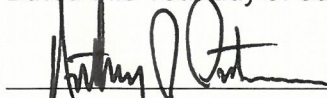
WHEREAS, our parks and natural recreation areas ensure the ecological beauty of our community and provide a place for children and adults to connect with nature and recreate outdoors; and

WHEREAS, the U.S. House of Representatives has designated July as Parks and Recreation Month; and

NOW, THEREFORE, BE IT RESOLVED, that the Kaukauna City Council hereby recognizes July as "National Park and Recreation Month" in the City of Kaukauna.

IN WITNESS THEREOF that I, Mayor Anthony J. Penterman of the City of Kaukauna, Wisconsin, declare July 2024, to be National Park and Recreation Month, and call this observance to the attention of all our citizens.

Dated this 18th day of June 2024

  
Anthony J. Penterman, Mayor





## BOARD OF PUBLIC WORKS

A meeting of the Board of Public Works was called to order by Chair Thiele on Monday, June 17, 2024 at 6:00 P.M.

Members present: Antoine, Coenen, Eggleston, Kilgas, Moore (via Zoom), Schell, and Thiele.

Absent & Excused: DeCoster.

Also present: Mayor Penterman, Attorney Greenwood, DPW/Eng. Neumeier, Police Chief Graff, Street Sup. VanGompel, Fire Chief Carrel, Asst. Fire Chief Foss, Com. Enrich & Rec Dir. Vosters, and interested citizens.

Motion by Coenen, seconded by Schell to excuse the absent member.

All Ald. Present voted aye.

Motion carried.

### 1. Correspondence – none.

### 2. Discussion Topics.

#### a. Project 4-24, Asphalt Paving Change Order #2 Recommendation.

During storm sewer installation in the 2nd/3rd Street alley, significant rock and unsuitable fill material caused over-excavation and additional granular backfill to be ordered by the project engineer. Additional time was also needed to make connections to exiting sewers due to past accepted practices. The recommended Change Order to contract 4-24 was provided. Sr. Project Engineer Jeff Bodoh has reviewed and approved additional work items as shown based on his observation and notes during the work. Questions from the Board were answered.

Motion by Antoine, seconded by Eggleston to Authorize the Director of Public Works to approve Change Order #2 for Project 4-24, Asphalt Paving.

All Ald. Present Voted aye.

Motion carried.

#### b. Authorization to seek bids for a new loader.

In the approved 2024 CIP vehicle replacement schedule we were looking to replace our 1991 John Deere grader. Taking a deeper look into operations and the versatility of other machinery, we were looking for something to better fit the mold of Street Department operations. Our current loader puts over 400 more hours on than our graders in a year. With the right attachments, we will be able to utilize a loader in more operations than a grader, making it an all-around better investment while still staying under the budgeted amount for the replacement of the grader.

Motion by Kilgas, seconded by Coenen to authorize the Street Superintendent to seek bids for new loader and attachments with trading in or selling outright equipment #21, the 1991 John Deere grader.

All Ald. Present Voted aye.

Motion carried.

#### c. Heart of the Valley Metropolitan Sewerage District (HOVMSD) Interceptor Project Funding Update - PSC Hearing.

DPW/Eng. Neumeier provided an update from the hearing. The two points of contention in our complaint was that twenty five percent of our sewer does not go to the interceptor so we

should not be charged for it. The volume metric system was oversimplifying that and was unreasonably and unjustly causing three times the payment for Kaukauna versus using the preferred Reach method. The City lost both of the decisions in the hearing.

**d. Public Works Update.**

DPW/Eng. Neumeier provided updates on building façade falling into Lawe Street. The street was closed immediately to make sure everyone was safe. Thank you to Fire, Police, Street, and Inspection Departments for coming together on a Sunday night to make sure everyone was safe. The second half of the second phase of Kenneth Avenue got paved today allowing the Avenue to reopen in the next day or two. The pool parking lot was paved today and some tentative dates for the pool opening were provided. The target time of opening the pool is early July. The utility project by Park School is on target to finish before school starts.

Street Superintendent VanGompel provided an update on the storm cleanup efforts. On June 1, all non-commercial core district residents lost their business dumpster service per our updated ordinance. Van Gompel is working with residents on this transition.

Vosters gave an update on the pool project and thanked staff for all their help. We are hoping to fill the pool this week, have it inspected next week and open the pool in early July. Questions from the Board were answered.

**3. Closed Session.**

- a. Adjourn to closed session as per Wisconsin State Statute 19.85(1)(g) Conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved. (HOVMSD).**

Item was pulled.

**4. Adjourn.**

Motion made by Coenen, seconded by Schell to adjourn.

All members voted aye.

Motion carried.

Meeting adjourned at 6:17 pm.

Sally Kenney

Clerk

## FINANCE AND PERSONNEL COMMITTEE

A meeting of the Finance and Personnel Committee was called to order by Chair Penterman on Monday, June 17, 2024 at 6:18 pm.

Members present: Mayor Penterman, Coenen, Kilgas, Moore (via Zoom), and Schell.

Absent & Excused: DeCoster.

Also present: Ald. Thiele, Ald. Antoine, Ald. Eggleston, Attorney Greenwood, DPW/Eng. Neumeier, Street Sup. Van Gompel, Police Chief Graff, Com. Enrich. Rec. Dir. Vosters, HR Dir. Swaney, Fire Chief Carrel, Asst. Fire Chief Foss, and interested citizens.

Motion by Coenen, seconded by Kilgas to excuse the absent member.

All members present voted aye.

Motion carried.

### 1. **Correspondence** - None.

### 2. **Discussion Topics.**

#### a. **Permission to fill Paralegal Position due to resignation.**

Mayor informed the Committee that Paralegal Christina Heindl resigned from her position effective 6/4/2024.

Motion by Schell, seconded by Coenen to authorize staff to fill the Paralegal position due to resignation.

All members present voted aye.

Motion carried.

#### b. **Adjourn to Closed Session pursuant to State Statute 19.85(1)(c) to discuss employment, promotion, compensation, or performance evaluation data of any public employee.**

Motion by Coenen, seconded by Kilgas to adjourn to Closed Session pursuant to State Statute 19.85(1)(c) to discuss employment, promotion, compensation, or performance evaluation data of any public employee.

All members present voted aye.

Motion carried.

Moved to closed session at 6:21 pm.

Motion by Kilgas, seconded by Schell to allow Community Enrichment and Recreation Director Vosters into the closed session to answer questions.

All members present voted aye.

Motion carried.

#### c. **Return to Open Session for possible action.**

Motion by Coenen, seconded by Kilgas to return to open session for possible action.

All members present voted aye.

Motion carried.

Returned to Open Session at 6:33 pm.

Motion by Kilgas, seconded by Schell to forward on to the Common Council the Community Enrichment and 1000 Islands staffing alignment.  
All members present voted aye.  
Motion carried.

- d. **Adjourn to Closed Session pursuant to State Statute 19.85(1)(c) to discuss employment, promotion, compensation, or performance evaluation data of any public employee.**

Motion by Coenen, seconded by Schell to adjourn to Closed Session pursuant to State Statute 19.85(1)(c) to discuss employment, promotion, compensation, or performance evaluation data of any public employee.  
All members present voted aye.  
Motion carried.

Moved to closed session at 6:40 pm.

- e. **Return to Open Session for possible action.**

Motion by Coenen, seconded by Kilgas to return to open session for possible action.  
All members present voted aye.  
Motion carried.

Returned to Open Session at 6:49 pm.

3. **Adjourn.**

Motion by Kilgas, seconded Coenen to adjourn.  
All members voted aye.  
Motion carried.

Meeting adjourned at 6:50 pm.

Sally Kenney, Clerk

## HEALTH AND RECREATION COMMITTEE

A meeting of the Health and Recreation Committee was called to order by Chair Schell on Monday, June 17, 2024 at 6:50 P.M.

Members present: Eggleston, Schell and Thiele.

Absent & Excused: DeCoster.

Also present: Mayor Penterman, Ald. Antoine, Ald. Coenen, Ald. Kilgas, Attorney Greenwood, DPW/Eng. Neumeier, Com. Erich. Rec. Dir. Vosters, Police Chief Graff, Fire Chief Carrel, Asst. Fire Chief Foss and interested citizens.

Motion by Thiel seconded by Schell to excuse the absent member.

All members present voted aye.

Motion carried.

### 1. Correspondence – None.

### 2. Discussion Topics.

#### a. Tavern Report.

Only one liquor license with a violation. Overall, it was a good year. Questions from the Committee were answered.

Motion by Eggleston, seconded by Thiele to receive and place on file the Tavern Report.

All members present voted aye.

Motion carried.

#### b. 2024-2025 Beer and Liquor Licenses.

The list was distributed. They have all been approved except for one establishment still waiting on Department approval and payment of taxes. Questions from the Committee were answered.

Motion by Thiele, seconded by Eggleston, to grant the 2024-2025 Beer and Liquor Licenses in compliance.

All members present voted aye.

Motion carried.

Motion by Thiele, seconded by Eggleston to approve the Liquor License for Pub 55 upon the full payment of taxes and all Fire and Inspection non-compliance issues being rectified.

All members present voted aye.

Motion carried.

#### c. 2024-2025 Sidewalk Display and Sidewalk Cafe' Permits.

Motion by Eggleston, seconded by Thiele to approve the 2024-2025 Sidewalk Café Permits.

All members present voted aye.

Motion carried.

#### d. Temporary Class "B" License to St. Paul Elder Services, St. Paul Home, on June 26, 2024 for "Brat Fry/Little Chute Community Band".

Motion by Thiele, seconded by Eggleston to approve the Temporary Class "B" License to St. Paul Elder Services, St. Paul Home, on June 26, 2024 for "Brat Fry/Little Chute Community Band".

All members present voted aye.

Motion carried.

**e. Temporary Class "B" License to St. Paul Elder Services, St. Paul Home, on August 20, 2024 for "Car Show - Brat Fry".**

Motion by Eggleston, seconded by Thiele to approve the Temporary Class "B" License to St. Paul Elder Services, St. Paul Home, on August 20, 2024 for "Car Show - Brat Fry".

All members present voted aye.

Motion carried.

**f. Special Event Application to Dustin Klitzke, Dustin Klitzke Agency, LLC for an Open House/Ribbing Cutting on June 19, 2024 from 3-7 pm.**

Motion by Thiele, seconded by Eggleston to approve the Special Event Application to Dustin Klitzke, Dustin Klitzke Agency, LLC for an Open House/Ribbing Cutting on June 19, 2024 from 3-7 pm.

All members present voted aye.

Motion carried.

**g. Special Event Application to Andrea Meulemans, Pure Barre for "Sweat+Social" at LaFollette Park on August 9, 2024 from 5-6:30 pm.**

Motion by Thiele, seconded by Eggleston to approve Special Event Application to Andrea Meulemans, Pure Barre for "Sweat+Social" at LaFollette Park on August 9, 2024 from 5-6:30 pm.

All members present voted aye.

Motion carried.

**h. Amplified music request from Sarah Wroblewski, Kaukauna Public Library for the "Fairy Walk" on Monday, August 19, 2024 from 5-8 PM.**

Motion by Eggleston, seconded by Thiele to approve the Amplified music request from Sarah Wroblewski, Kaukauna Public Library for the "Fairy Walk" on Monday, August 19, 2024 from 5-8 PM.

All members present voted aye.

Motion carried.

### **3. Adjourn.**

Motion made by Eggleston, seconded by Theile to adjourn.

All members present voted aye.

Motion carried.

Meeting adjourned at 7:19 P.M.

Sally Kenney

Clerk

# MINUTES

## HEART OF THE VALLEY METROPOLITAN SEWERAGE DISTRICT REGULAR MEETING HELD ON MAY 14, 2024 AT THE HEART OF THE VALLEY MSD MEETING ROOM

**Members Present:** David Casper - President  
Bruce Siebers - Vice President  
Patrick Hennessey - Secretary  
John Sundelius - Commissioner  
Kevin Coffey - Commissioner

**Absent:** None

**Also Present:** Brian Helminger - District Director HOVMSD  
Dawn Bartel - Office Manager HOVMSD  
Chad Giackino - Regulatory Compliance Manager HOVMSD  
Dustin Jerabek - Director of Operations & Maintenance

### 1. 5:00 p.m. Call to Order – Roll Call

President Casper called the meeting to order at 5:00 PM.

### 2. Public Appearances

No appearances were made.

### 3. Approval of the Minutes of the April 9, 2024 Regular Meeting

The minutes of the April 9, 2024 Regular Meeting were presented to the Commission. A motion was made by Commissioner Siebers and seconded by Commissioner Hennessey to approve the minutes as written and presented. Motion carried unanimously. The minutes were reviewed by District Director Helminger and Commission Secretary Hennessey prior to the meeting.

### 4. Correspondence

The Commission received a copy of an article published in the Times Villager on 5/8/2024 regarding the interceptor rehab project and the temporary sewer bypass pipe being placed in the lower Fox River.

### 5. General Discussion Items

#### A. 2023 Audit Presentation by Erickson & Associates

Greg Heino of Erickson & Associates reviewed the audited financial statements dated 12/31/2023. A motion was made by Commissioner Casper seconded by Commissioner



Hennessey to accept the 2023 audited financial statements, management letter, and communication letter, as prepared and presented by Erickson & Associates. A roll call vote was taken: Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Casper, yes; Commissioner Hennessey, yes; and Commissioner Siebers, yes. Motion carried. Greg Heino recommended that Secretary Hennessey review the ACH transactions on the bank statements on a monthly basis.

## **B. Effluent Filtration Project - Monthly Activity Report**

The Commission received a project status report from Donohue detailing construction activities and progress photos from March 24 – April 20, 2024. Ancillary punch list items are being resolved and Veolia is fine tuning chemical usage and effluent quality. An open house is planned for late July/early August.

## **C. Donohue Task Order #11 Produce Bidding Documents for Waste Tank Rehabilitation - Discussion & Possible Action**

Mike Gerbitz of Donohue informed the Commission that the project would be put out to bid in September/October of 2024 with an expected start date of April/May of 2025.

A motion was made by Commissioner Coffey seconded by Commissioner Siebers to approve Task Order #11 as presented by Donohue & Associates for engineering services to produce bid documents for the waste tank rehabilitation project, in the amount of \$25,000.

A roll call vote was taken: Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Casper, yes; Commissioner Hennessey, yes; and Commissioner Siebers, yes. Motion carried.

## **D. FOG Program - Monthly Activity Report**

John Stoeger of Stoeger & Associates provided a written fats, oil, and grease update by community, including a grease trap inspection report and site visit correspondence. The Commission also received an itemized copy of the April 2024 invoice.

## **E. Leonard & Finco - Monthly Activity Report**

Leonard & Finco provided a written monthly update of projects completed in April as well as a list of ongoing and upcoming tasks for May and June which include a June public meeting invitation for affected residents, news releases & media coverage, website updates, boating safety signage, and social media posts. Leonard & Finco will also be updating the plant brochure and completing the whiteboard videos for the effluent disc filter project and the interceptor rehab project.

## **F. Interceptor Rehab Project - Monthly Activity Report**

Scott Schramm of Strategic Municipal Services provided a detailed activity/progress summary for April. Lining will begin in June by the Ahlstrom Mill and meter station 5 North. Clean Water Fund paperwork and Resolution will be finalized at the June 11<sup>th</sup> Commission meeting with final closing on June 26<sup>th</sup>. On June 20<sup>th</sup> the District will host an informational evening meeting for residents affected by the project.



## **G. Amendment to Strategic Municipal Services Agreement - Discussion & Possible Action**

A motion was made by Commissioner Hennessey seconded by Commissioner Coffey to accept the Amendment to the Strategic Municipal Services Agreement in the amount of \$81,730 for services related to meter station modifications, electric service for bypass pumping, and rate dispute/PSC support. A roll call vote was taken: Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Casper, yes; Commissioner Hennessey, yes; and Commissioner Siebers, yes. Motion carried.

## **H. Carlson Dettmann - Compensation Plan Review Agreement; Discussion & Possible Action**

This item will be tabled until the June 11<sup>th</sup> Commission meeting when additional information is available.

## **I. 2023 Chemical Use Report**

Dustin Jerabek, Director of Operations & Maintenance, provided a written update showing chemical usage for 2023, along with gas, electric, and water consumption. The report also detailed the cost of chemicals purchased, gallons purchased, removal efficiency, and cost per MGD treated.

## **6. Plant Reports for April 2024**

### **A. Flows & Revenues Report**

The Commission received a copy of the hydraulic & organic loadings data, along with flow & strength projections, which shows the year-to-date surplus/deficit in revenue for the month of April 2024. Revenue received from the WPS-Fox Energy Center for effluent purchased in April = \$11,522.65; Revenue received to date for 2024 = \$58,753.07. WPS-Fox Energy purchased 31% of the effluent produced in April.

The average effluent concentrations for **April 2024** were as follows:

<i>Parameter</i>	<i>Monthly Average</i>	<i>Permit Limit</i>
BOD-Biochemical Oxygen Demand	5.4 mg/L	30 mg/L
Suspended Solids	6.9 mg/L	30 mg/L
Suspended Solids	365 lbs.	801 lbs.
Phosphorus	.25 mg/L	1.0 mg/L
Ammonia	.20 mg/L	11 mg/L
Chlorides	583 mg/L	n/a

**All permit values were met for April 2024.**

### **B. Operations & Maintenance Report**

Dustin Jerabek provided a written O&M report and noted that plant operations and treatment were good for April. The plant switched from ferric to alum in Actiflo on April 17<sup>th</sup>. The ATAD blower #2 has been delivered and installed. The Biostyr blower will be rebuilt by Aerzen at a cost of \$9,014.75. All-Lift Systems repaired the Actiflo stairwell hoist at a cost of \$3,450. An actuator for the Actiflo polymer feed skid was purchased from First Supply at a cost of \$2,098. The portable samplers for the interceptor project have been ordered at a cost of \$15,500 and should arrive soon.

## 7. Financials

### A. May 2024 Accounts Payable; Action for Approval

After a review of the bills payable, a motion was made by Commissioner Casper and seconded by Commissioner Siebers to approve payment of the bills in the amount of \$3,893,243.36. A roll call vote was taken: Commissioner Casper, yes; Commissioner Sundelius, yes; Commissioner Coffey, yes; Commissioner Siebers, yes; and Commissioner Hennessey, yes. Motion carried unanimously. The Commission signed the check voucher register which includes general, pre-paid, and petty cash checks.

### B. Budget Comparison Report

The Commission received a Budget Comparison Report, along with a verbal explanation of exceedances.

## 8. General Old or New Business

- *Mechanic Vacancy:* The foreman position has been filled by former mechanic Chad Juedes. The mechanic vacancy has been advertised on the District website, WWOA website, and Indeed.
- *PSC Update:* Final reply briefs were submitted on 3/21/2024. The PSC will now evaluate and make a final decision which could take up to 90 days.
- *Outagamie County Landfill:* District Director noted that ground has broken on their pretreatment project.
- *Outagamie County Land Conservation:* Progress has been made on installing electric service to the sedimentation basin and Outagamie County is firming up quotes with Kaukauna Utilities. The electrical billing will be sent to the District; the District has previously committed up to \$1,000 per year for power consumption. The County is looking into using MOU's for future pollution reduction projects.

## 9. Adjournment

With no further business before the Commission, a motion was made by Commissioner Sundelius and seconded by Commissioner Coffey to adjourn the meeting. Motion carried unanimously. (Time: 6:18 PM)

SIGNED & APPROVED BY:

  
 Patrick E. Hennessey, Secretary

The following applicants have applied for an operator's license for the license year **2024-2026** and have been recommended for approval based on their record check by the police department:

Abel	Janel	C.	313 Dodge St.	Kaukauna
Barlow	Amanda	F.	1215 E. Wisconsin Ave.	Little Chute
Barnett	Christina	L.	W3618 Schmidt Rd.	Kaukauna
Bay	Thomas	E.	2550 Haas Rd.	Kaukauna
Besaw Jr.	William	J.	409 Turner St.	Wrightstown
Blackwell	Tracy	R.	209 W. 7th St.	Kaukauna
Boelter	Terri	M.	PO Box 73	Kimberly
Boldt	Ashley	A.	826 E. 1 <sup>st</sup> St.	Kimberly
Borgen	James	B.	128 E. 2 <sup>nd</sup> St.	Kaukauna
Carstens	Lisa	A.	303 E. 9 <sup>th</sup> St.	Kaukauna
DeCoster	Amos	A.	W5580 Sumac Ln.	Appleton
DeCoster	Barbara	J.	919 Grignon St.	Kaukauna
DeCoster	Gina	M.	443 Paw Ct.	Combined Locks
DeCoster	Jaclyn	M.	157 Raught St.	Kaukauna
DeGroot	Michelle	L.	950 State St.	Kaukauna
Detrie	Heather	E.	3632 Glenbrooke Ln.	Green Bay
Dragoo	Malorie	L.	300 Schindler Pl. Apt. 203	Menasha
Earl	Monica	L.	215 W. 6 <sup>th</sup> St.	Kaukauna
Eckert	Kristen	L.	1836 Lawe St.	Kaukauna
Eick	Michele	R.	204 W. 8 <sup>th</sup> St.	Kaukauna
Elmer	Corrine	M.	322 N. Nash St.	Hortonville
Funk	Lexee	B.	2201 W. Pershing St. Apt. 19	Appleton
Gadbois	Erin	E.	208 E. 10 <sup>th</sup> St.	Kaukauna
Garcia	Jesse	J.	317 Brothers St.	Kaukauna
Gehrman	Janelle	M.	2700 N. Ullman St.	Appleton
Gisvold	Cameron	L.	917 Byrd Ave.	Neenah
Handrich	Megan	M.	524 Wildwood Dr.	Kaukauna
Hawley	Catherine	E.	W6647 E. Midway Rd. #130	Appleton
Hibbard	Paige	M.	1816 Sherry Ln.	Kaukauna
Hungerford	Kelly	M.	311 Depot St.	Kaukauna
Hurst	Lori	A.	235 W. Wisconsin Ave.	Kaukauna
Joniaux	Samantha	J.	N6029 Cty. Rd. BB	Hilbert
Keberlein	Mary	J.	209 W. 7 <sup>th</sup> St.	Kaukauna
Koester	Nikki	L.	102 Parkway Dr.	Combined Locks
Krause	Brady	S.	2008 Welhouse Dr.	Kaukauna
Kriescher	Desiree	N.	111 W. Wisconsin Ave.	Kaukauna
Krueger	Mackenzie	S.	N4003 McHugh Rd.	Freedom
Lancour	Fox	A.	3510 Cherryvale Ave., Unit 37	Appleton
Leon	Kendra	R.	660 Frances St.	Kaukauna
Manders	Shari	J.	124 W. Morningside Dr.	Kaukauna
Megna	Kyle	B.	111 Main Ave. Apt. 204	Kaukauna
Meyer	Tobin	J.	812 Cleveland Ave.	Kaukauna
Micke	Amy	C.	W2826 Brookhaven Dr.	Appleton
Moore	Sarah	A.	312 W. 13 <sup>th</sup> St.	Kaukauna
Nelson	Kortney	M.	168 Grant St.	Kaukauna
Nock	Jamie	L.	505 Richard St.	Combined Locks
Ochoa	Erika	A.	2055 Allerton Dr.	Oshkosh
Ochowicz	Sarah	E.	920 Metoxen Ave.	Kaukauna
Olesen	Annika	M.	409 E. Fernwood Ln.	Appleton
Paulson	Jennifer	S.	515 Whitney St.	Kaukauna

Quella	Luke	S.	N4770 State Hwy. 55	Freedom
Raab	Joy	L.	1836 Lawe St.	Kaukauna
Rice	Mary Kay	E.	908 Metoxen Ave.	Kaukauna
Russell	Tracy	L.	2115 Glenview Ave.	Kaukauna
Schafer	Blanche	A.	215 Park St.	Kaukauna
Scheffler	Margaret	C.	W130 Meadowridge Trl.	Kaukauna
Schmidt	Jeremy	J.	603 Gertrude St.	Kaukauna
Schmitt	Derek	J.	2801 Haas Rd.	Kaukauna
Schuelke	Nicole	L.	202 ½ Whitney St.	Kaukauna
Seefeldt	Kim	M.	809 Lawe St.	Kaukauna
Shiffert	Deenenn	L.	1906 Green Bay Rd.	Kaukauna
Shiffert	Jacob	J.	1906 Green Bay Rd.	Kaukauna
Stadtmueller	Ebony	L.	1408 Kenneth Ave.	Kaukauna
Stadtmueller	Jason	D.	1408 Kenneth Ave.	Kaukauna
Stamper	Amy	M.	1201 Bartell Ct. #11	Appleton
Stein	Rhonda	L.	712 W. 7 <sup>th</sup> St.	Kaukauna
Stoeckert	Jennifer	L.	120 Lamplighter Dr. #5	Kaukauna
Taplin	Jeanette	K.	87 S. Lake St.	Neenah
VanBerkel	Krista	M.	W3112 Schmidt Rd.	Brillion
VanDeLoo	Molly	B.	N2218 Farrell Rd.	Kaukauna
VandenBerg	Riley	R.	N3842 Cry Rd. J.	Kaukauna
VandenBoogard	Kimberly	A.	W5580 Sumac Ln.	Appleton
Vandinter	Jennifer	M.	1488 Circle Dr.	Menasha
VanDrasek	Brett	J.	564 Willow Dr.	Kaukauna
VanDriel	Nicole	A.	4400 Coriander Ct.	Kaukauna
VerVoort	Stephanie	K.	153 Garfield St.	Kaukauna
Waite	Mandy	J.	106 W. 7 <sup>th</sup> St.	Kaukauna
Waldrop	Michelle	L.	204 Lawson St.	Menasha
Wallace	Holly	A.	539 Cobblestone Ln.	Kimberly
Warrens	Erin	E.	N433 Military Rd.	Sherwood
Wieseler	Amanda	J.	W1764 Elk Ln.	Freedom
Wojcik	Carri	S.	110 W. 11 <sup>th</sup> St. #7	Kaukauna

## Fire Report - May 2024

**Incident Type: Fire**

Code - Description	Number of Runs	Year to Date
111 - Building Fire	0	2
113 - Cooking Fire, Confined to Container	0	3
<b>Total</b>	<b>0</b>	<b>5</b>

**Incident Type: Overpressure Rupture, Explosion, Overheat (No Fire)**

Code - Description	Number of Runs	Year to Date
240 - Explosion (no fire)	1	1
<b>Total</b>	<b>1</b>	<b>1</b>

**Incident Type: Rescue & Emergency Medical Services**

Code - Description	Number of Runs	Year to Date
311 - Medical Assist, Assist EMS Crew	0	1
321 - EMS Call	121	572
322 - Motor Vehicle Accident With Injuries	3	9
323 - Motor Vehicle/Pedestrian Accident	0	1
324 - Motor Vehicle Accident With No Injuries	1	2
353 - Removal of Victim(s) from Stalled Elevator	0	1
360 - Water & Ice-Related Rescue, Other	0	1
<b>Total</b>	<b>125</b>	<b>587</b>

**Incident Type: Rescue & Emergency Medical Services**

Code - Description	Number of Runs	Year to Date
410 - Combustible/Flammable Gas/Liquid Condition, Other	0	1
411 - Gasoline or Other Flammable Liquid Spill	1	2
412 - Gas Leak (natural gas or LPG)	1	6
422 - Chemical Spill or Leak	0	1
424 - Carbon Monoxide Incident	0	2
440 - Electrical Wiring/Equipment Problem, Other	0	1
444 - Power line down	1	3
460 - Accident, Potential Accident, Other	0	1
463 - Vehicle Accident, General Cleanup	1	5
<b>Total</b>	<b>4</b>	<b>22</b>

**Incident Type: Service Call**

Code - Description	Number of Runs	Year to Date
500 - Service Call, Other	0	1
511 - Lock-Out	1	4
512 - Ring or Jewelry Removal	0	1
520 - Water Problem, Other	1	3
540 - Animal Problem, Other	0	1
542 - Animal Rescue	2	2
550 - Public Service Assistance, Other	0	1
551 - Assist Police or Other Governmental Agency	0	1
561 - Unauthorized Burning	2	6
<b>Total</b>	<b>6</b>	<b>20</b>



# Kaukauna Fire Department

Item 7.a.

## Fire Report - May 2024

### Incident Type: Good Intent Call

Code - Description	Number of Runs	Year to Date
600 - Good Intent Call, Other	4	20
611 - Dispatched and Canceled Enroute	4	16
622 - No Incident Found on Arrival at Dispatch Address	0	1
650 - Steam, Other Gas Mistaken for Smoke	1	1
651 - Smoke Scare, Odor of Smoke	0	3
<b>Total</b>	<b>9</b>	<b>41</b>

### Incident Type: False Alarm & False Call

Code - Description	Number of Runs	Year to Date
700 - False Alarm or False Call, Other	0	2
733 - Smoke Detector Activation Due to Malfunction	0	1
735 - Alarm System Sounded Due to Malfunction	0	5
736 - CO Detector Activation Due to Malfunction	0	3
743 - Smoke Detector Activation, No Fire - Unintentional	1	1
745 - Alarm System Activation, No Fire - Unintentional	2	13
746 - Carbon Monoxide Detector Activation, No CO	1	9
<b>Total</b>	<b>4</b>	<b>34</b>

### Incident Type: Severe Weather & Natural Disaster

Code - Description	Number of Runs	Year to Date
800 - Severe Weather or Natural Disaster, Other	33	33
813 - Wind Storm, Tornado/Hurricane Assessment	1	1
<b>Total</b>	<b>34</b>	<b>34</b>

### Incident Type: Special Incident Type

Code - Description	Number of Runs	Year to Date
911 - Citizen Complaint	0	3
<b>Total</b>	<b>0</b>	<b>3</b>

**Grand Total 183 747**

### Fire Inspection Summary

	Completed This Month	Year to Date
Inspections Completed	86	497
Violations Found	9	46
Violations Corrected	2	17

# Kaukauna Fire Department

## Ambulance Report - May 2024

Item 7.b.

### Runs by Municipality

City / Village / Town	Number of Runs	Year to Date
City of Kaukauna	114	531
Village of Combined Locks	12	52
Town of Holland	0	6
City of Appleton	1	2
Greenleaf	0	1
Village of Kimberly	1	1
Village of Wrightstown	0	1
<b>Total</b>	<b>128</b>	<b>594</b>

### Runs by County

County	Number of Runs	Year to Date
Outagamie	127	585
Brown	1	9
<b>Total</b>	<b>128</b>	<b>594</b>

### Runs by Disposition

Disposition	Number of Runs	Year to Date
Patient Treated, Transported by Kaukauna Fire	102	447
Patient Treated, Released	9	63
Patient Refused Evaluation/Care, No Transport	0	15
Patient Evaluated, No Treatment/Transport Required	8	37
Patient Dead at Scene - No Resuscitation Attempted, No Transport	1	11
Canceled Prior to Arrival	4	10
Canceled Request Transferred to Another Provider	0	1
Canceled on Scene No Patient Contact	2	4
Patient Dead at Scene - Resuscitation Attempted, No Transport	1	4
Patient Refused Evaluation/Care, With Transport	1	2
<b>Total</b>	<b>128</b>	<b>594</b>

### Runs by Ambulance

Primary Unit	Number of Runs	Year to Date
First Out Ambulance	114	534
Second Out Ambulance	14	56
Third Out Ambulance	0	2
Engine Company	0	2
<b>Total</b>	<b>128</b>	<b>594</b>

### Mutual Aid

	Number of Runs	Year to Date
Provided	0	6
Received	0	5

Police calls generated by:		YTD
911 call	217	981
Officer initiated	673	3,091
Called general phone number	330	1,358
<b>TOTAL</b>	<b>1,220</b>	<b>5,430</b>
<b>Breakdown of calls:</b>		
ABANDONED VEHICLE	1	10
ACCIDENT	41	161
ALARMS	13	57
ALCOHOL OFFENSE	1	1
ANIMAL	49	157
ARSON	0	0
ASSISTS	104	504
ASSAULT	0	1
BURGLARY	0	1
CIVIL PROCESS	2	12
CRIME PREVENTION	125	724
DAMAGE TO PROPERTY	7	30
DISTURBANCES	22	105
DOMESTIC	7	18
DRUGS	5	35
FIRE CALLS	21	84
FIREWORKS	3	4
FRAUD	12	51
HARASSMENT	6	38
HAZARD	36	77
JUVENILE	23	82
LOCKOUT	17	54
LOST & FOUND	13	65
MEDICAL	96	452
MISSING PERSON	2	7
OPEN DOOR	3	19
OPERATING WHILE INTOXICATED	4	23
ORDINANCE VIOLATIONS	89	172
PARKING	25	86
RECKLESS DRIVE COMPLAINT	39	133
SCHOOL SAFETY	45	243
SEX OFFENSE	1	12
SUICIDE; ATTEMPT, THREAT, COMPLETED	0	9
SUSPICIOUS PERSON, VEHICLE , SITUATION	41	167
THEFT	11	62
TRAFFIC	160	923
TRAFFIC SAFETY	18	101
TRESPASS	7	17
TRUANCY	5	8
VIOLATE COURT ORDER	3	12
WANTED PERSON OR APPREHENSION	6	38
WARNINGS	119	692
WEAPON	0	6
WELFARE CHECK	43	228
911 HANGUP/ASSIST	52	233
<b>total</b>	<b>1,277</b>	<b>5,914</b>
note- the difference between the totals is some calls have mulitple offenses		



**MUNICIPAL JUDGE  
COURT REPORT**

**MAY**

	<b>2023</b>	<b>2024</b>	<b>2023 CUMULATIVE</b>	<b>2024 CUMULATIVE</b>
FORFEITURES/MUNICIPAL ORDINANCE VIOLATIONS	\$5,515.73	\$4,697.44	\$38,084.40	\$27,579.70
MUNICIPAL COURT COSTS	\$2,000.97	\$2,055.21	\$14,947.66	\$10,657.23
PENALTY SURCHARGES	\$1,538.32	\$1,156.68	\$9,969.44	\$7,825.15
COUNTY JAIL SURCHARGES	\$533.58	\$549.43	\$3,989.63	\$3,009.49
DRIVER IMPROVEMENT SURCHARGES	\$650.74	\$2,147.06	\$8,911.76	\$6,110.44
CRIME LAB/DRUG ENFORCEMENT SURCHARGES	\$702.00	\$715.00	\$5,256.56	\$3,945.93
IGNITION INTERLOCK DEVICE SURCHARGE	\$0.00	\$100.00	\$100.00	\$200.00
SAFE RIDE PROGRAM	\$100.00	\$100.00	\$983.00	\$517.00
TOTAL	\$11,041.34	\$11,520.82	\$82,242.45	\$59,844.94

## Clerk-Treasurer Daily Deposit Report

Date	Deposit	Balance
5/1/2024	\$2,891.80	\$33,814.80
5/1/2024	\$923.00	\$30,923.00
5/2/2024	\$10,536.16	\$41,886.66
5/2/2024	\$722.50	\$31,350.50
5/2/2024	\$628.00	\$30,628.00
5/6/2024	\$6,153.82	\$38,415.62
5/6/2024	\$1,033.80	\$32,261.80
5/6/2024	\$638.00	\$31,228.00
5/6/2024	\$500.00	\$30,590.00
5/6/2024	\$90.00	\$30,090.00
5/7/2024	\$721.00	\$30,999.59
5/7/2024	\$228.59	\$30,278.59
5/7/2024	\$50.00	\$30,050.00
5/8/2024	\$668.80	\$30,798.80
5/8/2024	\$130.00	\$30,130.00
5/9/2024	\$2,967.49	\$34,370.24
5/9/2024	\$951.00	\$31,402.75
5/9/2024	\$451.75	\$30,451.75
5/10/2024	\$451.00	\$30,756.00
5/10/2024	\$305.00	\$30,305.00
5/13/2024	\$40,840.88	\$71,130.88
5/13/2024	\$290.00	\$30,290.00
5/14/2024	\$9,068.18	\$46,796.91
5/14/2024	\$7,507.73	\$37,728.73
5/14/2024	\$221.00	\$30,221.00
5/15/2024	\$2,055.00	\$32,930.00
5/15/2024	\$520.00	\$30,875.00
5/15/2024	\$355.00	\$30,355.00
5/16/2024	\$14,000.25	\$44,055.25
5/16/2024	\$55.00	\$30,055.00
5/17/2024	\$651,151.44	\$681,436.44
5/17/2024	\$155.00	\$30,285.00
5/17/2024	\$130.00	\$30,130.00
5/20/2024	\$2,424.00	\$32,809.00
5/20/2024	\$385.00	\$30,385.00
5/21/2024	\$9,916.63	\$40,031.63
5/21/2024	\$80.00	\$30,115.00
5/21/2024	\$35.00	\$30,035.00
5/22/2024	\$2,260.00	\$34,548.37
5/22/2024	\$1,801.42	\$32,288.37
5/22/2024	\$341.95	\$30,486.95
5/22/2024	\$145.00	\$30,145.00
5/23/2024	\$3,102.95	\$33,327.95

Month of : May

5/23/2024	\$225.00	\$30,225.00
5/24/2024	\$965.00	\$31,350.00
5/24/2024	\$385.00	\$30,385.00
5/28/2024	\$2,104.00	\$61,540.98
5/28/2024	\$325.00	\$59,436.98
5/28/2024	\$20.00	\$59,111.98
5/29/2024	\$2,691.30	\$32,971.30
5/29/2024	\$130.00	\$30,280.00
5/29/2024	\$120.00	\$30,150.00
5/29/2024	\$30.00	\$30,030.00
5/30/2024	\$44,059.03	\$74,059.03
5/31/2024	\$38,600.00	\$69,455.00
5/31/2024	\$655.00	\$30,855.00
5/31/2024	\$200.00	\$30,200.00

*Note: This deposit report includes all cash and checks that were handled/receipted in the clerk's office and deposited at close of business for the month indicated on the top of report*

Permit number	Municipal address	Category
KU-2024-490	350 OAK GROVE RD	Commercial building
KU-2024-421	3300 S WEILER RD	Plumbing
KU-2024-503	1440 ORCHARD DR	Other structures
KU-2024-508	3750 RIDGECREST LA	Driveway/Culvert
KU-2024-502	1210 CROOKS AV	Residential building
KU-2024-504	583 SWEET MEADOW L	Accessory structures
KU-2024-518	3600 ELECTRIC CITY BL	Accessory structures
KU-2024-525	1040 DRIESSEN DR	Plumbing
KU-2024-533	831 W DUCHARME ST	Residential building
KU-2024-422	1108 MAIN AV	HVAC
KU-2024-418	2032 BEAR PAW TR	Other structures
KU-2024-416	3300 S WEILER RD	Storm Sewer/ Waters / Sanitary laterals
KU-2024-426	3000 HAAS RD	Other structures
KU-2024-419	807 BOYD AV	HVAC
KU-2024-423	19 ASH GROVE PL	Accessory structures
KU-2024-424	215 NIKKI LA	Other structures
KU-2024-430	801 KRISTY ST	HVAC
KU-2024-427	307 WHITNEY ST	Electrical
KU-2024-425	612 SUNSET AV	Residential building
KU-2024-417	2808 HENDRICKS AV	Accessory structures
KU-2024-428	2200 ANTELOPE TR	Other structures
KU-2024-436	1609 GLENVIEW AV	Other structures
KU-2024-453	2190 WHITE DOVE LA	Plumbing
KU-2024-462	707 E TENTH ST	Other structures
KU-2024-460	37 ASH GROVE PL	Storm Sewer/ Waters / Sanitary laterals
KU-2024-461	827 OVIATT ST	Other structures
KU-2024-455	1000 STATE ST	Other structures
KU-2024-452	2141 WHITE DOVE LA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-440	2151 WHITE DOVE LN.	Storm Sewer/ Waters / Sanitary laterals
KU-2024-448	3401 SNOW GOOSE WA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-456	3011 LAWE ST	HVAC
KU-2024-465	2101 GREEN BAY RD	Signs
KU-2024-463	126 W HENRY ST	Accessory structures
KU-2024-442	1609 GREEN BAY RD	Plumbing
KU-2024-459	311 SARAH ST	HVAC
KU-2024-464	2231 WHITE WOLF LA	HVAC
KU-2024-457	109 W THIRD ST	Electrical
KU-2024-454	1312 SULLIVAN AV	HVAC
KU-2024-466	401 W TOBACNOIR ST	Plumbing
KU-2024-447	3421 SNOW GOOSE WA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-432	2141 WHITE DOVE LA	Electrical
KU-2024-431	2141 WHITE DOVE LA	Residential building
KU-2024-451	3401 SNOW GOOSE WA	Electrical
KU-2024-438	2151 WHITE DOVE LN	HVAC
KU-2024-450	3401 SNOW GOOSE WA	HVAC
KU-2024-434	2141 WHITE DOVE LA	Plumbing
KU-2024-437	2151 WHITE DOVE LN.	Residential building
KU-2024-441	2151 WHITE DOVELN	Plumbing

KU-2024-449	3401 SNOW GOOSE WA	Plumbing
KU-2024-435	3401 SNOW GOOSE WA	Residential building
KU-2024-433	2141 WHITE DOVE LA	HVAC
KU-2024-439	2151 WHITE DOVE LN	Electrical
KU-2024-458	143 WASHINGTON ST	Other structures
KU-2024-468	2181 WHITE DOVE LA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-474	1310 CHERRY ST	HVAC
KU-2024-473	1304 W ANN ST	Plumbing
KU-2024-469	2015 BEAR PAW TR	Storm Sewer/ Waters / Sanitary laterals
KU-2024-471	112 E DIVISION ST	Other structures
KU-2024-470	800 MATTHEW LA	Residential building
KU-2024-472	1 BANK AV	Storm Sewer/ Waters / Sanitary laterals
KU-2024-477	111 E FOURTH ST	Electrical
KU-2024-481	1810 WHITE DOVE LA	HVAC
KU-2024-483	3400 SNOW GOOSE WA	HVAC
KU-2024-476	3380 SNOW GOOSE WA	Residential building
KU-2024-478	727 MALLARD DR	Plumbing
KU-2024-444	3421 SNOW GOOSE WA	Electrical
KU-2024-446	3421 SNOW GOOSE WA	Plumbing
KU-2024-484	3400 SNOW GOOSE WA	Plumbing
KU-2024-482	3400 SNOW GOOSE WA	Residential building
KU-2024-443	3421 SNOW GOOSE WA	Residential building
KU-2024-485	3400 SNOW GOOSE WA	Electrical
KU-2024-445	3421 SNOW GOOSE WA	HVAC
KU-2024-475	3360 SNOW GOOSE WA	Residential building
KU-2024-479	727 MALLARD DR	HVAC
KU-2024-491	2016 BEAR PAW TR	Accessory structures
KU-2024-480	625 E HYLAND AV	Commercial building
KU-2024-420	300 KELSO ROAD	HVAC
KU-2024-489	3440 BECKETT LA	Other structures
KU-2024-487	3400 SNOW GOOSE WA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-499	1302 MOON RIDGE CT	HVAC
KU-2024-488	3067 HAAS RD	Accessory structures
KU-2024-486	424 DIXON ST	HVAC
KU-2024-500	2900 HAAS RD	HVAC
KU-2024-494	3380 SNOW GOOSE WA	Plumbing
KU-2024-501	2210 WHITE DOVE LA	HVAC
KU-2024-496	3361 SNOW GOOSE WA	Plumbing
KU-2024-498	117 E FOURTH ST	Other structures
KU-2024-495	3360 SNOW GOOSE WA	Plumbing
KU-2024-497	3381 SNOW GOOSE WA	Plumbing
KU-2024-505	2160 WHITE WOLF LA	HVAC
KU-2024-507	1404 SULLIVAN AV	Other structures
KU-2024-506	3420 BECKETT LA	HVAC
KU-2024-467	1002 MATTHEW LA	Accessory structures
KU-2024-513	2091 WHITE WOLF LA	Accessory structures
KU-2024-511	812 BRILL RD	Storm Sewer/ Waters / Sanitary laterals
KU-2024-512	115 W TOBACNOIR ST	Electrical
KU-2024-510	17 ASH GROVE PL	Plumbing

KU-2024-520	1550 ARBOR WAY	Commercial building
KU-2024-519	1040 DRIESSEN DR	Electrical
KU-2024-521	2220 ANTELOPE TR	Other structures
KU-2024-523	1708 THELEN AV	HVAC
KU-2024-493	3381 SNOW GOOSE WA	Residential building
KU-2024-522	1304 W ANN ST	HVAC
KU-2024-509	3750 RIDGECREST LA	Storm Sewer/ Waters / Sanitary laterals
KU-2024-526	117 W FOURTH ST	Electrical
KU-2024-527	625 E HYLAND AV	Plumbing
KU-2024-492	3361 SNOW GOOSE WA	Residential building
KU-2024-532	1033 APPLE BLOSSOM (	Other structures
KU-2024-529	331 W HENRY ST	Other structures
KU-2024-528	124 E TOBACNOIR ST	Residential building
KU-2024-531	1101 FORESTEDGE DR	Plumbing
KU-2024-530	1101 FORESTEDGE DR	Residential building
KU-2024-514	3750 RIDGECREST LA	Plumbing
KU-2024-517	3750 RIDGECREST LA	Electrical
KU-2024-515	3750 RIDGECREST LA	Residential building
KU-2024-516	3750 RIDGECREST LA	HVAC
KU-2024-524	3591 RIDGECREST LA	Residential building

Work target	Applicant	Owner
Other	Emily Dorn	Matt Fritsch
Other	Max Lasee	Max Lasee
Other	Aquarius Home Services	Aquarius Home Services
Residential	Kraig Knaack	Kraig Knaack
Duplex dwelling	John Renniecke	John Renniecke
Shed	Timothy Roberts	Timothy Roberts
Shed	mark vosters	MATTHEW GILSON
Other	Charles Huth	Ryan Van Deraa
Single-family dwelling	Tracy Cromer	Steve Cromer
A/C	Black-Haak Heating	Brandon Stanhope
Fence	Megan Sjoberg	Megan Sjoberg
Water, storm and sanitary	Ryan Jelovnik	Ryan Jelovnik
Other	Katie Sulzer	Katie Sulzer
A/C	Dave Mercier, David Mercier	John Neumeier
Shed	Nathan VanDynHoven	Nathan VanDynHoven
Other	Dan Jansen	Mark Calabrese
A/C	Jeff Ring	John Mongan
Panel	Brian Baum	Brad & Christina Cook
Single-family dwelling	Troy Koehnke	Troy Koehnke
Deck	Andrew Dennison	Andrew Dennison
Fence	Jamison Kifer	Jamison Kifer
Fence	Fred Schmidt	Fred Schmidt
Municipal connection	Riley Vander WYST	Riley Vander WYST
Fence	Deb McMorrow	Deb McMorrow
Water, storm and sanitary	Andy Parker	Marcus Mquire
Fence	julie zenisek, Julie Zenisek	julie zenisek
Other	Aaron O'Connell	Andy Raska
Water, storm and sanitary	Riley Vander WYST	Riley Vander WYST
Water, storm and sanitary	Riley Vander WYST	Riley Vander WYST
Water, storm and sanitary	Riley Vander WYST	Riley Vander WYST
Heating	Kristy Wood	Lloyd Carpenter, Ed Desotell
Monument Sign	Dan De Bruin	Mark Cline
Shed	Charley Nelson	Charley Nelson
Other	Scott Fields	Erin Weber
Furnace	Jay Eisenhauer	Jay Eisenhauer
Furnace	John Kramer	John Kramer
Panel	Black-Haak Heating	Lori Gaede
A/C	Black-Haak Heating	Kris Kandler
Water Heater	TUREKS PLUMBING	CODY VANROSSUM
Water, storm and sanitary	Riley Vander WYST	Riley Vander WYST
Panel	Riley Vander WYST	Riley Vander WYST
Single-family dwelling	Riley Vander WYST	Riley Vander WYST
Panel	Riley Vander WYST	Riley Vander WYST
Furnace	Riley Vander WYST	Riley Vander WYST
Furnace	Riley Vander WYST	Riley Vander WYST
Municipal connection	Riley Vander WYST	Riley Vander WYST
Single-family dwelling	Riley Vander WYST	Riley Vander WYST
Municipal connection	Riley Vander WYST	Riley Vander WYST

Municipal connection	Riley Vander Wyst	Riley Vander Wyst
Single-family dwelling	Riley Vander Wyst	Riley Vander Wyst
Furnace	Riley Vander Wyst	Riley Vander Wyst
Underground	Riley Vander Wyst	Riley Vander Wyst
Other	Daniel Weiske	Brian Ley
Water, storm and sanitary	Ryan Peterson	Drake Homes
Furnace	SHARON ZAKOWSKI	Keith Sjöholm
Other	Scott Fields	Roger Helms
Water, storm and sanitary	Ryan Peterson	Brian Renaud
Fence	Mckayla Young	Mckayla Young
Single-family dwelling	Jackson Melchart	Nicholas Parker
Storm lateral	Ric Huss	Ric Huss
Service	Joshua Verhagen	Joshua Verhagen
Heating	Edgar Gonzalez	Christine Murphy
Heating	Max Lasee	Max Lasee
Single-family dwelling	Lisa Schmidt	Schmidt Bros Custom Homes Inc
Sewage System	Nick Bouressa	Nick Bouressa
Panel	Riley Vander Wyst	Riley Vander Wyst
Municipal connection	Riley Vander Wyst	Riley Vander Wyst
Other	Max Lasee	Max Lasee
Single-family dwelling	Max Lasee	Max Lasee
Single-family dwelling	Riley Vander Wyst	Riley Vander Wyst
Panel	Max Lasee	Max Lasee
Furnace	Riley Vander Wyst	Riley Vander Wyst
Single-family dwelling	Lisa Schmidt	Schmidt Bros Custom Homes Inc
Ductwork	Nick Bouressa	Nick Bouressa
Deck	Kyle Cernohous	Kyle Cernohous
Other	Ross Skorzewski	Ross Skorzewski
A/C	Dave Mercier	Nate Iuedtke
Other	Joseph Jonett	Clayton Klotz
Water, storm and sanitary	Ryan Jelovnik	Ryan Jelovnik
Heating	CHRIS SHELDON	Andy Thielke
Deck	Hailey Kaufman	Hailey Kaufman
Furnace	Michelle Naparalla	Jed LaFortune
Heating	John Kramer	John Kramer
Other	Derek Schaffer	lisa schmidt
Heating	DIANE LAMERS	Troy Hartl
Other	Derek Schaffer	lisa schmidt
Fence	Clinton Wagner	Deja Wagner
Other	Derek Schaffer	lisa schmidt
Other	Derek Schaffer	lisa schmidt
Furnace	John Kramer	John Kramer
Fence	Ashley Jared	Nathan Kippley
Heating	DIANE LAMERS	Troy Hartl
Shed	Richard Stoeger	Richard Stoeger
Gazebo	Ryan Berg	Ryan Berg
Water, storm and sanitary	Joan Klister	Howie Fuerst
Service	Emily Burger	Stacey Schulte
Municipal connection	Andy Nielsen	Marcus McGuire



Mini/self storage warehouses	Lisa Bierman	Heather Skeleton
Panel	Ryan Van Deraa	Ryan Van Deraa
Fence	Jeremy Vander Heiden	Jeremy Vander Heiden
Furnace	Black-Haak Heating	Brad Bartosz
Single-family dwelling	Lisa Schmidt	Schmidt Bros Custom Homes Inc
A/C	Black-Haak Heating	Roger Helms
Water, storm and sanitary	Kraig Knaack	Kraig Knaack
Service	Emily Burger	Jessica Jozwiak
Other	Chad Reader	Vector Animal Hospital
Single-family dwelling	Lisa Schmidt	Schmidt Bros Custom Homes, Inc
Fence	Jordan Van Stippen	Jordan Van Stippen
Fence	Ashley Zellner	Ashley Zellner
Single-family dwelling	Casey Schulze	Agnes Pahnke
Other	Emily Kampmann	Emily Kampmann
Single-family dwelling	Emily Kampmann	Emily Kampmann
Municipal connection	Kraig Knaack	Kraig Knaack
Service	Kraig Knaack	Kraig Knaack
Single-family dwelling	Kraig Knaack	Kraig Knaack
Heating	Kraig Knaack	Kraig Knaack
Single-family dwelling	Justin Kaufman	Lukas Seefeldt

**TO:** Local Municipalities and Counties within the Appleton (Fox Cities) Metropolitan Planning Area

**FROM:** Melissa Kraemer Badtke, Executive Director

**DATE:** May 6, 2024

**RE:** Redesignation of the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) Policy Board Structure

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### **Background**

**A Metropolitan Planning Organization is an agency created by federal law to provide local elected leaders input into planning and implementation of federal transportation funds to metropolitan areas with populations greater than 50,000.** The Federal-Aid Highway Act of 1962, which mandated the formation of MPOs, has implemented that MPOs must plan for regional transportation planning expenditures and are responsible for the continuing, cooperative, and comprehensive transportation planning process for their urbanized area. Under federal law established by the 1973 Highway Act and the Urban Mass Transit Act, MPOs are ***organizations in urbanized areas designated by their Governors*** to perform significant planning and programming of federally funded highways and transit projects.

East Central Wisconsin Regional Planning Commission (ECWRPC) was designated as the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) by Wisconsin Governor Patrick Lucey on January 15, 1974. Since that time, the ECWRPC Board, comprised of elected and appointed officials from member counties within East Central's 10-county region, has acted as the Policy Board for the Appleton (Fox Cities) Metropolitan Planning Organization (MPO).

The restructuring of the Policy Board, to be comprised of local elected officials representing at least 75 percent of the impacted population, was identified in East Central's 2020 Strategic Plan and Reorganization Plan. However, that action was deferred until the 2020 U.S. Census data became available, due to the possibility that the Appleton (Fox Cities) and Oshkosh MPOs would be agglomerated, or joined together. The Appleton (Fox Cities) Urban Area was posted on the federal register in January, 2023 and the Appleton (Fox Cities) and Oshkosh MPOs did not agglomerate.

During the 2023 federal certification review of the Appleton (Fox Cities) MPO, the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) included a strong recommendation to redesignate the Appleton (Fox Cities) MPO policy board, to ensure compliance with federal requirements as outlined in [23 CFR 450.310](#). **A deadline of September 3, 2024 has been established to complete the redesignation process.**

East Central staff is actively working in coordination with FHWA, FTA, the Wisconsin Department of Transportation, and contracted legal counsel to ensure the various components of the redesignation of the Appleton (Fox Cities) MPO Policy Board structure are compliant with federal regulations.

The initial step of the redesignation process began with the ECWRPC Board approving a Resolution of Support (Resolution 23-24) to proceed with the redesignation process by engaging with all local impacted counties and municipalities on the establishment of new Policy Board structure for the Appleton (Fox Cities) MPO. Each impacted county and municipality will, in turn, be required to pass a Resolution of Support approving of the new Policy Board structure. A formal request will then be made to the Governor's office for the official redesignation of the Policy Board structures. The Governor will then formally redesignate the Policy Board for the Appleton (Fox Cities) MPO and the new Policy Board will be convened to elect officers and adopt Bylaws.

Attached are additional items including,

- 1) Appleton (Fox Cities) MPO Policy Board Redesignation Process Overview
- 2) Appleton (Fox Cities) MPO Policy Board Redesignation Process Frequently Asked Questions

Additional information and materials will be provided at the May 6<sup>th</sup> meeting, including Policy Board Structure options, a DRAFT Template Resolution of Support, and a DRAFT Redesignation Agreement.

### **Requested Action**

We respectfully request assistance from each local governmental unit in moving the Resolution of Support through your respective legislative process. East Central staff is available to attend meetings, as needed, to speak to the issue and answer any questions your elected officials may have. Given the federal deadline of **September 3, 2024** to have the new MPO Policy Board in place, we appreciate any assistance you are in a position to provide to act on this by the end of June, if possible. East Central's Board will then provide final approval and formally request redesignation by the Governor at their July 24<sup>th</sup> meeting.

Thank you in advance for your assistance and partnership in this endeavor, which will ultimately lead to improved governance and decision-making regarding federal transportation investments within the Appleton (Fox Cities) Metropolitan Planning Area. Please feel free to reach out with any questions or to request staff attend an upcoming meeting.

### **ECWRPC Contacts**

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**Craig Moser**, ECWRPC Deputy Director  
 Phone: 920-886-6827  
 Email: [cmoser@ecwrpc.org](mailto:cmoser@ecwrpc.org)

## Appleton (Fox Cities) Metropolitan Planning Organization Policy Board Redesignation Process Overview

### What is an MPO?

- A Metropolitan Planning Organization (MPO) is an agency created by federal law to **provide local elected** officials input and authority over the planning and implementation of federal transportation investments within a U.S. Census Bureau – defined urban area with populations greater than 50,000.
- The Federal-Aid Highway Act of 1962, which mandated the formation of MPOs, has implemented that MPOs must plan for regional transportation planning projects and are responsible for the **continuing, cooperative, and comprehensive transportation planning process** for their urban area.
- Under federal law established by the 1973 Highway Act and the Urban Mass Transit Act, MPOs are **organizations in urbanized areas designated by their Governors** to perform significant planning and programming of federally funded highways and transit projects. The policy leaders, committees, professional staff, and consultants, combined with the administrative capability to support the MPO planning processes, constitute the core elements of the Metropolitan Planning Organization's activities.

### East Central Wisconsin Regional Planning Commission's Role

- East Central Wisconsin Regional Planning Commission (ECWRPC) was designated as the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) by Wisconsin Governor Patrick Lucey on January 15, 1974.
- Since then, the East Central Board, comprised of elected officials in member counties from East Central's region, has acted as the Policy Board for the Appleton (Fox Cities) Metropolitan Planning Organization (MPO).
- The Appleton (Fox Cities) MPO was designated a Transportation Management Area (TMA) in 2012, as a result of the U.S. Census population for the Appleton (Fox Cities) MPO was over 200,000. The TMA designation comes with additional requirements including the development of a congestion management process and a quadrennial certification review.
- The Appleton (Fox Cities) Metropolitan Planning Organization is responsible for the following:
  - Development of a Congestion Management Process,
  - Development of a Metropolitan Transportation Plan,
  - Development and management of the Transportation Improvement Program, and
  - Funding decisions for regionally significant transportation projects based on the processes, plans, and programs listed above through the Surface Transportation Block Grant – Urban Program, Transportation Alternatives Set-Aside, and the Carbon Reduction Program.

### The Redesignation of the Policy Board Structure

- East Central Wisconsin Regional Planning Commission's Board, the Federal Highway Administration (FHWA), and the Federal Transit Administration (FTA) identified the current Appleton (Fox Cities) MPO Policy Board structure as an issue during the Appleton (Fox Cities) MPO Certification Review that requires the policy board to be restructured to ensure compliance with the federal requirements as outlined in the federal regulations - **23 CFR 450.310**.
- The new Appleton (Fox Cities) MPO policy board will need to be redesignated by the Governor and will need to be comprised of local elected officials representing at least 75 percent of the

population for the Appleton (Fox Cities) Metropolitan Planning Area (MPA) to be compliant with federal regulations – **23 CFR 450.310(b)**. The policy board will provide local elected officials input and insight into the transportation planning process and funding decisions for transportation projects that are regionally significant within the Metropolitan Planning Area.

- **As outlined in the Appleton (Fox Cities) TMA Certification Review by the Federal Highway Administration and the Federal Transit Administration, the new Appleton (Fox Cities) MPO Policy Board must be in place by September 3, 2024.**

#### **What is the Redesignation Process for the New MPO Policy Board Structure?**

- At the Commission Board meeting in March, the East Central Board approved a Resolution supporting the redesignation process authorizing East Central staff to engage with communities and local elected leaders within the Appleton (Fox Cities) Metropolitan Planning Area (MPA).
- East Central staff is working with local officials within the Appleton (Fox Cities) Metropolitan Planning Area on the new Policy Board Structure. In addition, local municipalities and counties with the Appleton (Fox Cities) MPA will be required to approve a resolution and the redesignation agreement in support of the redesignation of the Appleton (Fox Cities) MPO Policy Board structure.
- Once the counties and municipalities within the MPA approve the Resolutions and Redesignation Agreement, a request will be made to the Governor to proceed with formally Redesignating the new Appleton (Fox Cities) MPO Policy Board.

#### **Benefits of Redesignation:**

- Local elected officials exclusively from ***within*** the Appleton (Fox Cities) MPA will be making decisions on the planning and implementation of federal transportation funds within the communities they represent.

## **Appleton (Fox Cities) MPO Policy Board Redesignation Process** **Frequently Asked Questions**

### **Q: Is redesignation of the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) Policy Board being mandated by the federal government?**

A: Yes. The 2023 Appleton (Fox Cities) Metropolitan Planning Organization Certification Review by Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) states the following (emphasis added):

***“ECWRPC needs to redraw the MPO boundaries to include the entire urbanized area. MPO decision-making bodies must then be evaluated on the basis of the new Metropolitan Planning Area (MPA) boundaries to assure compliance with statutory requirements for the Policy Board to represent all major modes of transportation and local governments that combined make up at least 75 percent of the MPA populations. The re-established Policy Board should be convened by September 3, 2024 or in time to act on MPO products for calendar year (CY) 2025, including the Transportation Improvement Program (TIP) and Unified Planning Work Program (UPWP).”***

### **Q: Why is the deadline September 3, 2024 rather than January 1, 2025?**

A: East Central staff also asked this question of Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) and were told that the rationale for the September 3, 2024 date is related to the timing of approvals of various Metropolitan Planning Organization program deliverables, such as the Transportation Improvement Program (TIP) and Unified Planning Work Program (UPWP). Approval of these items occurs annually in October for the subsequent calendar year.

### **Q: What happens if municipalities don't pass a Resolution of Support?**

A: While there is no legal requirement for this action, a formal request to the Governor to redesignate the Policy Board is required per 23 USC 134(d)(6). To demonstrate local support and consensus among the local units of government for the new Policy Board structure, a Resolution of Support is strongly encouraged. Should the impacted local units of government not be willing to provide resolutions, thereby preventing redesignation of the Appleton MPO Policy Board by September 3, 2024, federal funding for transportation infrastructure projects within the MPO may be jeopardized.

### **Q: Can Local Elected Officials assign a designee to the MPO Policy Board?**

A: The Code of Federal Regulations outlines the Metropolitan Planning Organization (MPO) Policy Board Structure as follows (emphasis added):

*“...each metropolitan planning organization that serves a designated TMA shall consist of:*

- (i) **Local elected officials;***
- (ii) **Officials of public agencies that administer or operate major modes of transportation in the metropolitan area, including representation by providers of public transportation; and***
- (iii) **Appropriate State officials.”***

Therefore, a chief elected official of a local unit of government may choose to appoint a designee to serve on the Policy Board, the designee would need to be another local elected official representing that local unit of government.

**Q: How frequently will the MPO Policy Board be meeting? Will the meetings be in-person, virtual, or hybrid?**

A: There is a significant amount of training and education that will be provided to the new Policy Board members, so they're able to make well-informed decisions on the MPO items requiring approval. In addition, many items requiring Policy Board approval are time-sensitive and/or deadline-driven. Therefore, the standing MPO Policy Board meetings will be scheduled every other month. If there is no business, a meeting may be cancelled. While in-person meetings are preferred, there may be opportunities to have virtual meetings.

**Q: Will municipalities with the Advisory seats on the Policy Board be eligible to apply for MPO-awarded funding?**

A: Yes, all communities within the Appleton (Fox Cities) Metropolitan Planning Area (MPA) are eligible for federal funding as long as they meet the specific program requirements.

**Q: What is the Technical Advisory Committee's role in relationship to the Policy Board?**

A: The Technical Advisory Committee (TAC) consists of professional staff with expertise in the area of Transportation Planning and Implementation which provides recommendations to the Policy Board, which has final decision-making authority.

\*Metropolitan Planning Area (MPA) looks to a 20-year growth horizon. The MPA sets the geographical boundary for the Metropolitan Planning Organization (MPO).

**SUPPORTING AND APPROVING OF THE NEW APPLETON (FOX CITIES) METROPOLITAN  
PLANNING ORGANIZATION (MPO) POLICY BOARD STRUCTURE AND REDESIGNATION  
AGREEMENT**

**WHEREAS**, the Federal Aid Highway Act of 1962 requires a continuing, comprehensive transportation planning process carried out cooperatively by the State and local communities of each urban area of more than 50,000 population in order to qualify transportation projects for federal aid, and;

**WHEREAS**, East Central WI Regional Planning Commission (ECWRPC) was designated as the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) by Wisconsin's Governor in January, 1974, and;

**WHEREAS**, due to a population in excess of 200,000 following the 2010 U.S. Census, the Appleton (Fox Cities) Urban area was designated by the federal government as a Transportation Management Area (TMA) in 2012, and;

**WHEREAS**, the ECWRPC Board, consisting of elected and appointed officials from member counties within East Central's 10 county region, has served as the Policy Board for the Appleton (Fox Cities) MPO since 1974, and;

**WHEREAS**, the Commission identified the creation of a separate Appleton (Fox Cities) MPO Policy Board within their 2020 Strategic Plan, and;

**WHEREAS**, a change to the Appleton (Fox Cities) MPO Policy Board was identified as necessary by ECWRPC, Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) to ensure that local elected officials representing 75% of the affected population serve on the MPO Policy Board, consistent with federal requirements as outlined in 23 CFR 450.310, and;

**WHEREAS**, City of Kaukauna is located within the Appleton (Fox Cities) Metropolitan Planning Organization, and;

**WHEREAS**, a new Appleton (Fox Cities) MPO Policy Board structure has been developed by ECWRPC staff, in coordination with FHWA, FTA, WISDOT, and local impacted communities, which is outlined in the Table 1, and;

**WHEREAS**, the main functions of the Appleton (Fox Cities) MPO Policy Board shall be to provide policy guidance throughout the transportation planning process, review and approve the Metropolitan Transportation Plan (MTP), Congestion Management Process, Transportation Improvement Program (TIP), the Unified Planning Work Program (UPWP), and promote the implementation of the TIP and UPWP, and;

**WHEREAS**, approval of each governing body of the municipalities and counties located within the Appleton (Fox Cities) Metropolitan Planning Area is necessary to demonstrate local support for the formal request that the Governor redesignate the Appleton (Fox Cities) MPO Policy Board structure as outlined in the attached table, and;



## RESOLUTION NO. 2024-5438

**WHEREAS**, each local unit of government located within the Appleton (Fox Cities) Metropolitan Planning Area will be party to the formal redesignation agreement (attached) between the Governor, ECWRPC, and the local units of government, and so;

**NOW THEREFORE, BE IT RESOLVED BY CITY OF KAUKAUNA**

**Section 1:** *That the City of Kaukauna supports and approves of the new structure of the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) Policy Board, as reflected in the attached table, and;*

**Section 2:** *That the City of Kaukauna agrees to participate in the Appleton (Fox Cities) MPO Policy Board meetings, to ensure a continuing, comprehensive, and cooperative transportation planning process for the Appleton (Fox Cities) Metropolitan Planning Area, and;*

**Section 3:** *That the City of Kaukauna agrees to the provisions outlined in the attached redesignation agreement, which is hereby incorporated by reference and made a part hereof.*

Effective Date: June 18, 2024

Submitted By: East Central Wisconsin Regional Planning Commission

Signed: \_\_\_\_\_  
Mayor Anthony J. Penterman, Chairperson

\_\_\_\_\_  
Sally Kenney, Clerk

APPLETON (FOX CITIES) METROPOLITAN PLANNING ORGANIZATION				
Updated 2/22 with adjusted MPA boundary populations				
Member Jurisdiction	2020 Census		Policy Board Structure	
	Population within MPA Boundary	Population %	> 5,000 populaton = 1 vote; Additional vote(s) for each increment of 25K pop	
			Voting Seats	Advisory Seats
City of Appleton	75,913	30%	4	
Outagamie - 63,168				
Calumet - 11,304				
Winnebago - 1,441				
City of Neenah	27,319	11%	2	
Town of Grand Chute	23,650	9%	1	
Village of Fox Crossing	18,974	7%	1	
City of Kaukauna	17,094	7%	1	
City of Menasha	18,268	7%	1	
Winnebago - 15,261				
Calumet - 3,007				
Village of Greenville	12,118	5%	1	
Village of Harrison	12,091	5%	1	
Village of Little Chute	11,619	5%	1	
Village of Kimberly	7,320	3%	1	
Town of Buchanan	6,823	3%	1	
Town of Neenah	3,702	1%		1
Village of Combined Locks	3,634	1%		1
Town of Clayton	3,487	1%		1
Village of Sherwood	3,271	1%		1
Town of Center	1,859	1%		1
Town of Vandebroek	1,627	1%		1
Town of Freedom	1,353	1%		1
Town of Kaukauna	1,020	0%		1
Town of Vinland	1,202	0%		1
Town of Ellington	945	0%		1
Village of Wrightstown	292	0%		1
Town of Woodville	149	0%		1
MUNICIPALITY TOTALS	253,730	100%	15	12
			Min. 1 vote; Additional vote(s) for each increment of 100,000 population	
COUNTIES				
Outagamie County	152,522	60%	2	
Winnebago County	71,386	28%	1	
Calumet County	29,822	12%	1	
COUNTY TOTALS	253,730	100%	4	0
REQUIRED MAJOR MODES OF TRANSPORTATION				
WISDOT			1	
Valley Transit			1	
Appleton International Airport			1	
MAJOR MODES TOTALS			3	0
REQUIRED NON-VOTING MEMBERS				
FHWA				1
FTA				1
MPO Director				1
REQUIRED NON-VOTING MEMBER TOTALS			0	3
GRAND TOTAL POLICY BOARD SEATS			22	15
	% of pop w/direct representation		91.1%	

## AN AGREEMENT REDESIGNATING THE METROPOLITAN PLANNING ORGANIZATION POLICY BOARD STRUCTURE FOR THE APPLETON (FOX CITIES) URBANIZED AREA

### Introduction

The parties to this Agreement (hereinafter the “Signatories”) hereby agree to the redesignation of East Central Wisconsin Regional Planning Commission arising out of the need to address actions recommended by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) pertaining to the organization and structure of the existing Metropolitan Planning Organization’s Policy Board.

**WHEREAS**, The Metropolitan Planning Organization (MPO) for the Appleton (Fox Cities) Urban Area is charged, under Title 23 U.S.C., Section 134, as the organization responsible for cooperative transportation planning and decision making for the Appleton (Fox Cities) Metropolitan Planning Area, and;

**WHEREAS**, the Metropolitan Planning Area consists of the City of Appleton, the Appleton Urban Area, and all or portions of the contiguous cities, villages, and towns which are or are likely to become urbanized within a 20-year period as shown on the attached map and agreed to by the MPO and the Governor, and;

**WHEREAS**, the responsibilities of the Metropolitan Planning Organization include:

1. Carrying out a cooperative, continuous, and comprehensive planning process for making transportation investment decisions in the metropolitan area with program oversight from the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Wisconsin Department of Transportation (WisDOT).
2. Preparing and maintaining a Metropolitan Transportation Plan.
3. Preparing and implementing an annual unified planning work program.
4. Preparing a transportation improvement program to provide for transportation investments to meet metropolitan transportation needs.
5. Preparing and maintaining the Congestion Management Process, the Public Participation Process and the Title VI plan.
6. Establishing operating rules and procedures.
7. Working in cooperation with Valley Transit.
8. Other duties as required to comply with State and Federal regulations, and;

**WHEREAS**, the Appleton (Fox Cities) Urban Area was created through an agreement between the Governor and East Central Wisconsin Regional Planning Commission (ECWRPC), effective January 15, 1974 designating the MPO for the Appleton (Fox Cities) Urban Area in accordance with federal law. East Central Wisconsin Regional

Planning Commission assumed the responsibility to conduct transportation planning and programming for the Appleton (Fox Cities) Urban area, and;

**WHEREAS**, the Appleton (Fox Cities) MPO Policy Board membership and voting structure was identified by ECWRPC, Federal Highway Administration, and Federal Transit Administration as requiring adjustments to ensure compliance with federal requirements, and;

**WHEREAS**, federal law allows for the redesignation of the Metropolitan Planning Organization by agreement between the Governor and units of general-purpose local government that together represent at least 75 percent of the population within the Planning Area, including the largest incorporated city, and;

**WHEREAS**, a redesignation process to implement the necessary changes was initiated by ECWRPC, in partnership with FHWA, FTA, and WisDOT, in late 2023. On March 28, 2024, the East Central WI Regional Planning Commission Board took the first step in the process and approved a resolution in support of engaging the local impacted communities on the structure and membership of the Appleton (Fox Cities) MPO Policy Board to bring it into compliance with federal requirements, as outlined in 23 CFR 450.310, and;

**WHEREAS**, a Redesignation Agreement cannot be amended without the consent of all the Signatories, and so;

**NOW, THEREFORE, IT IS MUTUALLY AGREED:**

That the revised structure of the Appleton (Fox Cities) Metropolitan Planning Organization's Policy Board is described below.

**B. Composition of the Appleton (Fox Cities) MPO Policy Board**

The members of the Appleton (Fox Cities) Metropolitan Planning Organization Policy Board are appointed by the Wisconsin Department of Transportation, Valley Transit, City of Appleton, Outagamie, Calumet and Winnebago Counties, small villages, cities and towns within the Metropolitan Planning Area in recognition of their respective roles as the owners and operators of the major modes of transportation serving the Metropolitan Planning Area. Each appointee to the Policy Board shall reside within the Metropolitan Planning Area and shall serve until their successor is appointed. As of September 3, 2024, the Metropolitan Planning Organization Policy Board for the Appleton (Fox Cities) Urbanized Area and Appleton (Fox Cities) Metropolitan Planning Area consist of the following members: (See Table on Next Page)

APPLETON (FOX CITIES) METROPOLITAN PLANNING ORGANIZATION				
Updated 2/22 with adjusted MPA boundary populations				
Member Jurisdiction	2020 Census		Policy Board Structure	
	Population within MPA Boundary	Population %	> 5,000 population = 1 vote; Additional vote(s) for each increment of 25K pop	
			Voting Seats	Advisory Seats
City of Appleton	75,913	30%	4	
Outagamie - 63,168				
Calumet - 11,304				
Winnebago - 1,441				
City of Neenah	27,319	11%	2	
Town of Grand Chute	23,650	9%	1	
Village of Fox Crossing	18,974	7%	1	
City of Kaukauna	17,094	7%	1	
City of Menasha	18,268	7%	1	
Winnebago - 15,261				
Calumet - 3,007				
Village of Greenville	12,118	5%	1	
Village of Harrison	12,091	5%	1	
Village of Little Chute	11,619	5%	1	
Village of Kimberly	7,320	3%	1	
Town of Buchanan	6,823	3%	1	
Town of Neenah	3,702	1%		1
Village of Combined Locks	3,634	1%		1
Town of Clayton	3,487	1%		1
Village of Sherwood	3,271	1%		1
Town of Center	1,859	1%		1
Town of Vandenbroek	1,627	1%		1
Town of Freedom	1,353	1%		1
Town of Kaukauna	1,020	0%		1
Town of Vinland	1,202	0%		1
Town of Ellington	945	0%		1
Village of Wrightstown	292	0%		1
Town of Woodville	149	0%		1
<b>MUNICIPALITY TOTALS</b>	<b>253,730</b>	<b>100%</b>	<b>15</b>	<b>12</b>
<b>COUNTIES</b>			<b>Min. 1 vote; Additional vote(s) for each increment of 100,000 population</b>	
Outagamie County	152,522	60%	2	
Winnebago County	71,386	28%	1	
Calumet County	29,822	12%	1	
<b>COUNTY TOTALS</b>	<b>253,730</b>	<b>100%</b>	<b>4</b>	<b>0</b>
<b>REQUIRED MAJOR MODES OF TRANSPORTATION</b>				
WISDOT			1	
Valley Transit			1	
Appleton International Airport			1	
<b>MAJOR MODES TOTALS</b>			<b>3</b>	<b>0</b>
<b>REQUIRED NON-VOTING MEMBERS</b>				
FHWA				1
FTA				1
MPO Director				1
<b>REQUIRED NON-VOTING MEMBER TOTALS</b>			<b>0</b>	<b>3</b>
<b>GRAND TOTAL POLICY BOARD SEATS</b>			<b>22</b>	<b>15</b>
% of pop w/direct representation			91.1%	

In addition, all appointments must be in accordance with Title 23, United States Code, Section 134, Paragraph (d)(2) that indicates the voting membership of the Policy Board shall consist of:

- a. Local elected officials;
- b. Officials of public agencies that administer or operate major modes of transportation in the metropolitan area; and
- c. Appropriate State officials.

When each of the appointing authorities is making an appointment under condition (b) above, the MPO also accepts members in good standing that come from local boards and commissions with a focus on transportation or land use, including mayoral representatives, or representatives of the chief executive officer of any city, village, or town in the MPO Planning area with said focus.

Policy board members representing any local government jurisdiction or collective group of local government jurisdictions (such as Cities, Villages, or Towns) must be selected by the elected officials of the local government jurisdiction(s) they represent.

### **C. Future Changes to the Policy Board Composition**

The composition of the Appleton (Fox Cities) MPO Policy Board will be reviewed following each decennial U.S. Census to ensure appropriate and proportional representation.

Revising the composition of the Policy Board (e.g. adding membership, the number or requirements of members appointed by each appointing authority) or expansion of the metropolitan planning area boundary does not necessarily require redesignation of the MPO.

A change to the Appleton (Fox Cities) MPO Policy Board can be made following the notification of the appointing authorities, all the local units of government in the MPO Planning Area, a public hearing on the proposed changes, and ratification by those units of government with 75 percent of the population in the planning area, including the City of Appleton as the largest incorporated city.

### **D. Designation of Fiscal Agent**

East Central Wisconsin Regional Planning Commission shall be designated to serve as the fiscal agent for the Appleton (Fox Cities) Metropolitan Planning Organization.

1. Location. MPO staff will be provided by the East Central WI Regional Planning Commission
2. Matching Contribution. Outagamie, Calumet and Winnebago Counties shall be responsible for providing the local matching contributions, through their annual levy contribution to ECWRPC.

### **E. Initial Plan Updates**

Subject to state and federal laws and fiscal constraint, to maintain consistency and continuity in the region planning efforts to-date the existing planning documents of the previous MPOs are adopted, including the fiscally constrained TIPs, as the starting point for future updates, and prioritizing projects currently.

### **F. Effective Date and Conditions of the Agreement**

1. This agreement is effective on September 3, 2024 after obtaining signatures of approval by the Governor and representatives of units of government with 75 percent of the population in the MPO Planning Area, including Appleton as the largest incorporated city.
2. This agreement supersedes and voids the designation agreement entered into by the Governor and East Central Wisconsin Regional Planning Commission dated January 15, 1974.

### **G. Amendments**

Any changes to the Redesignation Agreement shall be enacted by a written amendment executed by all signatories.

### **H. Non-Discrimination**

In the performance of the services under this Agreement, the parties shall not discriminate against any employee or applicant because of race, religion, marital status, age, color, sex, handicap, national origin, or ancestry, income level, or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, political beliefs, or student status. The parties further agree not to discriminate against any subcontractor or person who offers to subcontract on this contract because of race, color, age, disability, sex or national origin.

**WITNESS WHEREOF**, the parties have caused this to be executed by individuals and officers duly authorized on the dates noted below.

## RESOLUTION NO. 2024-5436

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF  
\$5,475,000 GENERAL OBLIGATION PROMISSORY NOTES,  
SERIES 2024A

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin (the "City") to raise funds for public purposes, including paying the cost of improvements to City buildings, grounds and facilities, park and pool improvements, street, parking lot, bridge and sidewalk construction and improvements, and the acquisition of vehicles and equipment (collectively, the "Project");

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

WHEREAS, the City is authorized by the provisions of Section 67.12(12), Wisconsin Statutes, to borrow money and issue general obligation promissory notes for such public purposes; and

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell such general obligation promissory notes to Huntington Securities, Inc. dba Huntington Capital Markets (the "Purchaser"), pursuant to the terms and conditions of its note purchase agreement attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

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

Section 1. Authorization and Sale of the Notes. For the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(12), Wisconsin Statutes, the principal sum of FIVE MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$5,475,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, the general obligation promissory notes aggregating the principal amount of FIVE MILLION FOUR HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$5,475,000) (the "Notes") for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 2. Terms of the Notes. The Notes shall be designated "General Obligation Promissory Notes, Series 2024A"; shall be issued in the aggregate principal amount of \$5,475,000; shall be dated July 2, 2024; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rates per annum and mature on June 1 of each year, in the years and principal amounts as set forth on the Pricing Summary attached hereto as Exhibit B-1 and incorporated herein by this reference. Interest shall be payable



semi-annually on June 1 and December 1 of each year commencing on June 1, 2025. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board. The schedule of principal and interest payments due on the Notes is set forth on the Debt Service Schedule attached hereto as Exhibit B-2 and incorporated herein by this reference (the "Schedule").

Section 3. Redemption Provisions. The Notes maturing on June 1, 2034 and thereafter shall be subject to redemption prior to maturity, at the option of the City, on June 1, 2033 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

[The Proposal specifies that [some of] the Notes shall be subject to mandatory redemption. The terms of such mandatory redemption are set forth on an attachment hereto as Exhibit MRP and incorporated herein by this reference. Upon the optional redemption of any of the Notes subject to mandatory redemption, the principal amount of such Notes so redeemed shall be credited against the mandatory redemption payments established in Exhibit MRP for such Notes in such manner as the City shall direct.]

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

Section 5. Tax Provisions.

1. Direct Annual Irrepealable Tax Levy. For the purpose of paying the principal of and interest on the Notes as the same becomes due, the full faith, credit and resources of the City are hereby irrevocably pledged, and there is hereby levied upon all of the taxable property of the City a direct annual irrepealable tax in the years 2024 through 2034 for the payments due in the years 2025 through 2035 in the amounts set forth on the Schedule.
2. Tax Collection. So long as any part of the principal of or interest on the Notes remains unpaid, the City shall be and continue without power to repeal such levy or obstruct the collection of said tax until all such payments have been made or provided for. After the issuance of the Notes, said tax shall be, from year to year, carried onto the tax roll of the City and collected in addition to all other taxes and in the same manner and at the same time as other taxes of the City for said years are collected, except that the amount of tax carried onto the tax roll may be reduced in any year by the amount of any surplus money in the Debt Service Fund Account created below.
3. Additional Funds. If at any time there shall be on hand insufficient funds from the aforesaid tax levy to meet principal and/or interest payments on said Notes when due, the requisite amounts shall be paid from other funds of the City then available, which sums shall be replaced upon the collection of the taxes herein levied.

## Section 6. Segregated Debt Service Fund Account.

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

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for General Obligation Promissory Notes, Series 2024A" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any premium which may be received by the City above the par value of the Notes and accrued interest thereon; (iii) all money raised by the taxes herein levied and any amounts appropriated for the specific purpose of meeting principal of and interest on the Notes when due; (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

2. Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided (i) the funds to provide for each payment of principal of and interest on the Notes prior to the scheduled receipt of taxes from the next succeeding tax collection may be invested in direct obligations of the United States of America maturing in time to make such payments when they are due or in other investments permitted by law; and (ii) any funds over and above the amount of such principal and interest payments on the Notes may be used to reduce the next succeeding tax levy, or may, at the option of the City, be invested by purchasing the Notes as permitted by and subject to Section 67.11(2)(a), Wisconsin Statutes, or in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Any investment of the Debt Service Fund Account shall at all times conform with the provisions of the Internal Revenue Code of 1986, as amended (the "Code") and any applicable Treasury Regulations (the "Regulations").
3. Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

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

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

Section 9. Compliance with Federal Tax Laws.

1. The City represents and covenants that the projects financed by the Notes and the ownership, management and use of the projects will not cause the Notes to be "private activity bonds" within the meaning of Section 141 of the Code. The City further covenants that it shall comply with the provisions of the Code to the extent necessary to maintain the tax-exempt status of the interest on the Notes including, if applicable, the rebate requirements of Section 148(f) of the Code. The City further covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Notes) if taking, permitting or omitting to take such action would cause any of the Notes to be an arbitrage bond or a private activity bond within the meaning of the Code or would otherwise cause interest on the Notes to be included in the gross income of the recipients thereof for federal income tax purposes. The City Clerk or other officer of the City charged with the responsibility of issuing the Notes shall provide an appropriate certificate of the City certifying that the City can and covenanting that it will comply with the provisions of the Code and Regulations.
2. The City also covenants to use its best efforts to meet the requirements and restrictions of any different or additional federal legislation which may be made applicable to the Notes provided that in meeting such requirements the City will do so only to the extent consistent with the proceedings authorizing the Notes and the laws of the State of Wisconsin and to the extent that there is a reasonable period of time in which to comply.

Section 10. Designation as Qualified Tax-Exempt Obligations. The Notes are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265 of the Code, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

Section 11. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 12. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

Section 13. Persons Treated as Owners; Transfer of Notes. The City shall cause books for the registration and for the transfer of the Notes to be kept by the Fiscal Agent. The person in whose name any Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on any Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Note to the extent of the sum or sums so paid.

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

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

Section 14. Record Date. The 15th day of the calendar month next preceding each interest payment date shall be the record date for the Notes (the "Record Date"). Payment of interest on the Notes on any interest payment date shall be made to the registered owners of the Notes as they appear on the registration book of the City at the close of business on the Record Date.

Section 15. Utilization of The Depository Trust Company Book-Entry-Only System. In order to make the Notes eligible for the services provided by The Depository Trust Company, New York, New York ("DTC"), the City agrees to the applicable provisions set forth in the Blanket Issuer Letter of Representations, which the City Clerk or other authorized representative of the City is authorized and directed to execute and deliver to DTC on behalf of the City to the extent an effective Blanket Issuer Letter of Representations is not presently on file in the City Clerk's office.

Section 16. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

Section 17. Undertaking to Provide Continuing Disclosure. The City hereby covenants and agrees, for the benefit of the owners of the Notes, to enter into a written undertaking (the "Undertaking") if required by the Rule to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Notes or by the Purchaser on behalf of such owners (provided that the rights of the owners and the Purchaser to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the City to comply with the provisions of the Undertaking shall not be an event of default with respect to the Notes).

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

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

Section 19. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 20. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded June 18, 2024.

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Anthony J. Penterman  
Mayor

ATTEST:

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Sally A. Kenney  
City Clerk

(SEAL)

EXHIBIT A

Note Purchase Agreement

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

EXHIBIT B-1

Pricing Summary

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)



EXHIBIT B-2

Debt Service Schedule and Irrepealable Tax Levies

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

# [EXHIBIT MRP

## Mandatory Redemption Provision

The Notes due on June 1, \_\_\_\_\_, \_\_\_\_\_ and \_\_\_\_\_ (the "Term Bonds") are subject to mandatory redemption prior to maturity by lot (as selected by the Depository) at a redemption price equal to One Hundred Percent (100%) of the principal amount to be redeemed plus accrued interest to the date of redemption, from debt service fund deposits which are required to be made in amounts sufficient to redeem on June 1 of each year the respective amount of Term Bonds specified below:

### For the Term Bonds Maturing on June 1, \_\_\_\_\_

Redemption Date	Amount
_____	\$ _____
_____	_____
_____	_____ (maturity)

### For the Term Bonds Maturing on June 1, \_\_\_\_\_

Redemption Date	Amount
_____	\$ _____
_____	_____
_____	_____ (maturity)

### For the Term Bonds Maturing on June 1, \_\_\_\_\_

Redemption Date	Amount
_____	\$ _____
_____	_____
_____	_____ (maturity)

### For the Term Bonds Maturing on June 1, \_\_\_\_\_

Redemption Date	Amount
_____	\$ _____
_____	_____
_____	_____ (maturity)]

## EXHIBIT C

(Form of Note)

REGISTERED	UNITED STATES OF AMERICA	DOLLARS
	STATE OF WISCONSIN	
	OUTAGAMIE AND CALUMET COUNTIES	
NO. R-____	CITY OF KAUKAUNA	\$_____
	GENERAL OBLIGATION PROMISSORY NOTE, SERIES 2024A	

MATURITY DATE:	ORIGINAL DATE OF ISSUE:	INTEREST RATE:	CUSIP:
June 1, _____	July 2, 2024	_____%	_____

DEPOSITORY OR ITS NOMINEE NAME: CEDE &amp; CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
 (\$\_\_\_\_\_)

FOR VALUE RECEIVED, the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2025 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

For the prompt payment of this Note together with interest hereon as aforesaid and for the levy of taxes sufficient for that purpose, the full faith, credit and resources of the City are hereby irrevocably pledged.

This Note is one of an issue of Notes aggregating the principal amount of \$5,475,000, all of which are of like tenor, except as to denomination, interest rate, maturity date and redemption provision, issued by the City pursuant to the provisions of Section 67.12(12), Wisconsin Statutes, for public purposes, including paying the cost of improvements to City buildings, grounds and facilities, park and pool improvements, street, parking lot, bridge and sidewalk construction and improvements, and the acquisition of vehicles and equipment, as authorized by a resolution

adopted on June 18, 2024. Said resolution is recorded in the official minutes of the Common Council for said date.

The Notes maturing on June 1, 2034 and thereafter are subject to redemption prior to maturity, at the option of the City, on June 1, 2033 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part, from maturities selected by the City, and within each maturity by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

【The Notes maturing in the years \_\_\_\_\_ are subject to mandatory redemption by lot as provided in the resolution referred to above, at the redemption price of par plus accrued interest to the date of redemption and without premium.】

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation, date and maturities of the Notes called for redemption, CUSIP numbers, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

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

This Note has been designated by the Common Council as a "qualified tax-exempt obligation" pursuant to the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully

registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax, fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

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

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

CITY OF KAUKAUNA  
OUTAGAMIE AND CALUMET COUNTIES,  
WISCONSIN

By: \_\_\_\_\_  
Anthony J. Penterman  
Mayor

(SEAL)

By: \_\_\_\_\_  
Sally A. Kenney  
City Clerk

Date of Authentication: \_\_\_\_\_, \_\_\_\_\_

CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin.

ASSOCIATED TRUST COMPANY,  
NATIONAL ASSOCIATION,  
GREEN BAY, WISCONSIN

By \_\_\_\_\_  
Authorized Signatory

ASSIGNMENT

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

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

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

Dated: \_\_\_\_\_

Signature Guaranteed:

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

\_\_\_\_\_  
(Depository or Nominee Name)

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

\_\_\_\_\_  
(Authorized Officer)

## RESOLUTION NO. 2024-5437

RESOLUTION AUTHORIZING THE ISSUANCE OF  
\$7,920,000 GENERAL OBLIGATION PROMISSORY NOTES  
AND THE ISSUANCE AND SALE OF  
\$7,920,000 TAXABLE NOTE ANTICIPATION NOTES,  
SERIES 2024B IN ANTICIPATION THEREOF

WHEREAS, the Common Council hereby finds and determines that it is necessary, desirable and in the best interest of the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin (the "City") to raise funds for public purposes, including payment of development incentives and funding developer loans in tax incremental districts (the "Project");

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

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance of and covenant to issue general obligation promissory notes (the "Securities") to provide permanent financing for the Project;

WHEREAS, the Securities have not yet been issued or sold;

WHEREAS, cities are authorized by the provisions of Section 67.12(1)(b), Wisconsin Statutes, to issue note anticipation notes in anticipation of receiving the proceeds from the issuance and sale of the Securities;

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to authorize the issuance and sale of note anticipation notes pursuant to Section 67.12(1)(b), Wisconsin Statutes (the "Notes"), in anticipation of receiving the proceeds from the issuance and sale of the Securities, to provide interim financing to pay the cost of the Project;

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

WHEREAS, it is the finding of the Common Council that it is necessary, desirable and in the best interest of the City to sell the Notes to Huntington Securities, Inc. dba Huntington Capital Markets (the "Purchaser"), pursuant to the terms and conditions of its note purchase agreement attached hereto as Exhibit A and incorporated herein by this reference (the "Proposal").

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

Section 1. Authorization and Issuance of Securities. The City hereby authorizes the issuance of and declares its intention and covenants to issue the Securities pursuant to the provisions of Chapter 67, Wisconsin Statutes, in an amount sufficient to retire the Notes.



Section 2. Authorization and Sale of the Notes. In anticipation of the sale of the Securities, for the purpose of paying the cost of the Project, there shall be borrowed pursuant to Section 67.12(1)(b), Wisconsin Statutes, the principal sum of SEVEN MILLION NINE HUNDRED TWENTY THOUSAND DOLLARS (\$7,920,000) from the Purchaser in accordance with the terms and conditions of the Proposal. The Proposal is hereby accepted and the Mayor and City Clerk or other appropriate officers of the City are authorized and directed to execute an acceptance of the Proposal on behalf of the City. To evidence the obligation of the City, the Mayor and City Clerk are hereby authorized, empowered and directed to make, execute, issue and sell to the Purchaser for, on behalf of and in the name of the City, the Notes aggregating the principal amount of SEVEN MILLION NINE HUNDRED TWENTY THOUSAND DOLLARS (\$7,920,000) for the sum set forth on the Proposal, plus accrued interest to the date of delivery.

Section 3. Terms of the Notes. The Notes shall be designated "Taxable Note Anticipation Notes, Series 2024B"; shall be issued in the aggregate principal amount of \$7,920,000; shall be dated July 2, 2024; shall be in the denomination of \$5,000 or any integral multiple thereof; shall be numbered R-1 and upward; and shall bear interest at the rate per annum and mature on June 1, 2029 as set forth on the schedule attached hereto as Exhibit B and incorporated herein by this reference (the "Schedule"). Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2025. Interest shall be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to the rules of the Municipal Securities Rulemaking Board.

Section 4. Redemption Provisions. The Notes shall be subject to redemption prior to maturity, at the option of the City, on June 1, 2027 or on any date thereafter. Said Notes shall be redeemable as a whole or in part, and if in part by lot, at the principal amount thereof, plus accrued interest to the date of redemption.

Section 5. Form of the Notes. The Notes shall be issued in registered form and shall be executed and delivered in substantially the form attached hereto as Exhibit C and incorporated herein by this reference.

Section 6. Security. The Notes shall in no event be a general obligation of the City and do not constitute an indebtedness of the City nor a charge against its general credit or taxing power. No lien is created upon the Project or any other property of the City as a result of the issuance of the Notes. The Notes shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds are hereby declared to constitute a special trust fund, hereby created and established, to be held by the City Clerk or City Treasurer and expended solely for the payment of the principal of and interest on the Notes until paid. The City hereby agrees that, in the event such monies are not sufficient to pay the principal of and interest on the Notes when due, if necessary, the City will pay such deficiency out of its annual general tax levy or other available funds of the City; provided, however, that such payment shall be subject to annual budgetary appropriations therefor and any applicable levy or revenue limits; and provided further, that neither this Resolution nor any such payment shall be construed as constituting an obligation of the City to make any such appropriation or any further payments.

### Section 7. Segregated Debt Service Fund Account.

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

Within the debt service fund, there hereby is established a separate and distinct account designated as the "Debt Service Fund Account for Taxable Note Anticipation Notes, Series 2024B" (the "Debt Service Fund Account") and such account shall be maintained until the indebtedness evidenced by the Notes is fully paid or otherwise extinguished. There shall be deposited into the Debt Service Fund Account (i) all accrued interest received by the City at the time of delivery of and payment for the Notes; (ii) any proceeds of the Notes representing capitalized interest on the Notes or other funds appropriated by the City for payment of interest on the Notes, as needed to pay the interest on the Notes when due; (iii) proceeds of the Securities (or other obligations of the City issued to pay principal of or interest on the Notes); (iv) such other sums as may be necessary at any time to pay principal of and interest on the Notes when due and which are appropriated by the Common Council for that purpose; (v) surplus monies in the Borrowed Money Fund as specified below; and (vi) such further deposits as may be required by Section 67.11, Wisconsin Statutes.

2. Use and Investment. No money shall be withdrawn from the Debt Service Fund Account and appropriated for any purpose other than the payment of principal of and interest on the Notes until all such principal and interest has been paid in full and the Notes canceled; provided that such monies may be invested in permitted municipal investments under the pertinent provisions of the Wisconsin Statutes ("Permitted Investments"), which investments shall continue to be a part of the Debt Service Fund Account. Said account shall be used for the sole purpose of paying the principal of and interest on the Notes and shall be maintained for such purpose until the Notes are fully paid or otherwise extinguished.
3. Remaining Monies. When all of the Notes have been paid in full and canceled, and all Permitted Investments disposed of, any money remaining in the Debt Service Fund Account shall be transferred and deposited in the general fund of the City, unless the Common Council directs otherwise.

Section 8. Covenants of the City. The City hereby covenants with the owners of the Notes as follows:

1. It shall issue and sell the Securities as soon as practicable, as necessary to provide for payment of the Notes;

2. It shall segregate the proceeds derived from the sale of the Securities into the special trust fund herein created and established and shall permit such special trust fund to be used for no purpose other than the payment of principal of and interest on the Notes until paid. After the payment of principal of and interest on the Notes in full, said trust fund may be used for such other purposes as the Common Council may direct in accordance with law; and,
3. It shall maintain a debt limit capacity such that its combined outstanding principal amount of general obligation bonds or notes or certificates of indebtedness and the \$7,920,000 authorized for the issuance of the Securities to provide for the payment of the Notes shall at no time exceed its constitutional debt limit.

Section 9. Proceeds of the Notes; Segregated Borrowed Money Fund. The proceeds of the Notes (the "Note Proceeds") (other than any premium and accrued interest which must be paid at the time of the delivery of the Notes into the Debt Service Fund Account created above) shall be deposited into a special fund (the "Borrowed Money Fund") separate and distinct from all other funds of the City and disbursed solely for the purpose or purposes for which borrowed. Monies in the Borrowed Money Fund may be temporarily invested in Permitted Investments. Any monies, including any income from Permitted Investments, remaining in the Borrowed Money Fund after the purpose or purposes for which the Notes have been issued have been accomplished, and, at any time, any monies as are not needed and which obviously thereafter cannot be needed for such purpose(s) shall be deposited in the Debt Service Fund Account.

Section 10. Execution of the Notes; Closing; Professional Services. The Notes shall be issued in printed form, executed on behalf of the City by the manual or facsimile signatures of the Mayor and City Clerk, authenticated, if required, by the Fiscal Agent (defined below), sealed with its official or corporate seal, if any, or a facsimile thereof, and delivered to the Purchaser upon payment to the City of the purchase price thereof, plus accrued interest to the date of delivery (the "Closing"). The facsimile signature of either of the officers executing the Notes may be imprinted on the Notes in lieu of the manual signature of the officer but, unless the City has contracted with a fiscal agent to authenticate the Notes, at least one of the signatures appearing on each Note shall be a manual signature. In the event that either of the officers whose signatures appear on the Notes shall cease to be such officers before the Closing, such signatures shall, nevertheless, be valid and sufficient for all purposes to the same extent as if they had remained in office until the Closing. The aforesaid officers are hereby authorized and directed to do all acts and execute and deliver the Notes and all such documents, certificates and acknowledgements as may be necessary and convenient to effectuate the Closing. The City hereby authorizes the officers and agents of the City to enter into, on its behalf, agreements and contracts in conjunction with the Notes, including but not limited to agreements and contracts for legal, trust, fiscal agency, disclosure and continuing disclosure, and rebate calculation services. Any such contract heretofore entered into in conjunction with the issuance of the Notes is hereby ratified and approved in all respects.

Section 11. Payment of the Notes; Fiscal Agent. The principal of and interest on the Notes shall be paid by Associated Trust Company, National Association, Green Bay, Wisconsin, which is hereby appointed as the City's registrar and fiscal agent pursuant to the provisions of Section 67.10(2), Wisconsin Statutes (the "Fiscal Agent"). The City hereby authorizes the Mayor and City Clerk or other appropriate officers of the City to enter into a Fiscal Agency Agreement between

the City and the Fiscal Agent. Such contract may provide, among other things, for the performance by the Fiscal Agent of the functions listed in Wis. Stats. Sec. 67.10(2)(a) to (j), where applicable, with respect to the Notes.

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

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

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

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

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

Section 15. Official Statement. The Common Council hereby approves the Preliminary Official Statement with respect to the Notes and deems the Preliminary Official Statement as "final" as of its date for purposes of SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule"). All actions taken by officers of the City in connection with the preparation of such Preliminary Official Statement and any addenda to it or final Official Statement are hereby ratified and approved. In connection with the Closing, the appropriate City official shall certify the Preliminary Official Statement and any addenda or final Official Statement. The City Clerk shall cause copies of the Preliminary Official Statement and any addenda or final Official Statement to be distributed to the Purchaser.

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

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

Section 17. Record Book. The City Clerk shall provide and keep the transcript of proceedings as a separate record book (the "Record Book") and shall record a full and correct statement of every step or proceeding had or taken in the course of authorizing and issuing the Notes in the Record Book.

Section 18. Bond Insurance. If the Purchaser determines to obtain municipal bond insurance with respect to the Notes, the officers of the City are authorized to take all actions necessary to obtain such municipal bond insurance. The Mayor and City Clerk are authorized to agree to such additional provisions as the bond insurer may reasonably request and which are acceptable to the Mayor and City Clerk including provisions regarding restrictions on investment of Note proceeds, the payment procedure under the municipal bond insurance policy, the rights of the bond insurer in the event of default and payment of the Notes by the bond insurer and notices to be given to the bond insurer. In addition, any reference required by the bond insurer to the municipal bond insurance policy shall be made in the form of Note provided herein.

Section 19. Conflicting Resolutions; Severability; Effective Date. All prior resolutions, rules or other actions of the Common Council or any parts thereof in conflict with the provisions hereof shall be, and the same are, hereby rescinded insofar as the same may so conflict. In the event that any one or more provisions hereof shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions hereof. The foregoing shall take effect immediately upon adoption and approval in the manner provided by law.

Adopted, approved and recorded June 18, 2024.

---

Anthony J. Penterman  
Mayor

ATTEST:

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Sally A. Kenney  
City Clerk

(SEAL)

EXHIBIT A

Note Purchase Agreement

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)

EXHIBIT B

Debt Service Schedule

To be provided by the Purchaser and incorporated into the Resolution.

(See Attached)



## EXHIBIT C

(Form of Note)

REGISTERED UNITED STATES OF AMERICA  
 STATE OF WISCONSIN DOLLARS  
 OUTAGAMIE AND CALUMET COUNTIES  
 NO. R-\_\_\_\_ CITY OF KAUKAUNA \$\_\_\_\_\_  
 TAXABLE NOTE ANTICIPATION NOTE, SERIES 2024B

MATURITY DATE: ORIGINAL DATE OF ISSUE: INTEREST RATE: CUSIP:  
 June 1, 2029 July 2, 2024 \_\_\_\_\_% \_\_\_\_\_

DEPOSITORY OR ITS NOMINEE NAME: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_ THOUSAND DOLLARS  
 (\$\_\_\_\_\_)

FOR VALUE RECEIVED, the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin (the "City"), hereby acknowledges itself to owe and promises to pay to the Depository or its Nominee Name (the "Depository") identified above (or to registered assigns), on the maturity date identified above, the principal amount identified above, and to pay interest thereon at the rate of interest per annum identified above, all subject to the provisions set forth herein regarding redemption prior to maturity. Interest shall be payable semi-annually on June 1 and December 1 of each year commencing on June 1, 2025 until the aforesaid principal amount is paid in full. Both the principal of and interest on this Note are payable to the registered owner in lawful money of the United States. Interest payable on any interest payment date shall be paid by wire transfer to the Depository in whose name this Note is registered on the Bond Register maintained by Associated Trust Company, National Association, Green Bay, Wisconsin (the "Fiscal Agent") or any successor thereto at the close of business on the 15th day of the calendar month next preceding each interest payment date (the "Record Date"). This Note is payable as to principal upon presentation and surrender hereof at the office of the Fiscal Agent.

This Note is one of an issue of Notes aggregating the principal amount of \$7,920,000, all of which are of like tenor, except as to denomination, issued by the City pursuant to the provisions of Section 67.12(1)(b), Wisconsin Statutes, in anticipation of the sale of general obligation promissory notes (the "Securities"), to provide interim financing for public purposes, including paying the cost of payment of development incentives and funding developer loans in tax incremental districts (the "Project"), as authorized by a resolution adopted on June 18, 2024. Said resolution is recorded in the official minutes of the Common Council for said date.

This Note shall be payable only from (a) any proceeds of the Notes set aside for payment of interest on the Notes as it becomes due and (b) proceeds to be derived from the issuance and sale of the Securities, which proceeds have been declared to constitute a special trust fund to be

held by the City Clerk or City Treasurer and expended solely for the payment of the principal of and interest on the Notes until paid.

The City has authorized the issuance of the Securities and has covenanted to issue the Securities in an amount sufficient to repay the Notes pursuant to said resolution. **THE NOTES ARE NOT A GENERAL OBLIGATION OF THE CITY AND DO NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATION OR PROVISION NOR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER. NO LIEN IS CREATED UPON THE PROJECT OR ANY OTHER PROPERTY OF THE CITY AS A RESULT OF THE ISSUANCE OF THE NOTES.**

The Notes are subject to redemption prior to maturity, at the option of the City, on June 1, 2027 or on any date thereafter. Said Notes are redeemable as a whole or in part, and if in part by lot (as selected by the Depository), at the principal amount thereof, plus accrued interest to the date of redemption.

In the event the Notes are redeemed prior to maturity, as long as the Notes are in book-entry-only form, official notice of the redemption will be given by mailing a notice by registered or certified mail, overnight express delivery, facsimile transmission, electronic transmission or in any other manner required by the Depository, to the Depository not less than thirty (30) days nor more than sixty (60) days prior to the redemption date. If less than all of the Notes of a maturity are to be called for redemption, the Notes of such maturity to be redeemed will be selected by lot. Such notice will include but not be limited to the following: the designation and date of the Notes called for redemption, CUSIP number, and the date of redemption. Any notice provided as described herein shall be conclusively presumed to have been duly given, whether or not the registered owner receives the notice. The Notes shall cease to bear interest on the specified redemption date provided that federal or other immediately available funds sufficient for such redemption are on deposit at the office of the Depository at that time. Upon such deposit of funds for redemption the Notes shall no longer be deemed to be outstanding.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Note have been done, have existed and have been performed in due form and time. The City has authorized and covenanted to issue and sell the Securities, the sale of which this Note anticipates, as soon as practicable and to set aside the proceeds of the Securities into a special trust fund for the payment of the principal of and interest on this Note.

This Note is transferable only upon the books of the City kept for that purpose at the office of the Fiscal Agent, only in the event that the Depository does not continue to act as depository for the Notes, and the City appoints another depository, upon surrender of the Note to the Fiscal Agent, by the registered owner in person or his duly authorized attorney, together with a written instrument of transfer (which may be endorsed hereon) satisfactory to the Fiscal Agent duly executed by the registered owner or his duly authorized attorney. Thereupon a new fully registered Note in the same aggregate principal amount shall be issued to the new depository in exchange therefor and upon the payment of a charge sufficient to reimburse the City for any tax,

fee or other governmental charge required to be paid with respect to such registration. The Fiscal Agent shall not be obliged to make any transfer of the Notes (i) after the Record Date, (ii) during the fifteen (15) calendar days preceding the date of any publication of notice of any proposed redemption of the Notes, or (iii) with respect to any particular Note, after such Note has been called for redemption. The Fiscal Agent and City may treat and consider the Depository in whose name this Note is registered as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever. The Notes are issuable solely as negotiable, fully-registered Notes without coupons in the denomination of \$5,000 or any integral multiple thereof.

This Note shall not be valid or obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Fiscal Agent.

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

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

CITY OF KAUKAUNA  
OUTAGAMIE AND CALUMET COUNTIES,  
WISCONSIN

By: \_\_\_\_\_  
Anthony J. Penterman  
Mayor

(SEAL)

By: \_\_\_\_\_  
Sally A. Kenney  
City Clerk

Date of Authentication: \_\_\_\_\_, \_\_\_\_\_

### CERTIFICATE OF AUTHENTICATION

This Note is one of the Notes of the issue authorized by the within-mentioned resolution of the City of Kaukauna, Outagamie and Calumet Counties, Wisconsin.

ASSOCIATED TRUST COMPANY,  
NATIONAL ASSOCIATION,  
GREEN BAY, WISCONSIN

By \_\_\_\_\_  
Authorized Signatory

COPY

ASSIGNMENT

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

\_\_\_\_\_  
(Name and Address of Assignee)

\_\_\_\_\_  
(Social Security or other Identifying Number of Assignee)

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

Dated: \_\_\_\_\_

Signature Guaranteed:

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

\_\_\_\_\_  
(Depository or Nominee Name)

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

\_\_\_\_\_  
(Authorized Officer)

**SUPPORTING AND APPROVING OF THE NEW APPLETON (FOX CITIES) METROPOLITAN  
PLANNING ORGANIZATION (MPO) POLICY BOARD STRUCTURE AND REDESIGNATION  
AGREEMENT**

**WHEREAS**, the Federal Aid Highway Act of 1962 requires a continuing, comprehensive transportation planning process carried out cooperatively by the State and local communities of each urban area of more than 50,000 population in order to qualify transportation projects for federal aid, and;

**WHEREAS**, East Central WI Regional Planning Commission (ECWRPC) was designated as the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) by Wisconsin's Governor in January, 1974, and;

**WHEREAS**, due to a population in excess of 200,000 following the 2010 U.S. Census, the Appleton (Fox Cities) Urban area was designated by the federal government as a Transportation Management Area (TMA) in 2012, and;

**WHEREAS**, the ECWRPC Board, consisting of elected and appointed officials from member counties within East Central's 10 county region, has served as the Policy Board for the Appleton (Fox Cities) MPO since 1974, and;

**WHEREAS**, the Commission identified the creation of a separate Appleton (Fox Cities) MPO Policy Board within their 2020 Strategic Plan, and;

**WHEREAS**, a change to the Appleton (Fox Cities) MPO Policy Board was identified as necessary by ECWRPC, Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) to ensure that local elected officials representing 75% of the affected population serve on the MPO Policy Board, consistent with federal requirements as outlined in 23 CFR 450.310, and;

**WHEREAS**, City of Kaukauna is located within the Appleton (Fox Cities) Metropolitan Planning Organization, and;

**WHEREAS**, a new Appleton (Fox Cities) MPO Policy Board structure has been developed by ECWRPC staff, in coordination with FHWA, FTA, WISDOT, and local impacted communities, which is outlined in the Table 1, and;

**WHEREAS**, the main functions of the Appleton (Fox Cities) MPO Policy Board shall be to provide policy guidance throughout the transportation planning process, review and approve the Metropolitan Transportation Plan (MTP), Congestion Management Process, Transportation Improvement Program (TIP), the Unified Planning Work Program (UPWP), and promote the implementation of the TIP and UPWP, and;

**WHEREAS**, approval of each governing body of the municipalities and counties located within the Appleton (Fox Cities) Metropolitan Planning Area is necessary to demonstrate local support for the formal request that the Governor redesignate the Appleton (Fox Cities) MPO Policy Board structure as outlined in the attached table, and;

## RESOLUTION NO. 2024-5438

**WHEREAS**, each local unit of government located within the Appleton (Fox Cities) Metropolitan Planning Area will be party to the formal redesignation agreement (attached) between the Governor, ECWRPC, and the local units of government, and so;

**NOW THEREFORE, BE IT RESOLVED BY CITY OF KAUKAUNA**

**Section 1:** *That the City of Kaukauna supports and approves of the new structure of the Appleton (Fox Cities) Metropolitan Planning Organization (MPO) Policy Board, as reflected in the attached table, and;*

**Section 2:** *That the City of Kaukauna agrees to participate in the Appleton (Fox Cities) MPO Policy Board meetings, to ensure a continuing, comprehensive, and cooperative transportation planning process for the Appleton (Fox Cities) Metropolitan Planning Area, and;*

**Section 3:** *That the City of Kaukauna agrees to the provisions outlined in the attached redesignation agreement, which is hereby incorporated by reference and made a part hereof.*

Effective Date: June 18, 2024

Submitted By: East Central Wisconsin Regional Planning Commission

Signed: \_\_\_\_\_  
Mayor Anthony J. Penterman, Chairperson

\_\_\_\_\_  
Sally Kenney, Clerk

APPLETON (FOX CITIES) METROPOLITAN PLANNING ORGANIZATION				
Updated 2/22 with adjusted MPA boundary populations				
Member Jurisdiction	2020 Census		Policy Board Structure	
	Population within MPA Boundary	Population %	> 5,000 populaton = 1 vote; Additional vote(s) for each increment of 25K pop	
			Voting Seats	Advisory Seats
City of Appleton	75,913	30%	4	
Outagamie - 63,168				
Calumet - 11,304				
Winnebago - 1,441				
City of Neenah	27,319	11%	2	
Town of Grand Chute	23,650	9%	1	
Village of Fox Crossing	18,974	7%	1	
City of Kaukauna	17,094	7%	1	
City of Menasha	18,268	7%	1	
Winnebago - 15,261				
Calumet - 3,007				
Village of Greenville	12,118	5%	1	
Village of Harrison	12,091	5%	1	
Village of Little Chute	11,619	5%	1	
Village of Kimberly	7,320	3%	1	
Town of Buchanan	6,823	3%	1	
Town of Neenah	3,702	1%		1
Village of Combined Locks	3,634	1%		1
Town of Clayton	3,487	1%		1
Village of Sherwood	3,271	1%		1
Town of Center	1,859	1%		1
Town of Vandebroek	1,627	1%		1
Town of Freedom	1,353	1%		1
Town of Kaukauna	1,020	0%		1
Town of Vinland	1,202	0%		1
Town of Ellington	945	0%		1
Village of Wrightstown	292	0%		1
Town of Woodville	149	0%		1
MUNICIPALITY TOTALS	253,730	100%	15	12
			Min. 1 vote; Additional vote(s) for each increment of 100,000 population	
COUNTIES				
Outagamie County	152,522	60%	2	
Winnebago County	71,386	28%	1	
Calumet County	29,822	12%	1	
COUNTY TOTALS	253,730	100%	4	0
REQUIRED MAJOR MODES OF TRANSPORTATION				
WISDOT			1	
Valley Transit			1	
Appleton International Airport			1	
MAJOR MODES TOTALS			3	0
REQUIRED NON-VOTING MEMBERS				
FHWA				1
FTA				1
MPO Director				1
REQUIRED NON-VOTING MEMBER TOTALS			0	3
GRAND TOTAL POLICY BOARD SEATS			22	15
	% of pop w/direct representation		91.1%	



## AN AGREEMENT REDESIGNATING THE METROPOLITAN PLANNING ORGANIZATION POLICY BOARD STRUCTURE FOR THE APPLETON (FOX CITIES) URBANIZED AREA

### Introduction

The parties to this Agreement (hereinafter the “Signatories”) hereby agree to the redesignation of East Central Wisconsin Regional Planning Commission arising out of the need to address actions recommended by the Federal Highway Administration (FHWA) and Federal Transit Administration (FTA) pertaining to the organization and structure of the existing Metropolitan Planning Organization’s Policy Board.

**WHEREAS**, The Metropolitan Planning Organization (MPO) for the Appleton (Fox Cities) Urban Area is charged, under Title 23 U.S.C., Section 134, as the organization responsible for cooperative transportation planning and decision making for the Appleton (Fox Cities) Metropolitan Planning Area, and;

**WHEREAS**, the Metropolitan Planning Area consists of the City of Appleton, the Appleton Urban Area, and all or portions of the contiguous cities, villages, and towns which are or are likely to become urbanized within a 20-year period as shown on the attached map and agreed to by the MPO and the Governor, and;

**WHEREAS**, the responsibilities of the Metropolitan Planning Organization include:

1. Carrying out a cooperative, continuous, and comprehensive planning process for making transportation investment decisions in the metropolitan area with program oversight from the Federal Highway Administration (FHWA), the Federal Transit Administration (FTA), and the Wisconsin Department of Transportation (WisDOT).
2. Preparing and maintaining a Metropolitan Transportation Plan.
3. Preparing and implementing an annual unified planning work program.
4. Preparing a transportation improvement program to provide for transportation investments to meet metropolitan transportation needs.
5. Preparing and maintaining the Congestion Management Process, the Public Participation Process and the Title VI plan.
6. Establishing operating rules and procedures.
7. Working in cooperation with Valley Transit.
8. Other duties as required to comply with State and Federal regulations, and;

**WHEREAS**, the Appleton (Fox Cities) Urban Area was created through an agreement between the Governor and East Central Wisconsin Regional Planning Commission (ECWRPC), effective January 15, 1974 designating the MPO for the Appleton (Fox Cities) Urban Area in accordance with federal law. East Central Wisconsin Regional

Planning Commission assumed the responsibility to conduct transportation planning and programming for the Appleton (Fox Cities) Urban area, and;

**WHEREAS**, the Appleton (Fox Cities) MPO Policy Board membership and voting structure was identified by ECWRPC, Federal Highway Administration, and Federal Transit Administration as requiring adjustments to ensure compliance with federal requirements, and;

**WHEREAS**, federal law allows for the redesignation of the Metropolitan Planning Organization by agreement between the Governor and units of general-purpose local government that together represent at least 75 percent of the population within the Planning Area, including the largest incorporated city, and;

**WHEREAS**, a redesignation process to implement the necessary changes was initiated by ECWRPC, in partnership with FHWA, FTA, and WisDOT, in late 2023. On March 28, 2024, the East Central WI Regional Planning Commission Board took the first step in the process and approved a resolution in support of engaging the local impacted communities on the structure and membership of the Appleton (Fox Cities) MPO Policy Board to bring it into compliance with federal requirements, as outlined in 23 CFR 450.310, and;

**WHEREAS**, a Redesignation Agreement cannot be amended without the consent of all the Signatories, and so;

**NOW, THEREFORE, IT IS MUTUALLY AGREED:**

That the revised structure of the Appleton (Fox Cities) Metropolitan Planning Organization's Policy Board is described below.

**B. Composition of the Appleton (Fox Cities) MPO Policy Board**

The members of the Appleton (Fox Cities) Metropolitan Planning Organization Policy Board are appointed by the Wisconsin Department of Transportation, Valley Transit, City of Appleton, Outagamie, Calumet and Winnebago Counties, small villages, cities and towns within the Metropolitan Planning Area in recognition of their respective roles as the owners and operators of the major modes of transportation serving the Metropolitan Planning Area. Each appointee to the Policy Board shall reside within the Metropolitan Planning Area and shall serve until their successor is appointed. As of September 3, 2024, the Metropolitan Planning Organization Policy Board for the Appleton (Fox Cities) Urbanized Area and Appleton (Fox Cities) Metropolitan Planning Area consist of the following members: (See Table on Next Page)

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Updated 2/22 with adjusted MPA boundary populations				
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<b>MUNICIPALITY TOTALS</b>	<b>253,730</b>	<b>100%</b>	<b>15</b>	<b>12</b>
<b>COUNTIES</b>			<b>Min. 1 vote; Additional vote(s) for each increment of 100,000 population</b>	
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<b>COUNTY TOTALS</b>	<b>253,730</b>	<b>100%</b>	<b>4</b>	<b>0</b>
<b>REQUIRED MAJOR MODES OF TRANSPORTATION</b>				
WISDOT			1	
Valley Transit			1	
Appleton International Airport			1	
<b>MAJOR MODES TOTALS</b>			<b>3</b>	<b>0</b>
<b>REQUIRED NON-VOTING MEMBERS</b>				
FHWA				1
FTA				1
MPO Director				1
<b>REQUIRED NON-VOTING MEMBER TOTALS</b>			<b>0</b>	<b>3</b>
<b>GRAND TOTAL POLICY BOARD SEATS</b>			<b>22</b>	<b>15</b>
% of pop w/direct representation			91.1%	

In addition, all appointments must be in accordance with Title 23, United States Code, Section 134, Paragraph (d)(2) that indicates the voting membership of the Policy Board shall consist of:

- a. Local elected officials;
- b. Officials of public agencies that administer or operate major modes of transportation in the metropolitan area; and
- c. Appropriate State officials.

When each of the appointing authorities is making an appointment under condition (b) above, the MPO also accepts members in good standing that come from local boards and commissions with a focus on transportation or land use, including mayoral representatives, or representatives of the chief executive officer of any city, village, or town in the MPO Planning area with said focus.

Policy board members representing any local government jurisdiction or collective group of local government jurisdictions (such as Cities, Villages, or Towns) must be selected by the elected officials of the local government jurisdiction(s) they represent.

### **C. Future Changes to the Policy Board Composition**

The composition of the Appleton (Fox Cities) MPO Policy Board will be reviewed following each decennial U.S. Census to ensure appropriate and proportional representation.

Revising the composition of the Policy Board (e.g. adding membership, the number or requirements of members appointed by each appointing authority) or expansion of the metropolitan planning area boundary does not necessarily require redesignation of the MPO.

A change to the Appleton (Fox Cities) MPO Policy Board can be made following the notification of the appointing authorities, all the local units of government in the MPO Planning Area, a public hearing on the proposed changes, and ratification by those units of government with 75 percent of the population in the planning area, including the City of Appleton as the largest incorporated city.

### **D. Designation of Fiscal Agent**

East Central Wisconsin Regional Planning Commission shall be designated to serve as the fiscal agent for the Appleton (Fox Cities) Metropolitan Planning Organization.

1. Location. MPO staff will be provided by the East Central WI Regional Planning Commission
2. Matching Contribution. Outagamie, Calumet and Winnebago Counties shall be responsible for providing the local matching contributions, through their annual levy contribution to ECWRPC.

### **E. Initial Plan Updates**

Subject to state and federal laws and fiscal constraint, to maintain consistency and continuity in the region planning efforts to-date the existing planning documents of the previous MPOs are adopted, including the fiscally constrained TIPs, as the starting point for future updates, and prioritizing projects currently.

### **F. Effective Date and Conditions of the Agreement**

1. This agreement is effective on September 3, 2024 after obtaining signatures of approval by the Governor and representatives of units of government with 75 percent of the population in the MPO Planning Area, including Appleton as the largest incorporated city.
2. This agreement supersedes and voids the designation agreement entered into by the Governor and East Central Wisconsin Regional Planning Commission dated January 15, 1974.

### **G. Amendments**

Any changes to the Redesignation Agreement shall be enacted by a written amendment executed by all signatories.

### **H. Non-Discrimination**

In the performance of the services under this Agreement, the parties shall not discriminate against any employee or applicant because of race, religion, marital status, age, color, sex, handicap, national origin, or ancestry, income level, or source of income, arrest record or conviction record, less than honorable discharge, physical appearance, sexual orientation, political beliefs, or student status. The parties further agree not to discriminate against any subcontractor or person who offers to subcontract on this contract because of race, color, age, disability, sex or national origin.

**WITNESS WHEREOF**, the parties have caused this to be executed by individuals and officers duly authorized on the dates noted below.