



# FINANCE AND PERSONNEL COMMITTEE MEETING AGENDA

**October 09, 2023 at 5:00 PM**

**Council Chambers, 828 Center Avenue, Sheboygan, WI**

It is possible that a quorum (or a reverse quorum) of the Sheboygan Common Council or any other City committees/boards/commissions may be in attendance, thus requiring a notice pursuant to State ex rel. Badke v. Greendale Village Board, 173 Wis. 2d 553, 494 N.W.2d 408 (1993).

Persons with disabilities who need accommodations to attend this meeting should contact the Finance Department at 920-459-3311. Persons other than council members who wish to participate remotely shall provide notice to the Finance Department at 920-459-3311 at least 24 hours before the meeting so that the person may be provided a remote link for that purpose.

## OPENING OF MEETING

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Introduction of Committee Members and Staff

## MINUTES

5. Approval of Minutes - September 25, 2023

## ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. R. O. No. 15-23-24 / June 5, 2023: Submitting a Summons and Complaint in the matter of Bank United, N.A. vs. Joseph P. Champeau et al.
7. R. O. No. 32-23-24 / August 7, 2023: Submitting a Summons and Complaint in the matter of Wisconsin Bank & Trust v. Judith A. Meyer et al.
8. R. O. No. 50-23-24 / October 2, 2023: Submitting a Summons and Complaint in the matter of BMO Harris Bank N.A. vs. Jessica J. Jacoby et al.
9. R. O. No. 137-22-23 / April 5, 2023: Submitting a claim from James Passmore for alleged damages to his garage when it was hit by a City of Sheboygan garbage truck.
10. Res. No. 64-23-24 / October 2, 2023: A RESOLUTION adopting certain changes to the City's Medical Benefit Plan and Dental Benefit Plan effective for calendar year 2024 coverage and establishing the monthly premium equivalent rates effective for January 2024 coverage and thereafter.
11. Res. No. 67-23-24 / October 2, 2023: A RESOLUTION authorizing the appropriate City officials to execute Engagement Letter Agreements with Baker Tilly US, LLP ("Baker Tilly") for auditing services relating to the dissolution of Tax Incremental District No. 6, Tax Incremental District No. 10, Tax Incremental District

No. 12, Tax Incremental District No. 13, Tax Incremental District No. 14, and Tax Incremental District No. 15.

- [12.](#) R. C. No. 209-22-23 by Finance and Personnel Committee to whom was referred R. C. No. 269-21-22 by Finance and Personnel Committee to whom was referred R. O. No. 69-21-22 by City Clerk submitting a claim of alleged unlawful tax collected from FedEx Services by the City of Sheboygan for the 2020 tax year, plus interest as provided by law, with respect to certain property located in the City and known by the personal property tax Account Number 59281950534P.
- [13.](#) R. C. No. 211-22-23 by Finance and Personnel Committee to whom was referred R. C. No. 271-21-22 by Finance and Personnel Committee to whom was referred R. C. No. 321-20-21 by Finance and Personnel Committee and R. O. No. 75-20-21 by City Clerk submitting a pending claim from Linda Arentsen for alleged injuries when she tripped on a raised part of the sidewalk on Center Avenue.
- [14.](#) DIRECT REFERRAL Res. No. 74-23-24 by Alderpersons Mitchell and Filicky-Peneski authorizing the issuance of a refund for excess property tax payable to Harbor Pride LLC related to 2022 real estate tax for Parcel No. 59281835115P.
- [15.](#) DIRECT REFERRAL Res. No. 75-23-24 by Alderpersons Mitchell and Filicky-Peneski authorizing the issuance of a refund for excess property tax payable to JL French/Nemak related to 2019 real estate tax for Parcel No. 59281479013.
- [16.](#) DIRECT REFERRAL Res. No. 76-23-24 by Alderpersons Mitchell and Filicky-Peneski authorizing the issuance of a refund for excess property tax payable to JL French/Nemak related to 2020 real estate tax for Parcel No. 59281479013.

#### **DATE OF NEXT REGULAR MEETING**

17. Next Meeting Date - October 23, 2023

#### **ADJOURN**

18. Motion to Adjourn

***In compliance with Wisconsin's Open Meetings Law, this agenda was posted in the following locations more than 24 hours prior to the time of the meeting:***

*City Hall • Mead Public Library  
Sheboygan County Administration Building • City's website*

II

R. O. No. 15 - 23 - 24. By CITY CLERK. June 5, 2023.

Submitting a Summons and Complaint in the matter of Bank United, N.A.  
vs. Joseph P. Champeau et al.

---

CITY CLERK

FJP

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

BankUnited, N.A. vs. Joseph P. Champeau et al

**Electronic Filing  
Notice**

Case No. 2023CV000240

Class Code: Foreclosure of Mortgage

**FILED**

05-09-2023

Sheboygan Co

Item 6.

Clerk of Circuit Court

2023CV000240

Honorable Angela W.  
Sutkiewicz

Branch 3

CITY OF SHEBOYGAN  
828 CENTER AVENUE, SUITE 103  
SHEBOYGAN WI 53081

MAY 25 2023

Case number 2023CV000240 was electronically filed with/converted by the Sheboygan County Circuit Court office. The electronic filing system is designed to allow for fast, reliable exchange of documents in court cases.

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

You may also register as an electronic party by following the instructions found at <http://efiling.wicourts.gov/> and may withdraw as an electronic party at any time. There is a \$20.00 fee to register as an electronic party. This fee may be waived if you file a Petition for Waiver of Fees and Costs Affidavit of Indigency (CV-410A) and the court finds you are indigent under §814.29, Wisconsin Statutes.

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

**Pro Se opt-in code: 809503**


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

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

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

Sheboygan County Circuit Court  
Date: May 9, 2023





Sheboygan County Courthouse  
615 North Sixth Street  
Sheboygan Wisconsin  
53081

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

## Notice of Availability of Mediation

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

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

### ***To Request a Mediation Conference:***

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


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

A Mediation Request is not a response to the Summons.

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

### **What happens after you apply for Mediation?**

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


**Sheboygan County Courthouse**  
**615 North Sixth Street**  
**Sheboygan Wisconsin**  
**53081**

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

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

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

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

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

Sheboygan County Case Number (located on your Summons): 20\_\_CV\_\_

Name of Homeowner(s): \_\_\_\_\_

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

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

Best telephone number to reach you during the day: \_\_\_\_\_

Alternate telephone number: \_\_\_\_\_

Name of Lender/Plaintiff in your case: \_\_\_\_\_

1. Is the property being foreclosed your primary residence? \_\_\_\_Yes \_\_\_\_No

2. Does the property consist of four or fewer dwelling units? \_\_\_\_Yes \_\_\_\_No



3. Have you started a Bankruptcy action that is still ongoing? \_\_\_\_Yes \_\_\_\_No

4. Have you met with a housing counselor? \_\_\_\_Yes \_\_\_\_No

If yes, with whom have you met? \_\_\_\_\_

5. What is your monthly income from all sources? \_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

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

\_\_\_\_ Injury or illness                      \_\_\_\_ Adjustable interest Rate / Balloon

\_\_\_\_ Loss of Employment                      \_\_\_\_ Expenses exceed income

Other: \_\_\_\_\_

\_\_\_\_\_

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

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. If English is not your primary language, do you need an interpreter? \_\_\_\_Yes \_\_\_\_No

What language? \_\_\_\_\_

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

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

\_\_\_\_\_  
Property Owner's Signature

\_\_\_\_\_  
Date

FILED  
05-09-2023

Item 6.

Sheboygan County  
Clerk of Circuit Court  
2023CV000240  
Honorable Angela W.  
Sutkiewicz  
Branch 3

STATE OF WISCONSIN

CIRCUIT COURT

SHEBOYGAN COUNTY

BankUnited N.A.  
c/o Carrington Mortgage Services, LLC  
1600 South Douglass Road Suite 200-A  
Anaheim, CA 92806

Plaintiff,

vs.

Case Number:

FORECLOSURE CASE CODE -  
30404**SUMMONS**

Joseph P. Champeau  
1821 S. 15th Street  
Sheboygan, WI 53081

City of Sheboygan  
828 Center Avenue, Suite 103  
Sheboygan, WI 53081

Defendant,

**THE STATE OF WISCONSIN**

To each person or entity named above as a defendant:

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

Within twenty (20) days of receiving this summons, (60 days if you are the United States of America, 45 days if you are the State of Wisconsin or an insurance company), you must respond with a written answer, as that term is used in chapter 802 of the Wisconsin Statutes, to the complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is:

**Sheboygan County Clerk of Court  
615 N 6th Street  
Sheboygan, WI 53081-4692**

and to the plaintiff's attorney whose address is:

**Randall S. Miller & Associates, LLC**  
**342 N. Water St., Suite 600**  
**Milwaukee WI 53202**

You may have an attorney help or represent you.

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

Dated this 9th day of May, 2023.

Randall S. Miller & Associates, LLC  
Attorneys for Plaintiff

Electronically signed:

By: /s/ James D. Major  
James D. Major  
State Bar No. 1103081

Randall S. Miller & Associates, LLC  
342 N. Water St., Suite 600  
Milwaukee, WI 53202  
P: (414) 937-5992 F: (414) 921-5628  
Email: wisconsin@rsmalaw.com  
Our Case Number: 16WI00038-6



**PLEASE SERVE THE FOLLOWING DEFENDANTS AT THE FOLLOWING  
ADDRESSES:**

**Joseph Champeau  
1821 S. 15th Street  
Sheboygan, WI 53081**

**City of Sheboygan  
828 Center Avenue, Suite 103  
Sheboygan, WI 53081**

**THANK YOU**

STATE OF WISCONSIN

CIRCUIT COURT

SHEBOYGAN COUNTY  
Sheboygan County  
Clerk of Circuit Court

BankUnited N.A.  
c/o Carrington Mortgage Services, LLC  
1600 South Douglass Road Suite 200-A  
Anaheim, CA 92806

Plaintiff

Case Number:

FORECLOSURE CASE CODE -  
304042023CV000240  
Honorable Angela W.  
Sutkiewicz

Branch 3

vs.

Joseph P. Champeau  
1821 S. 15th Street  
Sheboygan, WI 53081

**COMPLAINT**

City of Sheboygan  
828 Center Avenue, Suite 103  
Sheboygan, WI 53081

Defendant

THE STATE OF WISCONSIN TO EACH DEFENDANT NAMED ABOVE:

NOW COMES the Plaintiff, BankUnited N.A., by and through its attorneys, Randall S. Miller & Associates, LLC, as and for a Complaint against the Defendants, pleads as follows:

1. The Plaintiff is the current holder of a certain note and mortgage on real estate located in Sheboygan County, Wisconsin. A true copy of the note is attached as Exhibit A and is incorporated by reference. A true copy of the mortgage is attached hereto as Exhibit B and is incorporated by reference.
2. The Defendant Mortgagor is a competent adult who, upon information and belief, resides at 1821 S. 15th Street, Sheboygan, WI 53081 (hereinafter "Property")
3. The mortgaged real estate is owned of record by Defendant Mortgagor Joseph P. Champeau.
4. On or about December 24, 2009 the Mortgagor executed and delivered a mortgage note to Bank of America, N.A., and its successors and assigns, and thereby promised to pay the principal balance of \$83,942.00 plus interest payable in accordance with the terms and provisions of said note. Plaintiff is the current holder of said note.
5. That to secure the indebtedness, the mortgagor duly executed a mortgage to Mortgage Electronic Registration Systems, Inc., solely as nominee for Bank of America, N.A., which mortgage was dated on December 24, 2009 and recorded in the Office of the Register of Deeds for Sheboygan County on January 5, 2010, as Document No. 1893913.
6. The mortgage was subsequently assigned to BankUnited N.A., by an assignment dated November 29, 2021, recorded on December 1, 2021 as Document No. 2127470. A true copy of said assignment is attached as Exhibit C.
7. That this foreclosure action brought pursuant to Chapter 846 of the Wisconsin Statutes, involves real property located in Sheboygan County, Wisconsin and legally described as follows:

**The following real estate, together with the rents, profits, fixtures and other appurtenant interests, in Sheboygan County, State of Wisconsin ("Property"):**

**Lot Five (5), Block Ten (10), according to the recorded plat of Assessment Subdivision No. 18, in the City of Sheboygan, Sheboygan County, Wisconsin.**

Commonly known as: 1821-1821A S. 15th Street, Sheboygan, WI 53081

TAX ID: 59281402390

8. The Mortgagor defaulted under the terms and conditions of the Note by failing to pay the monthly payments as they became due and the Plaintiff has declared the total amount immediately due and payable as provided in the Note and Mortgage. The following amounts are due as of January 1, 2023:
- |                     |             |
|---------------------|-------------|
| Principal Balance:  | \$61,955.13 |
| Interest Due:       | \$ 1,290.75 |
| Late Charges:       | \$ 0.00     |
| Escrow Balance:     | \$ 214.24   |
| Corporate Advances: | \$ 145.00   |
| TOTAL:              | \$63,605.12 |
9. The amount due continues to vary from day to day due to additional late charges, fees, costs and interest. Interest is accruing at the rate of 5.00000% per annum. The daily per diem is \$8.61.
10. That by reason of the aforesaid default on the part of the defendants, a notice of acceleration was given to defendants in compliance with the terms of the mortgage and note herein.
11. The plaintiff has declared the indebtedness immediately due and payable by reason of the default in the payments and has directed that foreclosure proceedings be initiated.
12. The mortgaged premises is a parcel of land with 20 acres or less; with a one to four family residence thereon which is the homestead of the defendant and cannot be sold in parcels without injury to the interests of the parties.
13. The Plaintiff has elected to proceed with foreclosure pursuant to Section 846.101 of the Wisconsin Statutes, with the foreclosure and sale to be held after the expiration of six (6) months from the date the Judgment is entered, unless the Property is determined abandoned under Section 846.102. **Plaintiff waives any deficiency judgment.**
14. Names of other persons who are joined as defendants and whose interest in or lien on the mortgaged real estate is sought to be terminated and alleged to be subordinate and inferior to the mortgage of the Plaintiff:

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed September 14, 2022 as case number 2023JT000022 in the office of the Sheboygan Circuit Court, in the sum of \$691.00, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed September 14, 2022 as case number 2023TJ000021 in the office of the Sheboygan Circuit Court, in the sum of \$250.00, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed May 11, 2022 as case number 20023TJ000020 in the office of the Sheboygan Circuit Court, in the sum of \$250.00, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed May 11, 2022 as case number 2023TJ000019 in the office of the Sheboygan Circuit Court, in the



sum of \$691.00, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed August 17, 2022 as case number 2023TJ000018 in the office of the Sheboygan Circuit Court, in the sum of \$98.80, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed February 23, 2022 as case number 2023TJ000017 in the office of the Sheboygan Circuit Court, in the sum of \$691.00, plus costs and interest, if any.

City of Sheboygan, by virtue of the Judgment for Money dated January 26, 2023 and docketed October 6, 2021 as case number 2023TJ000016 in the office of the Sheboygan Circuit Court, in the sum of \$691.00, plus costs and interest, if any.

WHEREFORE, Plaintiff demands as follows:

1. For the foreclosure and sale of the Property in accordance with Section 846.101 of the Wisconsin Statutes with the foreclosure and sale to be held after the expiration of six (6) months from the date the Judgment is entered, unless the Property is determined abandoned under Section 846.102;
2. That the amount due to the plaintiff in principal and interest, late charges, taxes, insurance, costs, and attorney's fees be determined;
3. That the Judgment provide that all rights, title and interest that the defendant and all persons claiming under them be barred from all rights in said premises, except the right to redeem before the sale as provided by law;
4. That the Defendants, Occupants, and all persons claiming under them, be enjoined from committing waste or doing any act that may impair the value of the mortgaged premises during the pendency of the action;
5. That the plaintiff may take all necessary steps to secure and winterize the subject property in the event it is abandoned by the defendants and becomes unoccupied during the redemption period or until such time as this matter is concluded;
6. That plaintiff have such other and further relief as may be just and equitable.

Dated this 9th day of May, 2023

Respectfully submitted,  
Electronically signed by:

/s/ James D. Major

James D. Major, State Bar No. 1103081  
Randall S. Miller & Associates, LLC

Attorney for Plaintiff  
Randall S. Miller & Associates, LLC  
342 N. Water St., Suite 600  
Milwaukee, WI 53202  
P: (414) 927-5992  
F: (414) 921-5628  
Email: wisconsin@rsmalaw.com  
Our Case Number: 16WI00038-6

**EXHIBIT A**

Prepared by: JENNIFER STRICKLAND

Item 6.

**Wisconsin****NOTE**

LOAN #: [REDACTED]

FHA Case No.  
WI5813799675703DECEMBER 24, 2009  
[Date]1821-1821A S. 15TH, SHEBOYGAN, WI 53081  
[Property Address]**1. PARTIES**

"Borrower" means each person signing at the end of this Note, and the person's successors and assigns. "Lender" means BANK OF AMERICA, N.A. and its successors and assigns.

**2. BORROWER'S PROMISE TO PAY; INTEREST**

In return for a loan received from Lender, Borrower promises to pay the principal sum of EIGHTY THREE THOUSAND NINE HUNDRED FORTY TWO and 00/100

Dollars (U.S. \$83,942.00), plus interest, to the order of Lender. Interest will be charged on unpaid principal, from the date of disbursement of the loan proceeds by Lender, at the rate of FIVE percent ( 5.000 %) per year until the full amount of principal has been paid.

Solely for the purpose of computing interest, a monthly payment received by the Note Holder within 30 days prior to or after the date it is due will be deemed to be paid on such due date.

**3. PROMISE TO PAY SECURED**

Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument." The Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note.

**4. MANNER OF PAYMENT****(A) Time**

Borrower shall make a payment of principal and interest to Lender on the first day of each month beginning on FEBRUARY 1ST, 2010. Any principal and interest remaining on the first day of JANUARY, 2040, will be due on that date, which is called the "Maturity Date."

**(B) Place**

Payment shall be made at P.O. Box 660694, Dallas, TX 75266-0694 or at such place as Lender may designate in writing by notice to Borrower.

**(C) Amount**

Each monthly payment of principal and interest will be in the amount of U.S. \$450.62. This amount will be part of a larger monthly payment required by the Security Instrument, that shall be applied to principal, interest and other items in the order described in the Security Instrument.

**(D) Allonge to this Note for payment adjustments**

If an allonge providing for payment adjustments is executed by Borrower together with this Note, the covenants of the allonge shall be incorporated into and shall amend and supplement the covenants of this Note as if the allonge were a part of this Note. [Check applicable box]

☐ Graduated Payment Allonge ☐ Growing Equity Allonge ☐ Other [specify]

**5. BORROWER'S RIGHT TO PREPAY**

Borrower has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty, on the first day of any month. Lender shall accept prepayment on other days provided that Borrower pays interest on the amount prepaid for the remainder of the month to the extent required by Lender and permitted by regulations of the Secretary. If Borrower makes a partial prepayment, there will be no changes in the due date or in the amount of the monthly payment unless Lender agrees in writing to those changes.

**6. BORROWER'S FAILURE TO PAY****(A) Late Charge for Overdue Payments**

If Lender has not received the full monthly payment required by the Security Instrument, as described in Paragraph 4(C) of this Note, by the end of fifteen calendar days after the payment is due, Lender may collect a late charge in the amount of FOUR percent ( 4.000 %) of the overdue amount of each payment.

**(B) Default**

If Borrower defaults by failing to pay in full any monthly payment, then Lender may, except as limited by regulations of the Secretary in the case of payment defaults, require immediate payment in full of the principal balance remaining due and all accrued interest. Lender may choose not to exercise this option without waiving its rights in the event of any subsequent default. In many circumstances regulations issued by the Secretary will limit Lender's rights to require immediate payment in full in the case of payment defaults. This Note does not authorize acceleration when not permitted by HUD regulations. As used in this Note, "Secretary" means the Secretary of Housing and Urban Development or his or her designee.

F Fixed Rate Note-WI  
2001R-WI (03/07)(d/f)

Page 1 of 2

FHA Wisconsin Fixed Rate Note - 10/95



CASE #:

LOAN #:

**(C) Payment of Costs and Expenses**

If Lender has required immediate payment in full, as described above, Lender may require Borrower to pay costs and expenses including reasonable and customary attorneys' fees for enforcing this Note to the extent not prohibited by applicable law. Such fees and costs shall bear interest from the date of disbursement at the same rate as the principal of this Note.

**7. WAIVERS**

Borrower and any other person who has obligations under this Note waive the rights of presentment and notice of dishonor. "Presentment" means the right to require Lender to demand payment of amounts due. "Notice of dishonor" means the right to require Lender to give notice to other persons that amounts due have not been paid.

**8. GIVING OF NOTICES**

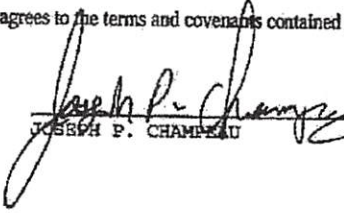
Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the property address above or at a different address if Borrower has given Lender a notice of Borrower's different address.

Any notice that must be given to Lender under this Note will be given by first class mail to Lender at the address stated in Paragraph 4(B) or at a different address if Borrower is given a notice of that different address.

**9. OBLIGATIONS OF PERSONS UNDER THIS NOTE**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Lender may enforce its rights under this Note against each person individually or against all signatories together. Any one person signing this Note may be required to pay all of the amounts owed under this Note.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Note.

  
JOSEPH P. CHAMPEAU

(Seal)

-Borrower

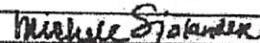
PAY TO THE ORDER OF

(Seal)

-Borrower

WITHOUT RECOURSE  
BANK OF AMERICA, N.A.

BY



(Seal)

-Borrower

MICHELE SJLANDER  
SENIOR VICE PRESIDENT

(Seal)

-Borrower

[Sign Original Only]

**EXHIBIT B**

Page 3 of 35

SHEBOYGAN COUNTY, WI  
RECORDED ON  
01/05/2010 12:23PM

Item 6.

ELLEN R. SCHLEICHER  
REGISTER OF DEEDSRECORDING FEE: \$21.00  
TRANSFER FEE:  
EXEMPTION # NASTAFF ID 5  
TRANS # 143936  
# OF PAGES: 6**MORTGAGE**

DOCUMENT NUMBER:

NAME & RETURN ADDRESS:  
BANK OF AMERICA, N.A.  
ReconTrust Co./TX2-979-01-07  
P.O. Box 619003  
Dallas, TX 75261-9003PARCEL IDENTIFIER NUMBER:  
59281402390

[Space Above This Line]

FHA Case No.

415813799675703

State of Wisconsin

MIN 1000255-0000381323-3

THIS MORTGAGE ("Security Instrument") is given on DECEMBER 24, 2009. The Mortgagor is JOSEPH P CHAMPEAU, A SINGLE PERSON

("Borrower"). This Security Instrument is given to Mortgage Electronic Registration Systems, Inc. ("MERS"), (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns), as mortgagee. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Filad, MI 48501-2026, tel. (888) 678-MERS.

BANK OF AMERICA, N.A.

("Lender") is organized and existing under the laws of THE UNITED STATES

, and has an address of

101 South Tryon Street, Charlotte, NC 28255

Borrower owes Lender the principal sum of

EIGHTY THREE THOUSAND NINE HUNDRED FORTY TWO and 00/100

Dollars (U.S. \$ 83,942.00

). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JANUARY 01, 2040.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, with power of sale, the following described property located in SHEBOYGAN

County, Wisconsin:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

FHA Wisconsin Mortgage with MERS - 4/96

MERS FHA Mortgage-WI  
2004N-WI (11/07) (dt)

Page 1 of 6

Amended 2/01

**MORTGAGE****DOCUMENT NUMBER:****NAME & RETURN ADDRESS:**

BANK OF AMERICA, N.A.  
 ReconTrust Co./TX2-979-01-07  
 P.O. Box 619003  
 Dallas, TX 75261-9003

This Mortgage has been  
 electronically recorded

**PARCEL IDENTIFIER NUMBER:**

59281402390

[Space Above This Line For Recording Data]

FHA Case No.

WIS813799675703

State of Wisconsin

MIN 1000255-0000381323-3

THIS MORTGAGE ("Security Instrument") is given on DECEMBER 24, 2009. The Mortgagor is JOSEPH P CHAMPEAU, A SINGLE PERSON

("Borrower"). This Security Instrument is given to Mortgage Electronic Registration Systems, Inc. ("MERS"), (solely as nominee for Lender, as hereinafter defined, and Lender's successors and assigns), as mortgagee. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888).679-MERS.

BANK OF AMERICA, N.A.

("Lender") is organized and existing under the laws of THE UNITED STATES

101 South Tryon Street, Charlotte, NC 28255

Borrower owes Lender the principal sum of

EIGHTY THREE THOUSAND NINE HUNDRED FORTY TWO and 00/100

Dollars (U.S. \$ 83,942.00

). This debt is evidenced by Borrower's note dated the same date as this Security Instrument ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on JANUARY 01, 2040. This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note, with interest, and all renewals, extensions and modifications of the Note; (b) the payment of all other sums, with interest, advanced under paragraph 7 to protect the security of this Security Instrument; and (c) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, with power of sale, the following described property located in SHEBOYGAN County, Wisconsin:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

FHA Wisconsin Mortgage with MERS - 4/66

MERS FHA Mortgage-WI  
 2004N-WI (11/07)(d)

Page 1 of 5

Amended 2/01



CASE #:

DOC ID #:

which has the address of

1821-1821A S. 15TH, SHEBOYGAN  
(Street, City)Wisconsin 53081  
(Zip Code)

("Property Address");

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument; but, if necessary to comply with law or custom, MERS, (as nominee for Lender and Lender's successors and assigns), has the right to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of Lender including, but not limited to, releasing or cancelling this Security Instrument.

**BORROWER COVENANTS** that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

**THIS SECURITY INSTRUMENT** combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

Borrower and Lender covenant and agree as follows:

#### UNIFORM COVENANTS.

1. **Payment of Principal, Interest and Late Charge.** Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and late charges due under the Note.

2. **Monthly Payment of Taxes, Insurance and Other Charges.** Borrower shall include in each monthly payment, together with the principal and interest as set forth in the Note and any late charges, a sum for (a) taxes and special assessments levied or to be levied against the Property, (b) leasehold payments or ground rents on the Property, and (c) premiums for insurance required under paragraph 4. In any year in which the Lender must pay a mortgage insurance premium to the Secretary of Housing and Urban Development ("Secretary"), or in any year in which such premium would have been required if Lender still held the Security Instrument, each monthly payment shall also include either: (i) a sum for the annual mortgage insurance premium to be paid by Lender to the Secretary, or (ii) a monthly charge instead of a mortgage insurance premium if this Security Instrument is held by the Secretary, in a reasonable amount to be determined by the Secretary. Except for the monthly charge by the Secretary, these items are called "Escrow Items" and the sums paid to Lender are called "Escrow Funds."

Lender may, at any time, collect and hold amounts for Escrow Items in an aggregate amount not to exceed the maximum amount that may be required for Borrower's escrow account under the Real Estate Settlement Procedures Act of 1974, 12 U.S.C. Section 2601 et seq. and implementing regulations, 24 CFR Part 3500, as they may be amended from time to time ("RESPA"), except that the cushion or reserve permitted by RESPA for unanticipated disbursements or disbursements before the Borrower's payments are available in the account may not be based on amounts due for the mortgage insurance premium.

If the amounts held by Lender for Escrow Items exceed the amounts permitted to be held by RESPA, Lender shall account to Borrower for the excess funds as required by RESPA. If the amounts of funds held by Lender at any time are not sufficient to pay the Escrow Items when due, Lender may notify the Borrower and require Borrower to make up the shortage as permitted by RESPA.

The Escrow Funds are pledged as additional security for all sums secured by this Security Instrument. If Borrower tenders to Lender the full payment of all such sums, Borrower's account shall be credited with the balance remaining for all installment items (a), (b), and (c) and any mortgage insurance premium installment that Lender has not become obligated to pay to the Secretary, and Lender shall promptly refund any excess funds to Borrower. Immediately prior to a foreclosure sale of the Property or its acquisition by Lender, Borrower's account shall be credited with any balance remaining for all installments for items (a), (b), and (c).

3. **Application of Payments.** All payments under paragraphs 1 and 2 shall be applied by Lender as follows:  
First, to the mortgage insurance premium to be paid by Lender to the Secretary or to the monthly charge by the Secretary instead of the monthly mortgage insurance premium;  
Second, to any taxes, special assessments, leasehold payments or ground rents, and fire, flood and other hazard insurance premiums, as required;

Third, to interest due under the Note;

Fourth, to amortization of the principal of the Note; and

Fifth, to late charges due under the Note.

4. **Fire, Flood and Other Hazard Insurance.** Borrower shall insure all improvements on the Property, whether now in existence or subsequently erected, against any hazards, casualties, and contingencies, including fire, for which Lender requires insurance. This insurance shall be maintained in the amounts and for the periods that Lender requires. Borrower shall also insure all improvements on the Property, whether now in existence or subsequently erected, against loss by floods to the extent required by the Secretary. All insurance shall be carried with companies approved by Lender. The insurance policies and any renewals shall be held by Lender and shall include loss payable clauses in favor of, and in a form acceptable to, Lender.

In the event of loss, Borrower shall give Lender immediate notice by mail. Lender may make proof of loss if not made promptly by Borrower. Each insurance company concerned is hereby authorized and directed to make payment for such loss directly to Lender, instead of to Borrower and to Lender jointly. All or any part of the insurance proceeds may be applied by Lender, at its option, either (a) to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order in paragraph 3, and then to prepayment of principal, or (b) to the restoration or repair of the damaged Property. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments which are referred to in paragraph 2, or change the amount of such payments. Any excess insurance proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

In the event of foreclosure of this Security Instrument or other transfer of title to the Property that extinguishes the indebtedness, all right, title and interest of Borrower in and to insurance policies in force shall pass to the purchaser.



CASE #:

DOC ID #:

5. **Occupancy, Preservation, Maintenance and Protection of the Property; Borrower's Loan Application; Leaseholds.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within sixty days after the execution of this Security Instrument (or within sixty days of a later sale or transfer of the Property) and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender determines that requirement will cause undue hardship for Borrower, or unless extenuating circumstances exist which are beyond Borrower's control. Borrower shall notify Lender of any extenuating circumstances. Borrower shall not commit waste or destroy, damage or substantially change the Property or allow the Property to deteriorate, reasonable wear and tear excepted. Lender may inspect the Property if the Property is vacant or abandoned or the loan is in default. Lender may take reasonable action to protect and preserve such vacant or abandoned Property. Borrower shall also be in default if Borrower, during the loan application process, gave materially false or inaccurate information or statements to Lender (or failed to provide Lender with any material information) in connection with the loan evidenced by the Note, including, but not limited to, representations concerning Borrower's occupancy of the Property as a principal residence. If this Security Instrument is on a leasehold, Borrower shall comply with the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and fee title shall not be merged unless Lender agrees to the merger in writing.

6. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of any part of the Property, or for conveyance in place of condemnation, are hereby assigned and shall be paid to Lender to the extent of the full amount of the indebtedness that remains unpaid under the Note and this Security Instrument. Lender shall apply such proceeds to the reduction of the indebtedness under the Note and this Security Instrument, first to any delinquent amounts applied in the order provided in paragraph 3, and then to prepayment of principal. Any application of the proceeds to the principal shall not extend or postpone the due date of the monthly payments, which are referred to in paragraph 2, or change the amount of such payments. Any excess proceeds over an amount required to pay all outstanding indebtedness under the Note and this Security Instrument shall be paid to the entity legally entitled thereto.

7. **Charges to Borrower and Protection of Lender's Rights in the Property.** Borrower shall pay all governmental or municipal charges, fines and impositions that are not included in paragraph 2. Borrower shall pay these obligations on time directly to the entity which is owed the payment. If failure to pay would adversely affect Lender's interest in the Property, upon Lender's request Borrower shall promptly furnish to Lender receipts evidencing these payments.

If Borrower fails to make these payments or the payments required by paragraph 2, or fails to perform any other covenants and agreements contained in this Security Instrument, or there is a legal proceeding that may significantly affect Lender's rights in the Property (such as a proceeding in bankruptcy, for condemnation or to enforce laws or regulations), then Lender may do and pay whatever is necessary to protect the value of the Property and Lender's rights in the Property, including payment of taxes, hazard insurance and other items mentioned in paragraph 2.

Any amounts disbursed by Lender under this paragraph shall become an additional debt of Borrower and be secured by this Security Instrument. These amounts shall bear interest from the date of disbursement, at the Note rate, and at the option of Lender, shall be immediately due and payable.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender; (b) contests in good faith the lien by, or defends against enforcement of the lien in, legal proceedings which in the Lender's opinion operate to prevent the enforcement of the lien; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which may attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien. Borrower shall satisfy the lien or take one or more of the actions set forth above within 10 days of the giving of notice.

8. **Fees.** Lender may collect fees and charges authorized by the Secretary.

9. **Grounds for Acceleration of Debt.**

(a) **Default.** Lender may, except as limited by regulations issued by the Secretary, in the case of payment defaults, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) Borrower defaults by failing to pay in full any monthly payment required by this Security Instrument prior to or on the due date of the next monthly payment, or
- (ii) Borrower defaults by failing, for a period of thirty days, to perform any other obligations contained in this Security Instrument.

(b) **Sale Without Credit Approval.** Lender shall, if permitted by applicable law (including Section 341(d) of the Garn-St. Germain Depository Institutions Act of 1982, 12 U.S.C. 1701j-3(d)) and with the prior approval of the Secretary, require immediate payment in full of all sums secured by this Security Instrument if:

- (i) All or part of the Property, or a beneficial interest in a trust owning all or part of the Property, is sold or otherwise transferred (other than by devise or descent), and
- (ii) The Property is not occupied by the purchaser or grantee as his or her principal residence, or the purchaser or grantee does so occupy the Property but his or her credit has not been approved in accordance with the requirements of the Secretary.

(c) **No Waiver.** If circumstances occur that would permit Lender to require immediate payment in full, but Lender does not require such payments, Lender does not waive its rights with respect to subsequent events.

(d) **Regulations of HUD Secretary.** In many circumstances regulations issued by the Secretary will limit Lender's rights, in the case of payment defaults, to require immediate payment in full and foreclose if not paid. This Security Instrument does not authorize acceleration or foreclosure if not permitted by regulations of the Secretary.

(e) **Mortgage Not Insured.** Borrower agrees that if this Security Instrument and the Note are not determined to be eligible for insurance under the National Housing Act within 60 days from the date hereof, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument. A written statement of any authorized agent of the Secretary dated subsequent to 60 days from the date hereof, declining to insure this Security Instrument and the Note, shall be deemed conclusive proof of such ineligibility. Notwithstanding the foregoing, this option may not be exercised by Lender when the unavailability of insurance is solely due to Lender's failure to remit a mortgage insurance premium to the Secretary.

10. **Reinstatement.** Borrower has a right to be reinstated if Lender has required immediate payment in full because of Borrower's failure to pay an amount due under the Note or this Security Instrument. This right applies even after foreclosure proceedings are instituted. To reinstate the Security Instrument, Borrower shall tender in a lump sum all amounts required to



CASE #:

DOC ID #:

bring Borrower's account current including, to the extent they are obligations of Borrower under this Security Instrument, foreclosure costs and reasonable and customary attorneys' fees and expenses properly associated with the foreclosure proceeding. Upon reinstatement by Borrower, this Security Instrument and the obligations that it secures shall remain in effect as if Lender had not required immediate payment in full. However, Lender is not required to permit reinstatement if: (i) Lender has accepted reinstatement after the commencement of foreclosure proceedings within two years immediately preceding the commencement of a current foreclosure proceeding, (ii) reinstatement will preclude foreclosure on different grounds in the future, or (iii) reinstatement will adversely affect the priority of the lien created by this Security Instrument.

11. **Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time of payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to any successor in interest of Borrower shall not operate to release the liability of the original Borrower or Borrower's successor in interest. Lender shall not be required to commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or Borrower's successors in interest. Any forbearance by Lender in exercising any right or remedy shall not be a waiver of or preclude the exercise of any right or remedy.

12. **Successors and Assigns Bound; Joint and Several Liability; Co-Signers.** The covenants and agreements of this Security Instrument shall bind and benefit the successors and assigns of Lender and Borrower, subject to the provisions of paragraph 9(b). Borrower's covenants and agreements shall be joint and several. Any Borrower who co-signs this Security Instrument but does not execute the Note: (a) is co-signing this Security Instrument only to mortgage, grant and convey that Borrower's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower may agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without that Borrower's consent.

13. **Notices.** Any notice to Borrower provided for in this Security Instrument shall be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice shall be directed to the Property Address or any other address Borrower designates by notice to Lender. Any notice to Lender shall be given by first class mail to Lender's address stated herein or any address Lender designates by notice to Borrower. Any notice provided for in this Security Instrument shall be deemed to have been given to Borrower or Lender when given as provided in this paragraph.

14. **Governing Law; Severability.** This Security Instrument shall be governed by Federal law and the law of the jurisdiction in which the Property is located. In the event that any provision or clause of this Security Instrument or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision. To this end the provisions of this Security Instrument and the Note are declared to be severable.

15. **Borrower's Copy.** Borrower shall be given one conformed copy of the Note and of this Security Instrument.

16. **Hazardous Substances.** Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property that is in violation of any Environmental Law. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property.

Borrower shall promptly give Lender written notice of any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge. If Borrower learns, or is notified by any governmental or regulatory authority, that any removal or other remediation of any Hazardous Substances affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law.

As used in this paragraph 16, "Hazardous Substances" are those substances defined as toxic or hazardous substances by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. As used in this paragraph 16, "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection.

**NON-UNIFORM COVENANTS.** Borrower and Lender further covenant and agree as follows:

17. **Assignment of Rents.** To the extent permitted by applicable law, Borrower unconditionally assigns and transfers to Lender all the rents and revenues of the Property. Borrower authorizes Lender or Lender's agents to collect the rents and revenues and hereby directs each tenant of the Property to pay the rents to Lender or Lender's agents. However, prior to Lender's notice to Borrower of Borrower's breach of any covenant or agreement in the Security Instrument, Borrower shall collect and receive all rents and revenues of the Property as trustee for the benefit of Lender and Borrower. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

If Lender gives notice of breach to Borrower: (a) all rents received by Borrower shall be held by Borrower as trustee for benefit of Lender only, to be applied to the sums secured by the Security Instrument; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

Borrower has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this paragraph 17.

Lender shall not be required to enter upon, take control of or maintain the Property before or after giving notice of breach to Borrower. However, Lender or a judicially appointed receiver may do so at any time there is a breach. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Security Instrument is paid in full.

18. **Foreclosure Procedure.** If Lender requires immediate payment in full under paragraph 9, Lender may invoke the power of sale and any other remedies permitted by applicable law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this paragraph 18, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall give notice of sale in the manner prescribed by applicable law to Borrower and to the other persons prescribed by applicable law. Lender shall publish the notice of sale, and the Property shall be sold in the manner prescribed by applicable law. Lender or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including,



CASE #:

DOC ID #:

but not limited to, reasonable attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the clerk of the circuit court of the county in which the sale is held.

If the Lender's interest in this Security Instrument is held by the Secretary and the Secretary requires immediate payment in full under Paragraph 9, the Secretary may invoke the nonjudicial power of sale provided in the Single Family Mortgage Foreclosure Act of 1994 ("Act") (12 U.S.C. 3751 et seq.) by requesting a foreclosure commissioner designated under the Act to commence foreclosure and to sell the Property as provided in the Act. Nothing in the preceding sentence shall deprive the Secretary of any rights otherwise available to a Lender under this Paragraph 18 or applicable law.

19. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument without charge to Borrower. Borrower shall pay any recordation costs.

20. Accelerated Redemption Periods. If (a) the Property is 20 acres or less in size, (b) Lender in an action to foreclose this Security Instrument waives all right to a judgment for deficiency and (c) Lender consents to Borrower's remaining in possession of the Property, then the sale of the Property may be 6 months from the date the judgment is entered if the Property is owner-occupied at the time of the commencement of the foreclosure action. If conditions (b) and (c) above are met and the Property is not owner-occupied at the time of the commencement of the foreclosure action, then the sale of the Property may be 3 months from the date the judgment is entered. In any event, if the Property has been abandoned, then the sale of the Property may be 2 months from the date the judgment is entered.

21. Attorneys' Fees. If this Security Instrument is subject to Chapter 428 of the Wisconsin Statutes, "reasonable attorneys' fees" shall mean only those attorneys' fees allowed by that Chapter.

22. Riders to this Security Instrument. If one or more riders are executed by Borrower and recorded together with this Security Instrument, the covenants of each such rider shall be incorporated into and shall amend and supplement the covenants and agreements of this Security Instrument as if the rider(s) were a part of this Security Instrument. [Check applicable box(es)].

☐ Condominium Rider

☐ Planned Unit Development Rider

☐ Growing Equity Rider

☐ Graduated Payment Rider

☐ Other [specify]

BY SIGNING BELOW, Borrower accepts and agrees to the terms contained in this Security Instrument and in any rider(s) executed by Borrower and recorded with it.

*Joseph P. Champagne*  
JOSEPH P. CHAMPEAU

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

STATE OF WISCONSIN, *Sherburne*

The foregoing instrument was acknowledged before me this *2nd* day of *December*, 2009  
by *Joseph P. Champagne*

My Commission Expires:

*August 8, 2010*

*Yvonne Westerhausen*  
Notary Public, State of Wisconsin

*Yvonne Westerhausen*

This instrument was prepared by:

JENNIFER STRICKLAND

BANK OF AMERICA, N.A.

1305 MALL OF GEORGIA BL, #200, BUFORD, GA 30519



## EXHIBIT A

THE FOLLOWING REAL ESTATE, TOGETHER WITH THE RENTS,  
PROFITS, FIXTURES AND OTHER APPURTENANT INTERESTS, IN  
SHEBOYGAN COUNTY, STATE OF WISCONSIN ("PROPERTY"):

LOT FIVE (5), BLOCK TEN (10), ACCORDING TO THE RECORDED  
PLAT OF ASSESSMENT SUBDIVISION NO. 18, IN THE CITY OF  
SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN.

TAX MAP OR PARCEL ID NO.: 59281402390 ADDRESS: 1821-1821A  
S. 15TH; SHEBOYGAN, WI 53081

## EXHIBIT C

Item 6.

**2127470**  
**SHEBOYGAN COUNTY, WI**  
**RECORDED ON**  
**12/01/2021 04:10 PM**  
**ELLEN R. SCHLEICHER**  
**REGISTER OF DEEDS**  
**RECORDING FEE: 30.00**  
**TRANSFER FEE:**  
**EXEMPTION #**  
**Cashier ID: 3**  
**PAGES: 2**

Assignment of Mortgage

## Recording Area

## Name and Return Address

Randall S. Miller & Associates, LLC  
120 N. LaSalle, Ste. 1140  
Chicago IL 60602

59281402390

Parcel Identification Number (PIN)

RSMA Case # 16WI00038-4

This information must be completed by submitter: document title, county & return address, and PIN (if required). Other information such as  
granting clause, legal description, etc., may be placed on this first page of the document or may be placed on additional pages of the document.  
Note: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wisconsin Statutes, §66.03(7a). USE BLACK  
INK. WSDA 5/1/99

## ASSIGNMENT OF MORTGAGE

16W100038-4

KNOW ALL MEN BY THESE PRESENTS: That Carrington Mortgage Services, LLC, for an in consideration of the sum of One Dollar (\$1.00), lawful money of the United States of America, to it in hand paid by:

BankUnited N.A., the Assignee, whose address is c/o Carrington Mortgage Services, LLC, 1600 South Douglas Road, Suite 200-A, Anaheim, CA 92806, the receipt whereof is hereby acknowledged, has assigned, and transferred, and hereby does assign and transfer to the said Assignee, all its right, title, and interest in and to a certain real estate mortgage, dated December 24, 2009, made by Joseph P. Champagne, A single person to Mortgage Electronic Registration Systems, Inc., solely as nominee for Bank Of America, N.A., recorded January 5, 2010 in Sheboygan County Records as Document Number 1893913, covering land situated in the City of Sheboygan, Sheboygan County, State of WI, described as:

The following real estate, together with the rents, profits, fixtures and other appurtenance interests, in Sheboygan County, State of Wisconsin ("Property"):

Lot Five (5), Block Ten (10), according to the recorded plat of Assessment Subdivision No. 18, in the City of Sheboygan, Sheboygan County, Wisconsin.

Tax ID: 59281402390

Commonly Known as: 1821-1821A S. 15th, Sheboygan, WI 53081

Dated this 29 day of November, 2021 Carrington Mortgage Services, LLC

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

By: [Signature] NOV 29 2021  
Its: Veronica Robles  
Default Supervisor

STATE OF CALIFORNIA )

COUNTY OF ORANGE )

On NOV 29 2021 before me, Jeanette Marie Vargas Notary Public personally appeared Veronica Robles who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Drafted by & when recorded return to:  
La Pet Lee  
Randall S. Miller & Associates, LLC  
342 N. Water Street, Suite 613,  
Milwaukee, WI 53202





**2080348**  
**SHEBOYGAN COUNTY, WI**  
**RECORDED ON**  
**10/15/2019 10:16 AM**  
**ELLEN R. SCHLEICHER**  
**REGISTER OF DEEDS**  
**RECORDING FEE: 30.00**  
**TRANSFER FEE:**  
**EXEMPTION #**  
**Cashier ID: 8**  
**PAGES: 2**

Assignment of Mortgage

Recording Area

Name and Return Address

Randall S. Miller & Associates, LLC  
120 N. LaSalle, Ste. 1140  
Chicago IL 60602

59281402390

Parcel Identification Number (PIN)

RSMA Case # 16WI00038-3

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as granting clauses, legal description, etc., may be placed on this first page of the document or may be placed on additional pages of the document. Note: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wisconsin Statutes, §9.43(2m). USE BLACK INK. WRDA 5/1999

## ASSIGNMENT OF MORTGAGE

16WJ00038-3

KNOW ALL MEN BY THESE PRESENTS: That the BankUnited, N.A., for an in consideration of the sum of **One Dollar (\$1.00)**, lawful money of the United States of America, to it in hand paid by:

**Carrington Mortgage Services, LLC**, the Assignee, whose address is c/o Carrington Mortgage Services, LLC, 1600 South Douglass Road, Suite 200-A, Anaheim, CA 92806, the receipt whereof is hereby acknowledged, has assigned, and transferred, and hereby does assign and transfer to the said Assignee, all its right, title, and interest in and to a certain real estate mortgage, dated December 24, 2009, made by **Joseph P Champeau, A single person to Mortgage Electronic Registration Systems, Inc., solely as nominee for Bank Of America, N.A.,** recorded January 5, 2010 in Sheboygan County Records as **Document Number 1893913**, covering land situated in the **City of Sheboygan, Sheboygan County, State of WI**, described as:

The following real estate, together with the rents, profits, fixtures and other appurtenant interests, in Sheboygan County, State of Wisconsin ("Property"):

Lot Five (5), Block Ten (10), according to the recorded plat of assessment Subdivision No. 18, in the City of Sheboygan, Sheboygan County, Wisconsin.

Tax ID: 59281402390

Commonly known as: 1821-1821A S. 15th, Sheboygan, WI 53081

Dated this 10 day of October

BankUnited, N.A. by Carrington Mortgage Services, LLC as Attorney-in-Fact

By:

Its:

*Magda Awad*  
Magda Awad  
Default Supervisor-Foreclosure

STATE OF CALIFORNIA }

COUNTY OF ORANGE }

On **OCT 10 2019**

before me

**Tricia L. Cannon**

personally appeared Magda Awad who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

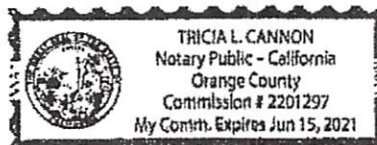
Witness my hand and official seal.

*Tricia L. Cannon*

Notary Public

**Tricia L. Cannon**

Drafted by & when recorded return to:  
La Pet Lee  
Randall S. Miller & Associates, LLC  
342 N. Water Street, Suite 613  
Milwaukee, WI 53202



**2069460**  
**SHEBOYGAN COUNTY, WI**  
**RECORDED ON**  
**03/01/2019 09:38 AM**  
**ELLEN R. SCHLEICHER**  
**REGISTER OF DEEDS**  
**RECORDING FEE: 30.00**  
**TRANSFER FEE:**  
**EXEMPTION #**  
**Cashier ID: 9**  
**PAGES: 2**

Assignment of Mortgage

## Recording Area

## Name and Return Address

Randall S. Miller & Associates, LLC  
120 N. LaSalle, Ste. 1140  
Chicago IL 60602

59281402390

Parcel Identification Number (PIN)

RSMA Case # 16W100038-2

This information must be completed by submitter: document title, name & return address, and PIN (if required). Other information such as  
granting clauses, legal description, etc., may be placed on this first page of the document or may be placed on additional pages of the document.  
Note: Use of this cover page adds one page to your document and \$2.00 to the recording fee. Wisconsin Statutes, § 443(2m). USE BLACK  
INK. WRDA 5/15/99



## ASSIGNMENT OF MORTGAGE

16WI00038-2

KNOW ALL MEN BY THESE PRESENTS: That the Carrington Mortgage Services, LLC, for an in consideration of the sum of One Dollar (\$1.00), lawful money of the United States of America, to it in hand paid by: BankUnited N.A., the Assignee, whose address is c/o Carrington Mortgage Services, LLC, 1600 South Douglass Road, Suite 200-A, Anaheim, CA 92806, the receipt whereof is hereby acknowledged, has assigned, and transferred, and hereby does assign and transfer to the said Assignee, all its right, title, and interest in and to a certain real estate mortgage, dated December 24, 2009, made by Joseph P Champenu, A single person to Mortgage Electronic Registration Systems, Inc. acting solely as nominee for Bank Of America, N.A., recorded January 5, 2010 in Sheboygan County Records as Document Number 1893913, covering land situated in the City of Sheboygan, Sheboygan County, State of WI, described as:

The following real estate, together with the rents, profits, fixtures and other appurtenant interests, in Sheboygan County, State of Wisconsin ("Property"):

Lot Five (5), Block Ten (10), according to the recorded plat of assessment Subdivision No. 18, in the City of Sheboygan, Sheboygan County, Wisconsin.

Tax ID: 59281402390

Commonly known as: 1821-1821A S. 15th, Sheboygan, WI 53081

Dated this 13 day of February, 2019 Carrington Mortgage Services, LLC

By: [Signature]

Magda Awad

Its:

Default Supervisor-Foreclosure

STATE OF CALIFORNIA )

COUNTY OF ORANGE )

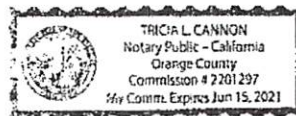
On FEB 13 2019 before me Tricia L. Cannon  
personally appeared Magda Awad who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

[Signature]  
Notary Public

Drafted by & when recorded return to:  
La Poi Lee  
Randall S. Miller & Associates, LLC  
120 North LaSalle Street, Suite 1140  
Chicago, IL 60602



3/28/16

## Assignment of Mortgage

Document Date

Document Title:

2025169

SHEBOYGAN COUNTY, WI

RECORDED ON

08/08/2016 3:59 PM

ELLEN R. SCHLEICHER

REGISTER OF DEEDS

RECORDING FEE: 30.00

EXEMPTION #

Cashier ID: 5

PAGES: 3

## Recording Area

## Name and Return Address

Orion Financial Group Inc  
2860 Exchange Blvd Ste 100  
Southlake, TX 76092

env

Parcel ID: 59281402390

RECORDING REQUESTED BY AND WHEN  
RECORDED MAIL TO:

CARRINGTON MORTGAGE SERVICES LLC.,  
1600 SOUTH DOUGLASS ROAD  
SUITE 200-A  
ANAHEIM, CA 92806  
ATTN: COLLATERAL DEPT

SPACE ABOVE THIS LINE FOR RECORDER'S USE

### Assignment of Mortgage

Date of Assignment: MAR 28 2016

Assignor: BANK OF AMERICA, N.A. s/b/m/ BAC Home Loans Servicing, LP f/k/a Countrywide Home Loans Servicing LP.

Assignee: CARRINGTON MORTGAGE SERVICES, LLC

Executed By: JOSEPH P CHAMPEAU To BANK OF AMERICA, N.A Date of Mortgage: 12/24/2009 Recorded  
1/5/2010 in Book/Reel/Liber: N/A Page: N/A as Instrument/CFN No.: 1893913 in Official Records of the  
SHEBOYGAN County/Parish/Township, State of WI

Property Address: 1821 S 15<sup>TH</sup> UNIT 1821A SHEBOYGAN WI 53081-5731  
1821-1821A S. 15<sup>TH</sup>

Legal description attached as exhibit A

THE FOLLOWING REAL ESTATE, TOGETHER WITH THE RENTS,  
PROFITS, FIXTURES AND OTHER APPURTENANT INTERESTS, IN  
SHEBOYGAN COUNTY, STATE OF WISCONSIN ("PROPERTY"):

LOT FIVE (5), BLOCK TEN (10), ACCORDING TO THE RECORDED  
PLAT OF ASSESSMENT SUBDIVISION NO. 18, IN THE CITY OF  
SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN.

TAX MAP OR PARCEL ID NO.: 59281402390 ADDRESS: 1821-1821A  
S. 15TH; SHEBOYGAN, WI 53081

KNOW ALL MEN BY THESE PRESENTS that in consideration of the sum of TEN and NO/100ths DOLLARS and other good and valuable consideration, paid to the above named assignor, the receipt and sufficiency of which is hereby acknowledged, said Assignor here by assigns unto the above-named Assignee, the said Mortgage, secured thereby, which all moneys now owning or that may hereafter become due or owning in respect thereof, and the full benefit of all the powers and of all the covenants and provisos therein contained, and the said Assignor hereby Grants and conveys unto the said Assignee, the Assignor's beneficial interest under the Mortgage.



Assignment of Mortgage Page 2 of 2  
Loan # [REDACTED]

TO HAVE AND TO HOLD the said Mortgage, and the said property unto the said Assignee forever, subject to the terms contained in the said Mortgage IN WITNESS WHEREOF, the assignor has executed these presents the day and year first above written.

Dated:

MAR 28 2016

CARRINGTON MORTGAGE SERVICES, LLC. As attorney in fact for  
BANK OF AMERICA, N.A. s/b/m BAC Home Loans Servicing, LP f/k/a  
Countrywide Home Loans Servicing LP.

Witness: Sherilyn Mahuma

By: Chris Lechtanski, AVP - Default

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document

State of CALIFORNIA  
County of ORANGE

On MAR 28 2016, before me, W.SOLANO, Notary Public personally appeared Chris Lechtanski, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of CA that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Notary Public: W.SOLANO



**ASSIGNMENT OF MORTGAGE**

Recording Requested By:  
Bank of America  
Prepared By: Danilo Cuenca  
800-444-4302  
When recorded mail to:  
CoreLogic  
450 E. Boundary St.  
Attn: Release Dept.  
Chapin, SC 29036

Tax ID: 59281402390  
Property Address:  
1821 S 15th St Unit 1821A  
Sheboygan, WI 53081-5731

**1948212**  
**SHEBOYGAN COUNTY, WI**  
RECORDED ON  
**07/11/2012 1:37 PM**  
**ELLEN R. SCHLEICHER**  
**REGISTER OF DEEDS**  
**RECORDING FEE: 30.00**  
**EXEMPTION #**  
Cashier ID: 9  
PAGES: 1

This space for Recorder's use

MIN #: 1000255-0000381323-3 MERS Phone #: 888-679-6377

For Value Received, the undersigned holder of a Mortgage (herein "Assignor") whose address is 1901 E Voorhees Street, Suite C, Danville, IL 61834 does hereby grant, sell, assign, transfer and convey unto **BANK OF AMERICA, N.A., SUCCESSOR BY MERGER TO BAC HOME LOAN SERVICING, LP FKA COUNTRYWIDE HOME LOANS SERVICING, LP** whose address is C/O BAC, M/C: CA6-914-01-43, 1800 Tapo Canyon Road, Simi Valley, CA 93063 all beneficial interest under that certain Mortgage described below together with the note(s) and obligations therein described and the money due and to become due thereon with interest and all rights accrued or to accrue under said Mortgage.

Original Lender: **BANK OF AMERICA, N.A.**  
Mortgagor(s): **JOSEPH P CHAMPEAU, A SINGLE PERSON**  
Date of Mortgage: **12/24/2009**  
Original Loan Amount: **\$83,942.00**

Recorded in Sheboygan County, WI on: 1/5/2010, book N/A, page N/A and instrument number 1893913

## Property Legal Description:

**THE FOLLOWING REAL ESTATE, TOGETHER WITH THE RENTS, PROFITS, FIXTURES AND OTHER APPURTENANT INTERESTS, IN SHEBOYGAN COUNTY, STATE OF WISCONSIN ("PROPERTY"): LOT FIVE (5), BLOCK TEN (10), ACCORDING TO THE RECORDED PLAT OF ASSESSMENT SUBDIVISION NO. 18, IN THE CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN. TAX MAP OR PARCEL ID NO.: 59281402390 ADDRESS: 1821-1821A S. 15TH; SHEBOYGAN, WI 53081**

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Mortgage to be executed on

7-9-12

## MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

Witness:

Beverly Brooks

By:

Martha Munoz Vice President

State of California  
County of Ventura

On JUL 09 2012 before me, VAZRIK SARAFIANS, Notary Public, personally appeared Martha Munoz, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

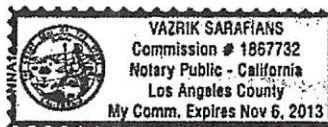
Notary Public:

VAZRIK SARAFIANS

My Commission Expires:

NOV/06/2013

(Seal)



**CITY OF SHEBOYGAN  
R. O. 32-23-24**

**BY CITY CLERK.**

**AUGUST 7, 2023.**

Submitting a Summons and Complaint in the matter of Wisconsin Bank & Trust v.  
Judith A. Meyer et al.



FILED

06-15-2023

Sheboygan County

Clerk of Circuit Court

2023CV000328

Honorable Daniel J

Borowski

Branch 5

Item 7.

STATE OF WISCONSIN

CIRCUIT COURT  
BRANCH \_\_\_\_\_

SHEBOYGAN COUNTY

WISCONSIN BANK & TRUST  
A Division of HTLF Bank  
655 S Taylor Dr  
Sheboygan, WI 53081,

Case No. 23 CV \_\_\_\_\_  
#30404 - Foreclosure

Plaintiff,

v.

JUDITH A. MEYER  
d/b/a Meyer's Lakeview Pub  
2925 Lakeshore Dr  
Sheboygan, WI 53081-6829,

CITY OF SHEBOYGAN  
Department of City Development  
828 Center Av., Suite 208  
Sheboygan, WI 53081-5014,

WISCONSIN DEPARTMENT OF REVENUE  
c/o Office of General Counsel  
P.O. Box 8907  
Madison, WI 53708-8907,

Defendants.

---

**SUMMONS**

---

STATE OF WISCONSIN

To each person named above as a Defendant:

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

**As to defendant, Wisconsin Department of Revenue, within forty-five (45) days of receiving this summons, you must respond with a written answer, as that term is used in chapter 802 of the Wisconsin Statutes, to the Complaint. As to all remaining defendants, within twenty (20) days of receiving this summons, you must respond with a written answer, as that term is used in chapter 802 of the Wisconsin Statutes, to the Complaint. The court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the court, whose address is 615 North 6<sup>th</sup> Street, Sheboygan, Wisconsin 53081, and plaintiff's attorney, whose mailing address is P.O. Box 186, Little Chute, Wisconsin 54140-0186. You may have an attorney help or represent you.**

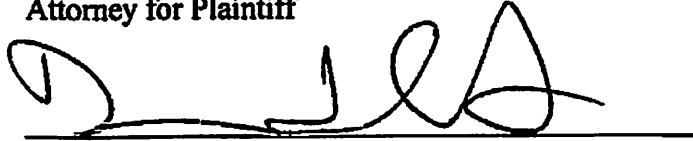
**If you do not provide a proper answer within the time period allowed, the court may grant judgment against you for the award of money or other legal action requested in the complaint, and you may lose your right to object to anything that is or may be incorrect in the complaint. A judgment may be enforced as provided by law. A judgment awarding money may become a lien against any real estate you own now or in the future, and may also be enforced by garnishment or seizure of property.**

***[This space is intentionally left blank; signature to follow.]***

Dated this 15th day of June, 2023.

**VAN LIESHOUT LAW OFFICE**

**Attorney for Plaintiff**

A handwritten signature in black ink, appearing to read 'D. Van Lieshout', written over a horizontal line.

**David J. Van Lieshout**

**State Bar No. 1012641**

**P.O. Box 186  
Little Chute, WI 54140-0186  
(920) 788-0800  
davevl@littlechutelaw.com**



FILED

06-15-2023

Sheboygan County

Clerk of Circuit Court

2023CV000328

Honorable Daniel J

Borowski

Branch 5

Item 7.

STATE OF WISCONSIN

CIRCUIT COURT  
BRANCH \_\_\_\_\_

SHEBOYGAN COUNTY

WISCONSIN BANK & TRUST  
A Division of HTLF Bank  
655 S Taylor Dr  
Sheboygan, WI 53081,

Plaintiff,

Case No. 23 CV \_\_\_\_\_  
#30404 - Foreclosure

v.

JUDITH A. MEYER  
d/b/a Meyer's Lakeview Pub  
2925 Lakeshore Dr  
Sheboygan, WI 53081-6829,

CITY OF SHEBOYGAN  
Department of City Development  
828 Center Av., Suite 208  
Sheboygan, WI 53081-5014,

WISCONSIN DEPARTMENT OF REVENUE  
c/o Office of General Counsel  
P.O. Box 8907  
Madison, WI 53708-8907,

Defendants.

---

**COMPLAINT**

---

COMES NOW the Plaintiff by and through its attorneys, Van Lieshout Law Office, and  
as and for a cause of action in the above-entitled matter, alleges and shows:

1. Plaintiff, **WISCONSIN BANK & TRUST**, (hereinafter "Plaintiff") is a division of HTLF Bank and the successor in interest by merger to the rights of Community Bank & Trust, a Wisconsin banking corporation which executed the documents subject to this action.

2. Upon information and belief, **JUDITH A. MEYER** d/b/a Meyer's Lakeview Pub, is an adult resident of Sheboygan County, Wisconsin.

3. Upon and information and belief, **CITY OF SHEBOYGAN**, Department of City Development, is a municipal corporation located in Sheboygan County, Wisconsin and authorized and existing under the laws of the State of Wisconsin.

4. That upon information and belief, the **WISCONSIN DEPARTMENT OF REVENUE** is a state agency of the State of Wisconsin located in Madison, Wisconsin, with offices located throughout the State of Wisconsin.

5. That venue is proper in Sheboygan County, Wisconsin because the property subject to this action is located in said county.

6. On or about June 17, 2013, Defendant, Judith A. Meyer, (hereinafter referred to as "Defendant Meyer") executed a Promissory Note in the original amount of \$82,130.40 (hereinafter the "Note"). The Note was due and payable according to its terms. A true and accurate copy of the Promissory Note is attached hereto as **EXHIBIT A**, as redacted.

7. The Note attached hereto as **EXHIBIT A** is a renewal of previous Notes entered into by Defendant Meyer in favor of Community Bank & Trust, a bank which merged into Wisconsin Bank & Trust after the date of **EXHIBIT A**.

8. That on or about June 24, 2005, Defendant Meyer secured the obligations that it owed to Community Bank & Trust as set forth on the Note under the terms of a Mortgage on the property located at 2925 Lakeshore Dr and 550 Wilson Ave in Sheboygan, Wisconsin

(hereinafter "Property"). The Mortgage was recorded with the Register of Deeds for Sheboygan County, Wisconsin on June 27, 2005 as Document No. 1769004 (hereinafter "Mortgage"). A true and accurate copy of the Mortgage is attached hereto as **EXHIBIT B**.

9. That on or about April 14, 2000, Defendant Meyer executed a General Business Security Agreement (hereinafter the "GBSA") in the form and content attached hereto as **EXHIBIT C**, whereby Defendant Meyer granted Community Bank & Trust a security interest and all personal property owned by her used in connection with her tavern in Sheboygan, Wisconsin, in favor of Community Bank & Trust the predecessor bank to the Plaintiff (hereinafter referred to as "Collateral"). A true and accurate copy of the GBSA is attached hereto as **EXHIBIT C**, as redacted.

10. That on or about May 2, 1997, Community Bank & Trust, the predecessor to Wisconsin Bank & Trust, perfected its security interest in the Collateral of Defendant Meyer by the filing of a UCC-1 financing statement with the Department of Financial Institutions as File No. 07501668357. A true and accurate copy of that financing statement is attached hereto as **EXHIBIT D**. This financing statement has been amended and continued in accordance with Wisconsin law and is presently valid and represents a first security interest in Collateral of Defendant Meyer.

### **BREACH OF CONTRACT**

11. Plaintiff restates by reference paragraphs 1-10 as if set forth in their entirety.

12. That Defendant Meyer has violated the terms of the Note attached hereto as **EXHIBIT A** by failing to make payments in accordance with its terms.



13. That prior to the institution of this action, Defendant Meyer was given a Notice of Default & Acceleration by the Plaintiff by letter dated April 24, 2023 in the form and content attached hereto as **EXHIBIT E**. That as a result of the Notice of Default & Acceleration, all sums due and owing the Plaintiff under the Note are now due. The amounts set forth on **EXHIBIT E** does not include, but the Plaintiff is entitled to recover all costs of collection, including but not limited to reasonable attorney fees, appraisal fees, recording fees and such other expenses as are necessary to enforce the rights of the Plaintiff under the Note and the Mortgage in this matter.

14. That as of June 8, 2023, there is an amount due and owing from Defendant Meyer inclusive of principal, interest and late charges and less escrow in the amount of \$35,258.90. A copy of a Payoff Statement, as redacted, setting forth the detail is attached hereto as **EXHIBIT F**.

**CLAIM NO. 1**  
**FORECLOSURE**

15. Plaintiff restates by reference Paragraphs 1-14 as if set forth in their entirety.

16. That, upon information and belief, each of Defendant Meyer and one of her sons resides on the Property subject to the Mortgage attached hereto as **EXHIBIT B**. In addition, the Property is used for the operation of a business.

17. That the Property subject to the Mortgage is less than 20 acres in size and is not a farm.

18. That upon information and belief, the Property is one parcel and cannot be divided without injury to the parties.

19. That the City of Sheboygan, Department of Development, may claim an interest in the Property as a result of the Mortgage granted to it by Defendant Meyer in the original amount of \$16,000.00 dated August 11, 1995 and recorded on August 14, 1995 as Document No. 1452354. Said mortgage granted to the City of Sheboygan, Department of Development is subordinate to the Mortgage of Community Bank & Trust referenced as **EXHIBIT B** in this matter under the terms of a Subordination Agreement recorded on June 27, 2005 as Document No. 1769003.

20. That the Wisconsin Department of Revenue may claim an interest in the Property subject to the Mortgage of the Plaintiff by a reason of a number of tax warrants which have been issued against Defendant Meyer. Those tax warrants are listed on a title insurance commitment received by the Plaintiff from First American Title and summarized on a document from the title company identified as Exceptions to the title of the Property, a true and accurate copy is attached hereto as **EXHIBIT G**.

21. All of the tax warrants of the Wisconsin Department of Revenue are subordinate to the interest of the Plaintiff and the Property subject to a Mortgage attached hereto as **EXHIBIT B**.

22. That in the event any person other than Defendant Meyer resides on the Property, including her son, that the possession of that person shall be terminated by the Order of Judgment of Foreclosure.

23. That the Mortgage provides that the Plaintiff may waive deficiency and the Plaintiff so elects to do so.

#### **REPLEVIN**

24. The Plaintiff restates by reference paragraphs 1-23 above.

25. That the Plaintiff has a first security interest in all the Collateral of Defendant Meyer as a result of the General Business Security Agreement attached hereto as **EXHIBIT C** and perfected under the terms of the UCC financing statement as amended and continued referenced in **EXHIBIT D** in this Complaint.

26. That the security interest in the Collateral of the Plaintiff is superior to any claim of any other party to the Collateral.

27. That no item of the Collateral is subject to attachment.

28. That upon information and belief, all of the Collateral is in the possession or control of Defendant Meyer.

**WHEREFORE**, the Plaintiff seeks judgment against the Defendant as follows:

- A. For a determination of the amount due from Defendant Meyer to the Plaintiff under the terms of the Note as well as all costs of collection as provided for in the Note and Mortgage and as set forth in the Complaint;
- B. For a judgment of foreclosure **WITHOUT DEFICIENCY** as it relates to the Property set forth on the Mortgage attached to the Complaint as Exhibit B. That a sheriff's sale shall be held within **six months** after the date of judgment in this matter;
- C. For an Order determining that the interest of the City of Sheboygan, Department of Development and the State of Wisconsin, Department of Revenue are deemed subordinate to the interest of the Plaintiff in connection with the Property;
- D. For an Order of Replevin and a Writ of Replevin for all of the Collateral subject to the General Business Security Agreement as perfected described in the Complaint;
- E. For an order from the Court that Defendant Meyer be required to identify and catalog all Collateral subject to the security interest of the Plaintiff upon the entry of judgment of replevin in this matter so that the same may be sold in a commercially reasonable manner and the amount due applied to the debt owed by Defendant Meyer to the Plaintiff;
- F. For an Order terminating the rights of any party in possession of any part of the Property as of the date of the Judgment entered in this matter;



- G. For the reasonable attorney's fees incurred by the Plaintiff in connection with this matter as well as its costs and fees;
- H. For such other and further relief as justice requires.

Dated this 15th day of June, 2023.

VAN LIESHOUT LAW OFFICE  
Attorneys for Plaintiff



David J. Van Lieshout  
State Bar No. 1012641

P.O. Box 186  
Little Chute, WI 54140-0186  
(920) 788-0800  
davevl@littlechutelaw.com

**COMMERCIAL PROMISSORY NOTE**

Community Bank & Trust  
604 N 8th Street  
Sheboygan, Wisconsin 53081  
(920)459-4444  
www.communitybankandtrust.com

LOAN NUMBER	NOTE DATE	PRINCIPAL AMOUNT	LOAN TERM	MATURITY DATE
19650	June 17, 2013	\$82,130.40	60 months	June 17, 2018
LOAN PURPOSE: Payoff loan 1322 and debt consolidation				

**BORROWER INFORMATION**

Judith A Meyer d/b/a MEYER'S LAKEVIEW PUB  
2925 Lakeshore Drive  
Sheboygan, WI 53081

**NOTE.** This Commercial Promissory Note will be referred to in this document as the "Note."

**LENDER.** "Lender" means Community Bank & Trust whose address is 604 N 8th Street, Sheboygan, Wisconsin 53081, its successors and assigns.

**BORROWER.** "Borrower" means each person or legal entity who signs this Note.

**PROMISE TO PAY.** For value received, receipt of which is hereby acknowledged, on or before the Maturity Date, the Borrower promises to pay the principal amount of Eighty-two Thousand One Hundred Thirty and 48/100 Dollars (\$82,130.40) and all interest outstanding principal balance and any other charges, including service charges, to the order of Lender at its office at the address noted above or at such other place as Lender may designate in writing. The Borrower will make all payments in lawful money of the United States of America.

**PAYMENT SCHEDULE.** This loan will be paid according to the following schedule: 59 consecutive payments of principal and interest beginning on July 17, 2013 and continuing on the same day of each month thereafter. The payment will be in the amount of \$719.53. One final balloon payment shall be due on the Maturity Date in an amount equal to the then unpaid principal and accrued and unpaid interest. All payments received by the Lender from the Borrower for application to this Note may be applied to the Borrower's obligations under this Note in such order as determined by the Lender.

**INTEREST RATE AND SCHEDULED PAYMENT CHANGES.** The initial variable interest rate on this Note will be 6.500% per annum. This interest rate may change on June 18, 2013, and every day thereafter. Each date on which the interest rate may change is called the "Change Date." Beginning with the first Change Date, Lender will calculate the new interest rate based on Community Bank & Trust Prime Rate (Rate determined by management of Community Bank & Trust as its prime lending rate) in effect on the Change Date (the "Index") plus 2.000 percentage points (the "Margin"). If the Index is not available at that time, Lender will choose a new Index which is based on comparable information. The Index is used solely to establish a base from which the actual rate of interest payable under this Note will be calculated, and is not a reference to any actual rate of interest charged by any lender to any particular borrower.

Nothing contained herein shall be construed as to require the Borrower to pay interest at a greater rate than the maximum allowed by law. If, however, from any circumstances, Borrower pays interest at a greater rate than the maximum allowed by law, the obligation to be fulfilled will be reduced to an amount computed at the highest rate of interest permissible under applicable law and if, for any reason whatsoever, Lender ever receives interest in an amount which would be deemed unlawful under applicable law, such interest shall be automatically applied to amounts owed, in Lender's sole discretion, or as otherwise allowed by applicable law. A change in the interest rates may result in a change in your payment amount. Interest on this Note is calculated on a Actual/360 day basis. The unpaid balance of this loan after Maturity, whether by acceleration or otherwise, shall be subject to a post-maturity rate of interest equal to four (4) percentage points over existing rate on maturity date.

**LATE PAYMENT CHARGE.** If any required payment is more than 10 days late, then at Lender's option, Lender will assess a late payment charge of 5% of the amount past due.

**PREPAYMENT PENALTY.** This Note may be prepaid, in full or in part, at any time, without penalty.

**SECURITY TO NOTE.** Security (the "Collateral") for this Note is granted pursuant, but not necessarily limited, to the following security document(s) (and to the extent permitted by law, any further security instruments or collateral, as Lender may elect to list in an addendum, if any, attached hereto and made a part hereof by reference):

- Security Instrument(Mortgage/Deed of Trust/Security Deed) - 550 Wilson Avenue and 2925 Lakeshore Drive Sheboygan WI 53081 in the amount of \$65,000.00, dated June 14, 2005.
- Security Instrument(Mortgage/Deed of Trust/Security Deed) - 550 Wilson Avenue and 2925 Lakeshore Drive Sheboygan WI 53081 dated June 17, 2013.

**RIGHT OF SET-OFF.** To the extent permitted by law, Borrower agrees that Lender has the right to set-off any amount due and payable under this Note, whether matured or unmatured, against any amount owing by Borrower to Lender including any or all of Borrower's accounts with Lender. This shall include all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. Such right of set-off may be exercised by Lender against Borrower or against any assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor of Borrower, or against anyone else claiming through or against Borrower or such assignee for the benefit of creditors, receiver, or execution, judgment or attachment creditor, notwithstanding the fact that such right of set-off has not been exercised by Lender prior to the making, filing or issuance or service upon Lender of, or of notice of, assignment for the benefit of creditors, appointment or application for the appointment of a receiver, or issuance of execution, subpoena or order or warrant. Lender will not be liable for the dishonor of any check when the dishonor occurs because Lender set-off a debt against Borrower's account. Borrower agrees to hold Lender harmless from any claim arising as a result of Lender exercising Lender's right to set-off.

**DISHONORED ITEM FEE.** If Borrower makes a payment on the loan with a check or preauthorized charge which is later dishonored, a fee in the amount of \$35.00 will be charged.

**RELATED DOCUMENTS.** The words "Related Documents" mean all promissory notes, security agreements, mortgages, deeds of trust, business loan agreements, construction loan agreements, resolutions, guaranties, environmental agreements, subordination agreements, assignments and any other documents or agreements executed in connection with this Note whether now or hereafter existing. The Related Documents are hereby made a part of this Note by reference thereto, with the same force and effect as if fully set forth herein.

**DEFAULT.** Upon the occurrence of any one of the following events (each, an "Event of Default" or "default" or "event of default"), Lender's obligations, if any, to make any advances will, at Lender's option, immediately terminate and Lender, at its option, may declare all indebtedness of Borrower to Lender under this Note immediately due and payable without further notice of any kind notwithstanding anything to the contrary in this Note or any other agreement: (a) Borrower's failure to make any payment on time or in the amount due; (b) any default by Borrower under the terms of this Note or any other Related Documents executed in connection with this Note; (c) any default by Borrower under the terms of any Related Documents in favor of Lender; (d) the death, dissolution, or termination of existence of Borrower or any guarantor; (e) Borrower is not paying Borrower's debts as such debts become due; (f) the commencement of any proceeding under bankruptcy or insolvency laws by or

against Borrower or any guarantor or the appointment of a receiver; (g) any default under the terms of any other indebtedness of Borrower to any other creditor; (h) any writ of attachment, garnishment, execution, tax lien or similar instrument is issued against any collateral securing the loan, if any, or any of Borrower's property or any judgment is entered against Borrower or any guarantor; (i) any part of Borrower's business is sold to or merged with any other business, individual, or entity; (j) any representation or warranty made by Borrower to Lender in any of the Related Documents or any financial statement delivered to Lender proves to have been false in any material respect as of the time when made or given; (k) if any guarantor, or any other party to any Related Documents in favor of Lender entered into or delivered in connection with this Note terminates, attempts to terminate or defaults under any such Related Documents; (l) Lender has deemed itself insecure or there has been a material adverse change of condition of the financial prospects of Borrower or any collateral securing the obligations owing to Lender by Borrower. Upon the occurrence of an event of default, Lender may pursue any remedy available under any Related Document, at law or in equity.

**GENERAL WAIVERS.** To the extent permitted by law, the Borrower severally waives any required notice of presentment, demand, acceleration, intent to accelerate, protest and any other notice and defense due to extensions of time or other indulgence by Lender or to any substitution or release of collateral. No failure or delay on the part of Lender, and no course of dealing between Borrower and Lender, shall operate as a waiver of such power or right, nor shall any single or partial exercise of any power or right preclude either or further exercise thereof or the exercise of any other power or right.

**JOINT AND SEVERAL LIABILITY.** If permitted by law, each Borrower executing this Note is jointly and severally bound.

**SEVERABILITY.** If a court of competent jurisdiction determines any term or provision of this Note is invalid or prohibited by applicable law, that term or provision will be ineffective to the extent required. Any term or provision that has been determined to be invalid or prohibited will be severed from the rest of this Note without invalidating the remainder of either the affected provision or this Note.

**SURVIVAL.** The rights and privileges of the Lender hereunder shall inure to the benefit of its successors and assigns, and this Note shall be binding on all heirs, executors, administrators, assigns and successors of Borrower.

**ASSIGNABILITY.** Lender may assign, pledge or otherwise transfer this Note or any of its rights and powers under this Note without notice, with all or any of the obligations owing to Lender by Borrower, and in such event the assignee shall have the same rights as if originally named herein in place of Lender. Borrower may not assign this Note or any benefit accruing to it hereunder without the express written consent of the Lender.

**ORAL AGREEMENTS DISCLAIMER.** This Note represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.

**GOVERNING LAW.** This Note is governed by the laws of the state of Wisconsin except to the extent that federal law controls. Borrower agrees that, at Lender's option, venue for any legal action initiated to collect amount owed under this Note shall be in the county where Lender maintains its principal office in Wisconsin, the county where any Borrower resides, or the county where this Note was executed.

**HEADING AND GENDER.** The headings preceding text in this Note are for general convenience in identifying subject matter, but have no limiting impact on the text which follows any particular heading. All words used in this Note shall be construed to be of such gender or number as the circumstances require.

**ATTORNEYS' FEES AND OTHER COSTS.** If legal proceedings are instituted to enforce the terms of this Note, Borrower agrees to pay all costs of the Lender in connection therewith, including reasonable attorneys' fees, to the extent permitted by law.

**ADDITIONAL PROVISIONS.** Section indicated as "ATTORNEYS' FEES AND COSTS" contained herein is hereby deleted and replaced as follows: Borrower agrees, whether or not the transaction hereby contemplated shall be consummated, to pay and hold the Lender harmless against liability for the payment of all out-of-pocket expenses (including reasonable attorney fees) arising in connection with (i) the preparation of this Agreement or the documents and instruments related to this Agreement and (ii) the administration of, and the enforcement or protection of the Lender's rights, under this Agreement and the documents and instruments related to this Agreement.

**Addition to "INTEREST RATE AND SCHEDULED PAYMENT CHANGES" section**

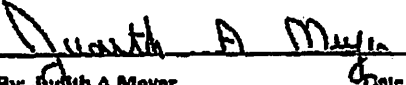
Upon notification of an event of default under this agreement or any other agreement related to this loan, lender reserves the right to enforce the stated default rate and/or impose a default fee for each stated occurrence of default in the amount of \$560 or 20 basis points on all amounts due, per occurrence, whichever is greater.

Upon the occurrence of any default, borrower/debtor assigns and sets over to secured party/lender any and all rights that it has in any license or permit utilized in the operation of its business, including, but not limited to, its liquor license. Without limiting any rights granted herein to secured party/lender, borrower/debtor appoints any officer of secured party/lender as its attorney-in-fact to execute any and all agreements, extensions or documents of any kind to protect any and all rights of secured party/lender in and to the permits or licenses referred to herein.

**WAIVER OF JURY TRIAL.** All parties to this Note hereby knowingly and voluntarily waive, to the fullest extent permitted by law, any right to trial by jury of any dispute, whether in contract, tort, or otherwise, arising out of, in connection with, related to, or incidental to the relationship established between them in this Note or any other instrument, document or agreement executed or delivered in connection with this Note or the related transactions.

By signing this Note, Borrower acknowledges reading, understanding, and agreeing to all its provisions and receipt hereof.

Judith A Meyer d/b/a MEYER'S LAKEVIEW PUB

  
By: Judith A Meyer  
Its: Sole Proprietor

Date



1769004

SHEBOYGAN COUNTY, WI  
RECORDED ON

06/27/2005 09:23AM

DARLENE J. NAVIS  
REGISTER OF DEEDSRECORDING FEE: 25.00  
TRANSFER FEE:STAFF ID 6  
TRANS # 63911

# OF PAGES: 8

When recorded return to (name, address):

COMMUNITY BANK & TRUST  
604 N 8TH STREET  
SHEBOYGAN, WI 53081  
7000058322

Parcel Number: 59281-310060

**MORTGAGE**

(With Future Advance Clause)

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

State of Wisconsin

Space Above This Line For Recording Data

1. **DATE AND PARTIES.** The date of this Mortgage (Security Instrument) is Jun 24, 2005 and the parties, their addresses and tax identification numbers, if required, are as follows:

**MORTGAGOR:**JUDITH A MEYER, A SINGLE PERSON  
2925 LAKESHORE DR  
Sheboygan, WI 53081

☐ If checked, refer to the attached Addendum incorporated herein, for additional Mortgagors, their signatures and acknowledgments.

**LENDER:**COMMUNITY BANK & TRUST  
604 N 8TH STREET SHEBOYGAN, WI 53081

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

THE SOUTH FIVE (5) FEET OF THE WEST ONE HUNDRED TWENTY-FIVE (125.00) FEET OF LOT SIXTEEN (16) AND THE WEST ONE HUNDRED TWENTY-FIVE (125.00) FEET OF SEVENTEEN (17), EIGHTEEN (18), NINETEEN (19) AND TWENTY (20), BLOCK FIVE (5), LAKE VIEW PARK SUBDIVISION TO THE CITY OF SHEBOYGAN, SHEBOYGAN COUNTY, WISCONSIN, ACCORDING TO THE RECORDED PLAT THEREOF. (THIS IS HOMESTEAD PROPERTY)

The property is located in Sheboygan at 2925 LAKESHORE DR & 550  
(County)

WILSON AVE, Sheboygan, Wisconsin 53081  
(Address) (City) (Zip Code)

WISCONSIN - AGRICULTURAL/COMMERCIAL REAL ESTATE SECURITY INSTRUMENT  
(NOT FOR FNMA, FHLMC, FHA OR VA USE, AND NOT FOR CONSUMER PURPOSES)

(page 1)

46

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

**3. MAXIMUM OBLIGATION LIMIT.** The total principal amount secured by this Security Instrument at any one time shall not exceed \$ 65,000.00. This limitation of amount does not include interest and other fees and charges validly made pursuant to this Security Instrument. Also, this limitation does not apply to advances made under the terms of this Security Instrument to protect Lender's security and to perform any of the covenants contained in this Security Instrument.

**4. SECURED DEBT AND FUTURE ADVANCES.** The term "Secured Debt" is defined as follows:

A. Debt incurred under the terms of all promissory note(s), contract(s), guaranty(ies) or other evidence of debt described below and all their extensions, renewals, modifications or substitutions. *(When referencing the debts below it is suggested that you include items such as borrowers' names, note amounts, interest rates, maturity dates, etc.)*

A Promissory Note dated 06/24/2005

B. All future advances from Lender to Mortgagor or other future obligations of Mortgagor to Lender under any promissory note, contract, guaranty, or other evidence of debt existing now or executed after this Security Instrument whether or not this Security Instrument is specifically referenced, and whether or not such future advances or future obligations are incurred for any purpose that was related or unrelated to the purpose of the evidence of debt. If more than one person signs this Security Instrument, each Mortgagor agrees that this Security Instrument will secure all future advances and future obligations that are given to or incurred by any one or more Mortgagor, or any one or more Mortgagor and others. All future advances and other future obligations are secured by this Security Instrument even though all or part may not yet be advanced. All future advances and other future obligations are secured as if made on the date of this Security Instrument. Nothing in this Security Instrument shall constitute a commitment to make additional or future loans or advances in any amount. Any such commitment must be agreed to in a separate writing.

C. All obligations Mortgagor owes to Lender, which now exist or may later arise, to the extent not prohibited by law, including, but not limited to, liabilities for overdrafts relating to any deposit account agreement between Mortgagor and Lender.

D. All additional sums advanced and expenses incurred by Lender for insuring, preserving or otherwise protecting the Property and its value and any other sums advanced and expenses incurred by Lender under the terms of this Security Instrument.

This Security Instrument will not secure any other debt if Lender fails to give any required notice of the right of rescission.

**5. PAYMENTS.** Mortgagor agrees that all payments under the Secured Debt will be paid when due and in accordance with the terms of the Secured Debt and this Security Instrument.

**6. WARRANTY OF TITLE.** Mortgagor warrants that Mortgagor is or will be lawfully seized of the estate conveyed by this Security Instrument and has the right to grant, bargain, convey, sell, and mortgage the Property. Mortgagor also warrants that the Property is unencumbered, except for encumbrances of record.

**7. PRIOR SECURITY INTERESTS.** With regard to any other mortgage, deed of trust, security agreement or other lien document that created a prior security interest or encumbrance on the Property, Mortgagor agrees:

A. To make all payments when due and to perform or comply with all covenants.

B. To promptly deliver to Lender any notices that Mortgagor receives from the holder.

C. Not to allow any modification or extension of, nor to request any future advances under any note or agreement secured by the lien document without Lender's prior written consent.

**8. CLAIMS AGAINST TITLE.** Mortgagor will pay all taxes, assessments, liens, encumbrances, lease payments, ground rents, utilities, and other charges relating to the Property when due. Lender may require Mortgagor to provide to Lender copies of all notices that such amounts are due and the receipts evidencing Mortgagor's payment. Mortgagor will defend title to the Property against any claims that would impair the lien of this Security Instrument. Mortgagor agrees to assign to Lender, as requested by Lender, any rights, claims or defenses Mortgagor may have against parties who supply labor or materials to maintain or improve the Property.

**9. DUE ON SALE OR ENCUMBRANCE.** Lender may, at its option, declare the entire balance of the Secured Debt to be immediately due and payable upon the creation of, or contract for the creation of, any lien, encumbrance, transfer or sale of the Property. This right is subject to the restrictions imposed by federal law (12 C.F.R. 591), as applicable. This covenant shall run with the Property and shall remain in effect until the Secured Debt is paid in full and this Security Instrument is released.

**10. TRANSFER OF AN INTEREST IN THE MORTGAGOR.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Lender may demand immediate payment if:

- A. A beneficial interest in Mortgagor is sold or transferred.
- B. There is a change in either the identity or number of members of a partnership or similar entity.
- C. There is a change in ownership of more than 25 percent of the voting stock of a corporation or similar entity.

However, Lender may not demand payment in the above situations if it is prohibited by law as of the date of this Security Instrument.

**11. ENTITY WARRANTIES AND REPRESENTATIONS.** If Mortgagor is an entity other than a natural person (such as a corporation or other organization), Mortgagor makes to Lender the following warranties and representations which shall continue as long as the Secured Debt remains outstanding:

- A. Mortgagor is duly organized and validly existing in Mortgagor's state of incorporation or organization. Mortgagor is in good standing in all states in which Mortgagor transacts business. Mortgagor has the power and authority to own the Property and to carry on its business as now being conducted and, as applicable, is qualified to do so in each state in which Mortgagor operates.
- B. The execution, delivery and performance of this Security Instrument by Mortgagor and the obligations evidenced by the Secured Debt are within the power of Mortgagor, have been duly authorized, have received all necessary governmental approval, and will not violate any provision of law, or order of court or governmental agency.
- C. Other than previously disclosed in writing to Lender, Mortgagor has not changed its name within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Mortgagor does not and will not use any other name and will preserve its existing name, trade names and franchises until the Secured Debt is satisfied.

**12. PROPERTY CONDITION, ALTERATIONS AND INSPECTION.** Mortgagor will keep the Property in good condition and make all repairs that are reasonably necessary. Mortgagor shall not commit or allow any waste, impairment, or deterioration of the Property. Mortgagor will keep the Property free of noxious weeds and grasses. Mortgagor agrees that the nature of the occupancy and use will not substantially change without Lender's prior written consent. Mortgagor will not permit any change in any license, restrictive covenant or easement without Lender's prior written consent. Mortgagor will notify Lender of all demands, proceedings, claims, and actions against Mortgagor, and of any loss or damage to the Property.

No portion of the Property will be removed, demolished or materially altered without Lender's prior written consent except that Mortgagor has the right to remove items of personal property comprising a part of the Property that become worn or obsolete, provided that such personal property is replaced with other personal property at least equal in value to the replaced personal property, free from any title retention device, security agreement or other encumbrance. Such replacement of personal property will be deemed subject to the security interest created by this Security Instrument. Mortgagor shall not partition or subdivide the Property without Lender's prior written consent.

Lender or Lender's agents may, at Lender's option, enter the Property at any reasonable time for the purpose of inspecting the Property. Lender shall give Mortgagor notice at the time of or before an inspection specifying a reasonable purpose for the inspection. Any inspection of the Property shall be entirely for Lender's benefit and Mortgagor will in no way rely on Lender's inspection.

**13. AUTHORITY TO PERFORM.** If Mortgagor fails to perform any duty or any of the covenants contained in this Security Instrument, Lender may, without notice, perform or cause them to be performed. Mortgagor appoints Lender as attorney in fact to sign Mortgagor's name or pay any amount necessary for performance. Lender's right to perform for Mortgagor shall not create an obligation to perform, and Lender's failure to perform will not preclude Lender from exercising any of Lender's other rights under the law or this Security Instrument. If any construction on the Property is discontinued or not carried on in a reasonable manner, Lender may take all steps necessary to protect Lender's security interest in the Property, including completion of the construction.

**14. ASSIGNMENT OF LEASES AND RENTS.** Mortgagor assigns, grants, bargains, conveys and mortgages to Lender as additional security all the right, title and interest in the following (Property).

- A. Existing or future leases, subleases, licenses, guaranties and any other written or verbal agreements for the use and occupancy of the Property, including but not limited to, any extensions, renewals, modifications or replacements (Leases).
- B. Rents, issues and profits, including but not limited to, security deposits, minimum rents, percentage rents, additional rents, common area maintenance charges, parking charges, real estate taxes, other applicable taxes, insurance premium contributions, liquidated damages following default, cancellation premiums, "loss of rents" insurance, guest receipts, revenues, royalties, proceeds, bonuses, accounts, contract rights, general intangibles, and all rights and claims which Mortgagor may have that in any way pertain to or are on account of the use or occupancy of the whole or any part of the Property (Rents).

In the event any item listed as Leases or Rents is determined to be personal property, this Assignment will also be regarded as a security agreement.

Mortgagor will promptly provide Lender with copies of the Leases and will certify these Leases are true and correct copies. The existing Leases will be provided on execution of the Assignment, and all future Leases and any other information with respect to these Leases will be provided immediately after they are executed. Mortgagor may collect, receive, enjoy and use the Rents so long as Mortgagor is not in default. Mortgagor will not collect in advance any Rents due in future lease periods, unless Mortgagor first obtains Lender's written consent. Upon default, Mortgagor will receive any Rents in trust for Lender.



and Mortgagor will not commingle the Rents with any other funds. When Lender so directs, Mortgagor will endorse and deliver any payments of Rents from the Property to Lender. Amounts collected will be applied at Lender's discretion to the Secured Debts, the costs of managing, protecting and preserving the Property, and other necessary expenses. Mortgagor agrees that this Security Instrument is immediately effective between Mortgagor and Lender and effective as to third parties on the recording of this Assignment.

As long as this Assignment is in effect, Mortgagor warrants and represents that no default exists under the Leases, and the parties subject to the Leases have not violated any applicable law on leases, licenses and landlords and tenants. Mortgagor, at its sole cost and expense, will keep, observe and perform, and require all other parties to the Leases to comply with the Leases and any applicable law. If Mortgagor or any party to the Lease defaults or fails to observe any applicable law, Mortgagor will promptly notify Lender. If Mortgagor neglects or refuses to enforce compliance with the terms of the Leases, then Lender may, at Lender's option, enforce compliance.

Mortgagor will not sublet, modify, extend, cancel, or otherwise alter the Leases, or accept the surrender of the Property covered by the Leases (unless the Leases so require) without Lender's consent. Mortgagor will not assign, compromise, subordinate or encumber the Leases and Rents without Lender's prior written consent. Lender does not assume or become liable for the Property's maintenance, depreciation, or other losses or damages when Lender acts to manage, protect or preserve the Property, except for losses and damages due to Lender's gross negligence or intentional torts. Otherwise, Mortgagor will indemnify Lender and hold Lender harmless for all liability, loss or damage that Lender may incur when Lender opts to exercise any of its remedies against any party obligated under the Leases.

**15. LEASEHOLDS; CONDOMINIUMS; PLANNED UNIT DEVELOPMENTS.** Mortgagor agrees to comply with the provisions of any lease if this Security Instrument is on a leasehold. If the Property includes a unit in a condominium, time-share estate, or a planned unit development, Mortgagor will perform all of Mortgagor's duties under the covenants, by-laws, or regulations of the condominium, time-share estate, or planned unit development.

**16. DEFAULT.** Mortgagor will be in default if any of the following occur:

- A. Any party obligated on the Secured Debt fails to make payment when due;
- B. A breach of any term or covenant in this Security Instrument or any other document executed for the purpose of creating, securing or guarantying the Secured Debt;
- C. The making or furnishing of any verbal or written representation, statement or warranty to Lender that is false or incorrect in any material respect by Mortgagor or any person or entity obligated on the Secured Debt;
- D. The death, dissolution, or insolvency of, appointment of a receiver for, or application of any debtor relief law to, Mortgagor or any other person or entity obligated on the Secured Debt;
- E. A good faith belief by Lender at any time that Lender is insecure with respect to any person or entity obligated on the Secured Debt or that the prospect of any payment is impaired or the value of the Property is impaired;
- F. A material adverse change in Mortgagor's business including ownership, management, and financial conditions, which Lender in its opinion believes impairs the value of the Property or repayment of the Secured Debt; or
- G. Any loan proceeds are used for a purpose that will contribute to excessive erosion of highly erodible land or to the conversion of wetlands to produce an agricultural commodity, as further explained in 7 C.F.R. Part 1940, Subpart G, Exhibit M.

**17. REMEDIES ON DEFAULT.** In some instances, federal and state law will require Lender to provide Mortgagor with notice of the right to cure or other notices and may establish time schedules for foreclosure actions. Subject to these limitations, if any, Lender may accelerate the Secured Debt and foreclose this Security Instrument in a manner provided by law if Mortgagor is in default.

At the option of Lender, all or any part of the agreed fees and charges, accrued interest and principal shall become immediately due and payable, after giving notice if required by law, upon the occurrence of a default or anytime thereafter. In addition, Lender shall be entitled to all the remedies provided by law, the terms of the Secured Debt, this Security Instrument and any related documents. All remedies are distinct, cumulative and not exclusive, and the Lender is entitled to all remedies provided at law or equity, whether or not expressly set forth. The acceptance by Lender of any sum in payment or partial payment on the Secured Debt after the balance is due or is accelerated or after foreclosure proceedings are filed shall not constitute a waiver of Lender's right to require complete cure of any existing default. By not exercising any remedy on Mortgagor's default, Lender does not waive Lender's right to later consider the event a default if it continues or happens again.

**18. REDEMPTION.** The period of redemption is anytime before the foreclosure sale.

**19. FORECLOSURE WITHOUT DEFICIENCY.** If this Property is a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church, or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. Ann. § 846.101, as amended, permitting Lender to waive its right to a judgment for a deficiency on real estate of 20 acres or less, and to hold a sale of the Property six months after the foreclosure judgment is entered. If this Property is not a 1-4 family residence that is owner-occupied at the beginning of a foreclosure action, a farm, a church, or a tax-exempt nonprofit charitable organization, then Mortgagor agrees to the provisions of Wis. Stat. Ann. § 846.103, as amended, permitting Lender to waive its right to a judgment for a deficiency, and to hold a sale of the Property three months after a foreclosure judgment is entered. Regardless of terms to the contrary, if Mortgagor abandons the Property, then the sale of the Property shall be after two months from the date a foreclosure judgment is entered.

**20. EXPENSES; ADVANCES ON COVENANTS; ATTORNEYS' FEES; COLLECTION COSTS.** Except when prohibited by law, Mortgagor agrees to pay all of Lender's expenses if Mortgagor breaches any covenant in this Security Instrument. Mortgagor will also pay on demand any amount incurred by Lender for insuring, inspecting, preserving or otherwise protecting the Property and Lender's security interest. These expenses will bear interest from the date of the payment until paid in full at the highest interest rate in effect as provided in the terms of the Secured Debt. Mortgagor agrees to pay all costs and expenses incurred by Lender in collecting, enforcing or protecting Lender's rights and remedies under this Security Instrument. This amount may include, but is not limited to, attorneys' fees, court costs, and other legal expenses. This Security Instrument shall remain in effect until released. Mortgagor agrees to pay for any recordation costs of such release.

**21. ENVIRONMENTAL LAWS AND HAZARDOUS SUBSTANCES.** As used in this section, (1) Environmental Law means, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA, 42 U.S.C. 9601 et seq.), all other federal, state and local laws, regulations, ordinances, court orders, attorney general opinions or interpretive letters concerning the public health, safety, welfare, environment or a hazardous substance; and (2) Hazardous Substance means any toxic, radioactive or hazardous material, waste, pollutant or contaminant which has characteristics which render the substance dangerous or potentially dangerous to the public health, safety, welfare or environment. The term includes, without limitation, any substances defined as "hazardous material," "toxic substances," "hazardous waste," "hazardous substance," or "regulated substance" under any Environmental Law.

Mortgagor represents, warrants and agrees that:

- A. Except as previously disclosed and acknowledged in writing to Lender, no Hazardous Substance has been, is, or will be located, transported, manufactured, treated, refined, or handled by any person on, under or about the Property, except in the ordinary course of business and in strict compliance with all applicable Environmental Law.
- B. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has not and will not cause, contribute to, or permit the release of any Hazardous Substance on the Property.
- C. Mortgagor will immediately notify Lender if (1) a release or threatened release of Hazardous Substance occurs on, under or about the Property or migrates or threatens to migrate from nearby property; or (2) there is a violation of any Environmental Law concerning the Property. In such an event, Mortgagor will take all necessary remedial action in accordance with Environmental Law.
- D. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor has no knowledge of or reason to believe there is any pending or threatened investigation, claim, or proceeding of any kind relating to (1) any Hazardous Substance located on, under or about the Property; or (2) any violation by Mortgagor or any tenant of any Environmental Law. Mortgagor will immediately notify Lender in writing as soon as Mortgagor has reason to believe there is any such pending or threatened investigation, claim, or proceeding. In such an event, Lender has the right, but not the obligation, to participate in any such proceeding including the right to receive copies of any documents relating to such proceedings.
- E. Except as previously disclosed and acknowledged in writing to Lender, Mortgagor and every tenant have been, are and shall remain in full compliance with any applicable Environmental Law.
- F. Except as previously disclosed and acknowledged in writing to Lender, there are no underground storage tanks, private dumps or open wells located on or under the Property and no such tank, dump or well will be added unless Lender first consents in writing.
- G. Mortgagor will regularly inspect the Property, monitor the activities and operations on the Property, and confirm that all permits, licenses or approvals required by any applicable Environmental Law are obtained and complied with.
- H. Mortgagor will permit, or cause any tenant to permit, Lender or Lender's agent to enter and inspect the Property and review all records at any reasonable time to determine (1) the existence, location and nature of any Hazardous Substance on, under or about the Property; (2) the existence, location, nature, and magnitude of any Hazardous Substance that has been released on, under or about the Property; or (3) whether or not Mortgagor and any tenant are in compliance with applicable Environmental Law.
- I. Upon Lender's request and at any time, Mortgagor agrees, at Mortgagor's expense, to engage a qualified environmental engineer to prepare an environmental audit of the Property and to submit the results of such audit to Lender. The choice of the environmental engineer who will perform such audit is subject to Lender's approval.
- J. Lender has the right, but not the obligation, to perform any of Mortgagor's obligations under this section at Mortgagor's expense.
- K. As a consequence of any breach of any representation, warranty or promise made in this section, (1) Mortgagor will indemnify and hold Lender and Lender's successors or assigns harmless from and against all losses, claims, demands, liabilities, damages, cleanup, response and remediation costs, penalties and expenses, including without limitation all costs of litigation and attorneys' fees, which Lender and Lender's successors or assigns may sustain; and (2) at Lender's discretion, Lender may release this Security Instrument and in return Mortgagor will provide Lender with collateral of at least equal value to the Property secured by this Security Instrument without prejudice to any of Lender's rights under this Security Instrument.
- L. Notwithstanding any of the language contained in this Security Instrument to the contrary, the terms of this section shall survive any foreclosure or satisfaction of this Security Instrument regardless of any passage of title to Lender or any disposition by Lender of any or all of the Property. Any claims and defenses to the contrary are hereby waived.

**22. CONDEMNATION.** Mortgagor will give Lender prompt notice of any pending or threatened action, by private or public entities to purchase or take any or all of the Property through condemnation, eminent domain, or any other means. Mortgagor

authorizes Lender to intervene in Mortgagor's name in any of the above described actions or claims. Mortgagor assigns to Lender the proceeds of any award or claim for damages connected with a condemnation or other taking of all or any part of the Property. Such proceeds shall be considered payments and will be applied as provided in this Security Instrument. This assignment of proceeds is subject to the terms of any prior mortgage, deed of trust, security agreement or other lien document.

**23. INSURANCE.** Mortgagor agrees to maintain insurance as follows:

- A. Mortgagor shall keep the Property insured against loss by fire, flood, theft and other hazards and risks reasonably associated with the Property due to its type and location. This insurance shall be maintained in the amounts and for the periods that Lender requires. What Lender requires pursuant to the preceding two sentences can change during the term of the Secured Debt. The insurance carrier providing the insurance shall be chosen by Mortgagor subject to Lender's approval, which shall not be unreasonably withheld. If Mortgagor fails to maintain the coverage described above, Lender may, at Lender's option, obtain coverage to protect Lender's rights in the Property according to the terms of this Security Instrument.

All insurance policies and renewals shall be acceptable to Lender and shall include a standard "mortgage clause" and, where applicable, "loss payee clause." Mortgagor shall immediately notify Lender of cancellation or termination of the insurance. Lender shall have the right to hold the policies and renewals. If Lender requires, Mortgagor shall immediately give to Lender all receipts of paid premiums and renewal notices. Upon loss, Mortgagor shall give immediate notice to the insurance carrier and Lender. Lender may make proof of loss if not made immediately by Mortgagor.

Unless otherwise agreed in writing, all insurance proceeds shall be applied to restoration or repair of the Property or to the Secured Debt, whether or not then due, at Lender's option. Any application of proceeds to principal shall not extend or postpone the due date of scheduled payment nor change the amount of any payment. Any excess will be paid to the Mortgagor. If the Property is acquired by Lender, Mortgagor's right to any insurance policies and proceeds resulting from damage to the Property before the acquisition shall pass to Lender to the extent of the Secured Debt immediately before the acquisition.

- B. Mortgagor agrees to maintain comprehensive general liability insurance naming Lender as an additional insured in an amount acceptable to Lender, insuring against claims arising from any accident or occurrence in or on the Property.
- C. Mortgagor agrees to maintain rental loss or business interruption insurance, as required by Lender, in an amount equal to at least coverage of one year's debt service, and required escrow account deposits (if agreed to separately in writing), under a form of policy acceptable to Lender.

**24. ESCROW FOR TAXES AND INSURANCE.** Unless otherwise provided in a separate agreement, Mortgagor will not be required to pay to Lender funds for taxes and insurance in escrow.

**25. FINANCIAL REPORTS AND ADDITIONAL DOCUMENTS.** Mortgagor will provide to Lender upon request, any financial statement or information Lender may deem reasonably necessary. Mortgagor agrees to sign, deliver, and file any additional documents or certifications that Lender may consider necessary to perfect, continue, and preserve Mortgagor's obligations under this Security Instrument and Lender's lien status on the Property.

**26. JOINT AND INDIVIDUAL LIABILITY; CO-SIGNERS; SUCCESSORS AND ASSIGNS BOUND.** All duties under this Security Instrument are joint and individual. If Mortgagor signs this Security Instrument but does not sign an evidence of debt, Mortgagor does so only to mortgage Mortgagor's interest in the Property to secure payment of the Secured Debt and Mortgagor does not agree to be personally liable on the Secured Debt. If this Security Instrument secures a guaranty between Lender and Mortgagor, Mortgagor agrees to waive any rights that may prevent Lender from bringing any action or claim against Mortgagor or any party indebted under the obligation. These rights may include, but are not limited to, any anti-deficiency or one-action laws. Mortgagor agrees that Lender and any party to this Security Instrument may extend, modify or make any change in the terms of this Security Instrument or any evidence of debt without Mortgagor's consent. Such a change will not release Mortgagor from the terms of this Security Instrument. The duties and benefits of this Security Instrument shall bind and benefit the successors and assigns of Mortgagor and Lender.

**27. APPLICABLE LAW; SEVERABILITY; INTERPRETATION.** This Security Instrument is governed by the laws of the jurisdiction in which Lender is located, except to the extent otherwise required by the laws of the jurisdiction where the Property is located. This Security Instrument is complete and fully integrated. This Security Instrument may not be amended or modified by oral agreement. Any section in this Security Instrument, attachments, or any agreement related to the Secured Debt that conflicts with applicable law will not be effective, unless that law expressly or impliedly permits the variations by written agreement. If any section of this Security Instrument cannot be enforced according to its terms, that section will be severed and will not affect the enforceability of the remainder of this Security Instrument. Whenever used, the singular shall include the plural and the plural the singular. The captions and headings of the sections of this Security Instrument are for convenience only and are not to be used to interpret or define the terms of this Security Instrument. Time is of the essence in this Security Instrument.

**28. NOTICE.** Unless otherwise required by law, any notice shall be given by delivering it or by mailing it by first class mail to the appropriate party's address on page 1 of this Security Instrument, or to any other address designated in writing. Notice to one mortgagor will be deemed to be notice to all mortgagors.

**29. WAIVERS.** Except to the extent prohibited by law, Mortgagor waives all appraisal and homestead exemption rights relating to the Property.

**30. U.C.C. PROVISIONS.** If checked, the following are applicable to, but do not limit, this Security Instrument:

- ☐ **Fixture Filing.** Mortgagor grants to Lender a security interest in all goods that Mortgagor owns now or in the future and that are or will become fixtures related to the Property.

- ☐ **Crops; Timber; Minerals; Rents, Issues and Profits.** Mortgagor grants to Lender a security interest in all crops, timber and minerals located on the Property as well as all rents, issues, and profits of them including, but not limited to, all Conservation Reserve Program (CRP) and Payment in Kind (PIK) payments and similar governmental programs (all of which shall also be included in the term "Property").
- ☐ **Personal Property.** Mortgagor grants to Lender a security interest in all personal property located on or connected with the Property, including all farm products, inventory, equipment, accounts, documents, instruments, chattel paper, general intangibles, and all other items of personal property Mortgagor owns now or in the future and that are used or useful in the construction, ownership, operation, management, or maintenance of the Property (all of which shall also be included in the term "Property"). The term "personal property" specifically excludes that property described as "household goods" secured in connection with a "consumer" loan as those terms are defined in applicable federal regulations governing unfair and deceptive credit practices.
- ☐ **Filing As Financing Statement.** Mortgagor agrees and acknowledges that this Security Instrument also suffices as a financing statement and any carbon, photographic or other reproduction may be filed of record for purposes of Article 9 of the Uniform Commercial Code.

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

- ☒ **Line of Credit.** The Secured Debt includes a revolving line of credit provision.
- ☒ **Agricultural Property.** Mortgagor covenants and warrants that the Property will be used principally for agricultural or farming purposes and that Mortgagor is an individual or entity allowed to own agricultural land as specified by law.
- ☐ **Separate Assignment.** The Mortgagor has executed or will execute a separate assignment of leases and rents. If the separate assignment of leases and rents is properly executed and recorded, then the separate assignment will supersede this Security Instrument's "Assignment of Leases and Rents" section.
- ☐ **Additional Terms.**

**FOR WISCONSIN RESIDENTS ONLY:**


The Secured Debt is incurred in the interest of undersigned Mortgagors' marriages or families.

\_\_\_\_\_[Seal]\_\_\_\_\_[Seal]  
(Signature) (Date) (Signature) (Date)

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

Entity Name: \_\_\_\_\_

Entity Name: \_\_\_\_\_

  
(Signature) JUDITH A MEYER (Date) 6/24/23 [Seal]

\_\_\_\_\_[Seal]  
(Signature) (Date)

\_\_\_\_\_[Seal]  
(Signature) (Date)

\_\_\_\_\_[Seal]  
(Signature) (Date)

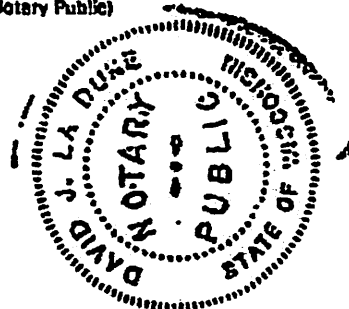


**ACKNOWLEDGMENT:**

(Individual) STATE OF Wisconsin, COUNTY OF Sheboygan } ss.  
 This instrument was acknowledged before me this 24th day of June 2005  
 by JUDITH A MEYER  
 My commission expires: 03/22/2009

David J. La Duke  
 (Notary Public)

DAVID J LA DUKE



(Business or Entity Acknowledgment) STATE OF \_\_\_\_\_, COUNTY OF \_\_\_\_\_ } ss.  
 This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
 by \_\_\_\_\_ (Title(s))  
 of \_\_\_\_\_ (Name of Business or Entity)  
 a \_\_\_\_\_ on behalf of the business or entity.  
 My commission expires: \_\_\_\_\_

\_\_\_\_\_  
 (Notary Public)

This instrument was drafted by SYLVIA PEREZ (name).

BUSINESS  
W. H. A. 1471 (888) F1159  
Wisconsin Bankers Association 1508

**GENERAL BUSINESS SECURITY AGREEMENT**  
1. SECURITY INTEREST

**ATPCO**

Dated APRIL 14, 2000

The undersigned ("Debtor", whether one or more) grants COMMUNITY BANK & TRUST ("Lender") a security interest in all equipment, fixtures, inventory (including all goods held for sale, lease or demonstration or to be furnished under contracts of service, goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used or consumed in Debtor's business), documents relating to inventory, general intangibles, accounts, contract rights, chattel paper, instruments and investment property now owned or hereafter acquired by Debtor (or by Debtor with spouse), and all additions and accessions to, all spare and repair parts, special tools, equipment and replacements for, all returned or repossessed goods the sale of which gave rise to, and all proceeds and products of the foregoing ("Collateral"), wherever located, to secure all debts, obligations and liabilities of any Debtor to Lender arising out of credit previously granted, credit contemporaneously granted and credit granted in the future by Lender to any Debtor, to any Debtor and another, or to another guaranteed or endorsed by any Debtor ("Obligations").

**2. DEBTOR'S WARRANTIES**

Debtor warrants that while any of the Obligations are unpaid:

(a) **Ownership.** Debtor owns (or with spouse owns) the Collateral free of all encumbrances and security interests (except Lender's security interest). Chattel paper constituting Collateral evidences a perfected security interest in the goods covered by it, free from all other encumbrances and security interests, and no financing statement (other than Lender's) is on file covering the Collateral or any of it. Debtor, acting alone, may grant a security interest in the Collateral.

(b) **Sale of goods or services rendered.** Each account and chattel paper constituting Collateral as of this date arose from the performance of services by Debtor or from a bona fide sale or lease of goods, which have been delivered or shipped to the account debtor and for which Debtor has genuine invoices, shipping documents or receipts.

(c) **Enforceability.** Each account, contract right and chattel paper constituting Collateral as of this date is genuine and enforceable against the account debtor according to its terms, it and the transaction out of which it arose comply with all applicable laws and regulations. The amount represented by Debtor to Lender as owing by each account debtor is the amount actually owing and is not subject to setoff, credit, allowance or adjustment, except discount for prompt payment, nor has any account debtor returned the goods or disputed his liability.

(d) **Due date.** There has been no default as of this date according to the terms of any Collateral and no step has been taken to foreclose the security interest it evidences or otherwise enforce its payment.

(e) **Financial condition of account debtor.** As of this date Debtor has no notice or knowledge of anything which might impair the credit standing of any account debtor.

(f) **Valid Organization.** If a corporation, limited liability company or partnership, Debtor is duly organized, validly existing and in good standing under the laws of the state of organization and is authorized to do business in Wisconsin.

(g) **Other agreements.** Debtor is not in default under any agreement for the payment of money.

(h) **Authority to contract.** The execution and delivery of this Agreement and any instruments evidencing Obligations will not violate or constitute a breach of Debtor's articles of incorporation or organization, by-laws, partnership agreement, operating agreement or any other agreement or restriction to which Debtor is a party or is subject.

(i) **Accuracy of information.** All information, certificates or statements given to Lender pursuant to this Agreement shall be true and complete when given.

(j) **Addresses.** The address of the Debtor's residence, or if a corporation, limited liability company or partnership, the address of Debtor's place of business, or if Debtor has more than one place of business, then the address of Debtor's chief executive office, is shown opposite Debtor's signature. The address where the Collateral will be kept, if different from that appearing opposite Debtor's signature, is n/a.

Such locations shall not be changed without prior

written consent of Lender, but the parties intend that the Collateral, wherever located, is covered by this Agreement.

(k) **Change of name or address.** Debtor shall immediately advise Lender in writing of any change in name or address.

(l) **Environmental laws.** (i) No substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about any real estate now or at any time owned or occupied by Debtor ("Property") during the period of Debtor's ownership or use of the Property in a form, quantity or manner which is known to be present on, under, in or about the Property would require clean-up, removal or some other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"). (ii) Debtor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner of or person using the Property, (iii) without limiting the generality of the foregoing, Debtor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components (PCBs) or underground storage tanks, (iv) there are no conditions existing currently or likely to exist during the term of this Agreement which would subject Debtor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claim relating to any Hazardous Substance, (v) Debtor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any such substance, and (vi) Debtor in the past has been, at the present is, and in the future will remain in compliance with all Environmental Laws. Debtor shall indemnify and hold harmless Lender, its directors, officers, employees and agents from all loss, cost (including reasonable attorneys' fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of, or based upon (1) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any such substance to or from the Property, (2) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from Property, or (3) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Debtor shall immediately notify Lender in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance described above, on, in, under or about the Property.

(m) **Fixtures.** If any of the Collateral is affixed to real estate, the legal description of the real estate set forth in each UCC Financing Statement signed by Debtor is true and correct.

**3. SHIPPERS**

Shippers authorized to draw drafts on Lender under section 7(c) are: n/a

**4. PERSONS BOUND AND OTHER PROVISIONS**

The obligations hereunder of all Debtors are joint and several. This Agreement benefits Lender, its successors and assigns, and binds Debtor(s) and their respective heirs, personal representatives, successors and assigns. THIS AGREEMENT INCLUDES ADDITIONAL PROVISIONS ON REVERSE SIDE.

**COPY**

(SEAL)

(TYPE OF ORGANIZATION)

JUSTIN A MEYER, Individually & Sole Prop (SEAL)  
d/b/a MEYER'S (ANALYSIS PUB) (SEAL)

Address: 550 HILSON AVENUE  
(SEE SECTION 20)

SHERBOYGAN WI 53081

(County) SHERBOYGAN

(SEAL)

(SEAL)

## ADDITIONAL PROVISIONS

### 5. SALE AND COLLECTIONS

(a) **Sale of inventory.** So long as no default exists under any of the Obligations or this Agreement, Debtor may (a) sell inventory in the ordinary course of Debtor's business for cash or on terms customary in the trade, at prices not less than any minimum sale price shown on instruments evidencing Obligations and describing inventory, or (b) lease inventory on terms customary in the trade.

(b) **Verification and notification.** Lender may verify Collateral in any manner, and Debtor shall assist Lender in so doing. Upon default Lender may at any time and Debtor shall, upon request of Lender, notify the account debtors to make payment directly to Lender and Lender may enforce collection of, settle, compromise, extend or renew the indebtedness of such account debtors. Until account debtors are so notified, Debtor as agent of Lender, shall make collections on the Collateral. Lender may at any time notify the balance of any Collateral of Lender's security interest.

(c) **Deposit with Lender.** At any time Lender may require that all proceeds of Collateral received by Debtor shall be held by Debtor upon an express trust for Lender, shall not be commingled with any other funds or property of Debtor and shall be turned over to Lender in precisely the form received (but endorsed by Debtor if necessary for collection) not later than the business day following the day of their receipt. All proceeds of Collateral received by Lender directly or from Debtor shall be applied against the Obligations in such order and at such times as Lender shall determine.

### 6. DEBTOR'S COVENANTS

(a) **Maintenance of Collateral.** Debtor shall maintain the Collateral in good condition and repair and not permit its value to be impaired; keep it free from all liens, encumbrances and security interests (other than Lender's security interest); defend it against all claims and legal proceedings by persons other than Lender; pay and discharge when due all taxes, license fees, levies and other charges upon it; not sell, lease or otherwise dispose of it or permit it to become a fixture or an accession to other goods, except for sales or leases of inventory as provided in this Agreement; not permit it to be used in violation of any applicable law, regulation or policy of insurance; and, as to Collateral consisting of instruments and chattel paper, preserve rights in it against prior parties. Loss of or damage to the Collateral shall not release Debtor from any of the Obligations.

(b) **Insurance.** Debtor shall keep the Collateral and Lender's interest in it insured under policies with such provisions, for such amounts and by such insurers as shall be satisfactory to Lender from time to time, and shall furnish evidence of such insurance satisfactory to Lender. Subject to Lender's satisfaction, Debtor is free to select the insurance agent or insurer through which the insurance is obtained. Debtor assigns (and directs any insurer to pay) to Lender the proceeds of all such insurance and any premium refund, and authorizes Lender to endorse in the name of Debtor any instruments for such proceeds or refunds and, at the option of Lender, to apply such proceeds and refunds to any unpaid balance of the Obligations, whether or not due, and/or to restoration of the Collateral, returning any excess to Debtor. Lender is authorized, in the name of Debtor or otherwise, to make, adjust and/or settle claims under any credit insurance financed by Lender or any insurance on the Collateral, or cancel the same after the occurrence of an event of default.

(c) **Maintenance of security interest.** Debtor shall pay all expenses and upon request, take any action reasonably deemed advisable by Lender to preserve the Collateral or to establish, determine priority of, perfect, continue perfected, laminate and/or enforce Lender's interest in it or rights under this Agreement.

(d) **Taxes and other charges.** Debtor shall pay and discharge all lawful taxes, assessments and government charges upon Debtor or against its properties prior to the date on which penalties attach, unless and to the extent only that such taxes, assessments and charges are contested in good faith and by appropriate proceedings by Debtor.

(e) **Records and statements.** Debtor shall furnish to Lender financial statements at least annually and such other financial information respecting Debtor at such times and in such form as Lender may request. Debtor shall keep accurate and complete records respecting the Collateral in such form as Lender may approve. At such times as Lender may require, Debtor shall furnish to Lender a statement certified by Debtor and in such form and containing such information as may be prescribed by Lender, showing the current status and value of the Collateral.

(f) **Inspection of Collateral.** At reasonable times Lender may examine the Collateral and Debtor's records pertaining to it, wherever located, and make copies of records. Debtor shall assist Lender in so doing.

(g) **Service charge.** In addition to the required payments under the Obligations and this Agreement, Debtor shall pay Lender's then current service charges for servicing and auditing in connection with this Agreement.

(h) **Chattel paper.** Lender may require that chattel paper constituting Collateral shall be on forms approved by Lender. Debtor shall promptly mark all chattel paper constituting Collateral, and all copies, to indicate conspicuously the Lender's interest and, upon request, deliver them to Lender.

(i) **United States contracts.** If any accounts or contract rights constituting Collateral arose out of contracts with the United States or any of its departments, agencies or instrumentalities, Debtor will notify Lender and execute writings required by Lender in order that all money due or to become due under such contracts shall be assigned to Lender and proper notice of the assignment given under the Federal Assignment of Claims Act.

(j) **Modifications.** Without the prior written consent of Lender, Debtor shall not alter, modify, extend, renew or cancel any accounts or chattel paper constituting Collateral or any Collateral constituting part of the Debtor's borrowing base.

(k) **Retains and repossessions.** Debtor shall promptly notify Lender of the return to or repossession by Debtor of goods underlying any Collateral and Debtor shall hold and dispose of them only as Lender directs.

### 7. RIGHTS OF LENDER

(a) **Authority to perform for Debtor.** Upon the occurrence of an event of default or if Debtor fails to perform any of Debtor's duties set forth in this Agreement or in any evidence of or document relating to the Obligations, Lender is authorized, in Debtor's name or otherwise, to take any such action including without limitation signing Debtor's name or paying any amount so required, and the cost shall be one of the Obligations secured by this Agreement and shall be payable by Debtor upon demand with interest from the date of payment by Lender at the highest rate stated in any evidence of any Obligation but not in excess of the maximum rate permitted by law.

(b) **Charging Debtor's credit balance.** Unless a lien would be prohibited by law or would render a nonliable account taxable, Debtor grants Lender, as further security for the Obligations, a security interest and lien in any deposit account Debtor may at any time have with Lender and other money now or hereafter owed Debtor by Lender and, in addition, agrees that Lender may, at any time after the occurrence of an event of default, without prior notice or demand, set-off all or any part of the unpaid balance of the Obligations against any deposit balances or other money now or hereafter owed Debtor by Lender.

(c) **Power of attorney.** Debtor irrevocably appoints any officer of Lender as Debtor's attorney, with power after an event of default to receive, open and dispose of all mail addressed to Debtor; to notify the Post Office authorities to change the address for delivery of all mail addressed to Debtor to such address as Lender may designate; and to endorse the name of Debtor upon any instruments which may come into Lender's possession. Debtor agrees that Obligations may be created by drafts drawn on Lender by shippers of inventory named in section 3. Debtor authorizes Lender to honor any such draft accompanied by invoices aggregating the amount of the draft and describing inventory to be shipped to Debtor and to pay any such invoices not accompanied by drafts. Debtor appoints any employee of Lender as Debtor's attorney, with full power to sign Debtor's name on any instrument evidencing an Obligation, or any renewals or extensions, or the amount of such drafts honored by Lender and such instruments may be payable at fixed times or on demand, shall bear interest at the rate from time to time fixed by Lender and Debtor agrees, upon request of Lender, to execute any such instruments. This power of attorney to execute instruments may be revoked by Debtor only by written notice to Lender and no such revocation shall affect any instruments executed prior to the receipt by Debtor of such notice. All acts of such attorney are ratified and approved and such attorney is not liable for any act or omission or for any error of judgment or mistake of fact or law.

(d) **Non-liability of Lender.** Lender has no duty to determine the validity of any invoice, the authority of any shipper named in section 3 to ship goods to Debtor or compliance with any order of Debtor. Lender has no duty to protect, insure, collect or realize upon the Collateral or preserve rights in it against prior parties. Debtor releases Lender from any liability for any act or omission relating to the Obligations, the Collateral or this Agreement, except Lender's willful misconduct.

### 8. DEFAULT

Upon the occurrence of one or more of the following events of default:

**Nonperformance.** Debtor fails to pay when due any of the Obligations or to perform, or rectify breach of, any warranty or other undertaking by Debtor in this Agreement or in any evidence of or document relating to the Obligations;

**Inability to Perform.** Debtor, Debtor's spouse or a surety for any of the Obligations dies, ceases to exist, becomes insolvent or the subject of bankruptcy or insolvency proceedings;

**Misrepresentation.** Any representation made to induce Lender to extend credit to Debtor, under this Agreement or otherwise, is false in any material respect when made; or

**Insecurity.** Any other event which causes Lender in good faith to deem itself insecure;

all of the Obligations shall, at the option of Lender and without notice or demand, become immediately payable; and Lender shall have all rights and remedies for default provided by the Wisconsin Uniform Commercial Code, as well as any other applicable law and any evidence of or document relating to any Obligation. With respect to such rights and remedies:

(a) **Repossession.** Lender may take possession of Collateral without notice or hearing, which Debtor waives;

(b) **Assembling collateral.** Lender may require Debtor to assemble the Collateral and to make it available to Lender at any convenient place designated by Lender;

(c) **Notice of disposition.** Written notice, when required by law, sent to any address of Debtor in this Agreement at least 10 calendar days (counting the day of sending) before the date of a proposed disposition of the Collateral is reasonable notice;

(d) **Expenses and application of proceeds.** Debtor shall reimburse Lender for any expense incurred by Lender in protecting or enforcing its rights under this Agreement before and after judgment, including, without limitation, reasonable attorneys' fees and legal expenses of taking possession, holding, preparing for disposition and disposing of Collateral. After deduction of such expenses, Lender may apply the proceeds of disposition to the Obligations in such order and amounts as it elects; and

(e) **Waiver.** Lender may permit Debtor to remedy any default without waiving the default so remedied, and Lender may waive any default without waiving any other subsequent or prior default by Debtor.

### 9. INTERPRETATION

The validity, construction and enforcement of this Agreement are governed by the internal laws of Wisconsin. All terms not otherwise defined have the meanings assigned to them by the Wisconsin Uniform Commercial Code. Invalidity of any provision of this Agreement shall not affect the validity of any

This UCC-1 FINANCING STATEMENT is presented for filing pursuant to the Wisconsin Uniform Commercial Code.

8. Office use only. Initial Filing Date, Time, Number, etc.

1. Debtor (Legal Name of Entity Or Last Name If An Individual) **Meyer, Judith A. d/b/a MEYER'S LAKEVIEW PUB** First Name Middle Initial

1A. Mailing Address

550 Wilson Avenue

1B. City, State, Zip Code

Sheboygan, WI 53081

1C. Social Security Or Federal Tax ID No.

2. Additional Debtor (If Any) (Legal Name of Entity Or Last Name If An Individual) First Name Middle Initial

2A. Mailing Address

2B. City, State, Zip Code

2C. Social Security Or Federal Tax ID No.

3. Additional Debtor (If Any) (Legal Name of Entity Or Last Name If An Individual) First Name Middle Initial

3A. Mailing Address

3B. City, State, Zip Code

3C. Social Security Or Federal Tax ID No.

4. Secured Party

Name **COMMUNITY BANK**

Mailing Address **655 S. TAYLOR DRIVE**

City, State, Zip Code **SHEBOYGAN, WI 53081**

5. File With ☒ Secretary of State ☐ Reg. of Deeds n/a County

6. No. of Additional Sheets Presented: 0 Attaching additional pages requires non-standard fee.

7. This Financing Statement covers the following types (or items) of Collateral and (7A) if the collateral is crops, the land on which the crops are growing or to be grown:

7B. Proceeds of collateral are covered unless checked ☐.

7C. Products of collateral are covered unless checked ☐.

7D. If checked here ☐ the term "Debtor" refers to a "Lessor", the term "Secured Party" refers to a "Lessor" and this filing is made only for informational purposes to provide notice of a personal property lease of the following:

All equipment, fixtures, inventory including all goods held for sale, lease or demonstration or to be furnished under contracts of service, goods leased to others, trade-ins and repossessions, raw materials, work in process and materials or supplies used and consumed in Debtor's business, document relating to inventory, general intangibles, accounts, contract rights. Chattel paper and instruments, now owned or hereafter acquired by Debtor (or Debtor with spouse) and all additions and accessions to all spare and repair parts, special tools, equipment and replacements for all returned or repossessed goods the sale of which gave rise to, and all proceeds and products of the foregoing collateral, wherever located to secure all debts, obligations and liabilities of any Debtor to any Debtor and another guaranteed or indorsed by any Debtor (obligations).

11. "Continuing Business Relationship" under 5.409.404(1)(C) Wis. Stats. exists if checked ☒

12. NAME OF DEBTOR (IF ENTITY)

By: SIGNATURE TITLE

SIGNATURE OF INDIVIDUAL DEBTOR **Judith A. Meyer**

SIGNATURE OF INDIVIDUAL DEBTOR

SIGNATURE OF INDIVIDUAL DEBTOR

13. SIGNATURE OF SECURED PARTY OR ASSIGNEE OR ITS AGENT TITLE  
(Signature of Secured Party if required)

#### TERMINATION STATEMENT

This statement of termination of financing is presented to a filing officer for filing pursuant to the Uniform Commercial Code. The Secured Party certifies that the Secured Party no longer claims a security interest under the financing statement bearing the file number shown above and requests the filing officer to terminate its interest of record.

TYPE/PRINT NAME OF SECURED PARTY OF RECORD

By: SIGNATURE OF SECURED PARTY OF RECORD OR ITS AGENT.  
NOT VALID UNTIL SIGNED

14. RETURN COPIES TO:

Name **Community Bank**  
Address **655 S Taylor Drive**  
City, State **Sheboygan WI 53081**  
And Zip Code

DATED: \_\_\_\_\_, 19\_\_\_\_

15. **Thomas Brickley**

CONTACT PERSON

614-459-4444

PHONE NUMBER



**B S L B V**  
ATTORNEYS AT LAW

BARRICK, SWITZER, LONG, BALSLEY &amp; VAN EVERA, LLP

SINCE 1938

8833 STALTER DRIVE • ROCKFORD, ILLINOIS 61108  
815-962-8811 • FAX 815-962-0887  
www.bslbv.comAdam S. Long  
along@bslbv.com**NOTICE OF DEFAULT & ACCELERATION****Via Certified Mail, Return Receipt Requested**

April 24, 2023

Judith A. Meyer d/b/a Meyer's Lakeview Pub  
2925 Lakeshore Drive  
Sheboygan, WI 53081**RE: Wisconsin Bank & Trust**  
**Mortgage Loan No. 1650**  
**Real Estate Security Agreement dated June 17, 2013**  
**Promissory Note dated June 17, 2018**  
**Notice of Default**

Dear Ms. Meyer:

Please be advised that my law firm and I represent Wisconsin Bank &amp; Trust ("Lender") with respect to the above.

**This letter constitutes formal notice by Lender to you that you are in default under the terms of the documents creating and securing your Loan described above, including the Promissory Note dated June 17, 2018 ("Note"), Real Estate Security Agreement dated June 17, 2013 ("Security Agreement"), and Mortgage Loan No. 1650 ("Mortgage") (collectively, the "Security Instruments"). You are in default for failing to make installment payments to Lender in the monthly amounts of \$887.34 due on March 17, 2023 and \$991.00 due on April 17, 2023, along with corresponding late fees pursuant to the terms of the Security Instruments.**

Specifically, you are in default pursuant to the following provisions of the Security Instruments:

**EXHIBIT**

E

- **Mortgage: Section 16 A: "Mortgagor will be in default if any of the following occur: Any party obligated on the Secured Debt fails to make payment when due"; and**
- **Note: "Each of the following shall constitute an event of default...under this Note: Payment Default. Borrower fails to make any payment when due under this Note."**

Please be further advised that, pursuant to rights expressly granted to the Lender in each of the Security Instruments, the Lender may accelerate the debt owed to it if you are in default and the Lender has elected to do so. **This letter shall accordingly constitute formal notice of acceleration of any and all amounts owed under the Security Instruments to Lender as set forth more fully below.** The acceptance by Lender of any sum in payment or partial payment after the balance has been accelerated shall not constitute a waiver, implied or otherwise, of Lender's right to require complete cure of the default.

**The amount presently due, as of 4/20/23, to Lender is itemized as follows:**

<b>Principal Amount</b>	<b>\$37,459.01</b>
<b>Interest Due</b>	<b>\$0.00</b>
<b>Late Charges Due</b>	<b>\$107.40</b>
<b>Escrow Balance</b>	<b>\$1,625.01 (Credit)</b>
<b>Payoff Interest per diem</b>	<b>10.405280 %</b>
<b>Unapplied Funds</b>	<b>\$0.00</b>
<b>Unpaid Loan Fees</b>	<b>\$0.00</b>
<b>Total of Other Rebates</b>	<b>\$0.00</b>
<b><u>Balance Due to Lender through 4/20/23</u></b>	<b><u>\$35,941.40</u></b>

To cure the default, please remit immediate payment in the amount of **\$1,985.74** (March payment, plus April payment, plus late charges due) to Lender at the following address in accordance with the terms of the Note:

**Wisconsin Bank & Trust  
Sheboygan Downtown  
604 North 8<sup>th</sup> Street  
Sheboygan, WI 53081-4503**

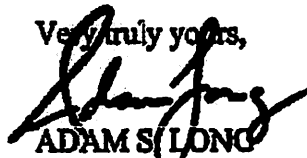
Pursuant to the terms of the Note, upon default, the interest rate on any amounts due and owing shall be increased to 15 % per annum based on a year of 360 days. Additionally, each of the Security Instruments provides that Lender is entitled to recover reasonable attorneys' fees and costs of enforcement from you, even if suit is not filed. It is in your best interest to immediately resolve the amounts due and owing on this account in order to avoid further accumulation of interest, fees, and charges. If payment is not received in full within thirty (30) days, Lender will have no choice but to institute foreclosure proceedings against you and the property.

The acceptance by Lender of any sum in payment or partial payment after the balance has been accelerated shall not constitute a waiver, implied or otherwise, of Lender's right to require complete cure of the default, nor shall it relieve you from making all other payments as they become due.

Please be further advised that Lender has previously tendered notice to you of its intent not to renew your Loan via written correspondence dated January 20, 2023. A copy of that correspondence is enclosed herein for your reference. The Lender reiterates this position to you via this notice.

Please contact my office if you have any questions. Thank you.

Very truly yours,



ADAM S. LONG  
Enclosure

**THE PURPOSE OF THIS LETTER IS TO COLLECT A DEBT.**  
**ANY INFORMATION OBTAINED FROM YOU WILL BE USED FOR THAT PURPOSE.**

**NOTICE PURSUANT TO THE  
FAIR DEBT COLLECTION  
PRACTICES ACT  
15 U.S.C. Section 1601 as Amended**

1. The amount of the debt is stated in the correspondence attached hereto.
2. The party named in the attached correspondence is the creditor to whom the debt is owed or is the servicing agent for the creditor whom the debt is owed.
3. Unless you notify this office within 30 days after receiving this notice that you dispute the validity of the debt or any portion thereof, this office will assume the debt is valid.
4. If you notify this office within 30 days after receiving this notice, this office will obtain verification of the debt and mail you a copy of such verification.
5. If you request this office in writing within 30 days after receiving this notice, this office will provide you with the name and address of the original creditor, if different from the current creditor.
6. Nothing in this notice should be construed as an agreement to extend or stay any time periods established by law with respect to the litigation which is the subject of the attached motion.
7. Written requests should be addressed to Barrick, Switzer, Long, Balsley & Van Evera, LLP c/o Adam S. Long, 6833 Stalter Drive, Rockford, Illinois 61108.
8. Please be advised that this is an attempt to collect a debt. Any information obtained will be used for that purpose.



**PAYOFF STATEMENT**

Item 7.

**As Of: Thursday, June 8, 2023****Property: 550 Wilson Ave & 2925 Lakeshore Dr. Sheboygan WI****LOAN**

Customer Name(s):	Judith A Meyer
Loan Number:	19850
Loan Date:	6/17/2013
Original Amount:	\$63,980.47
Interest Rate:	9.75%
Maturity Date:	6/17/2023
Principal Balance:	\$ 37,009.60
Interest Due:	\$ 84.83
Late Charges Due:	\$ 107.40
Escrow Credit/Shortage:	\$ (1,952.93)
Loan Fees:	\$ -
Prepayment Penalty:	\$ -
Other:	\$ -
Payoff:	\$ 35,258.90
Payoff per diem interest:	\$ 10.637455

**EXPENSES****SUBTOTALS**

Appraisal Fees:	\$ -
Environmental Fees:	\$ -
Title Fees:	\$ -
Attorney Fees:	\$ -
Release - Recording Fees:	\$ -
UCC Termination Fees:	\$ -
Other:	\$ -

Loan:	\$ 35,258.90
Credit Cards:	\$ -
Expenses:	\$ -

**GRAND TOTAL****\$ 35,258.90**

Payoff figures are subject to change with any adjustments that may be made to the loan. (This includes, but are not limited to, payments, disbursements, late charges, escrow disbursements, dishonored payments or any required adjustments to the loan). Please contact our office to obtain an updated payoff statement if necessary. Payoff quotes are subject to final audit. The Bank reserves the right to return any payoff quotes, which are not sufficient, or to use any suspended funds to payoff the loan in full without prior written consent.

Payoff funds must be submitted in the form of a cashier's check, certified funds or wired funds.

**\*\*If funds are sent after 2:00pm CST on date of payoff, include one additional per diem of interest**

**WIRING INSTRUCTIONS**

Bank Name: Wisconsin Bank & Trust  
 City and State: Denver CO  
 ABA Number:  
 Telephone: (800) 397-2000  
 Account Number:   
 Customer Name: Judith A Meyer  
 Attention:

**Dave Peck, VP**  
 Loan Officer, Title


630-258-8318  
 Phone

dpeck@hltf.com  
 Email

Jessica Montgomery, Loan Support

777 1111

jmontgomery@hltf.com

 <b>First American Title™</b>	<b>ALTA Commitment for Title Insurance</b> ISSUED BY <b>First American Title Insurance Company</b>
<b>Schedule BI &amp; BII (Cont.)</b>	

Commitment No.: 2023-28999-14

Revision:

**SCHEDULE B, PART II****Exceptions (Continued)**


FOR INFORMATIONAL PURPOSES: Taxes for the year 2022 in the amount of \$3,291.06, and all previous years have been paid in full.

10. Mortgage from Judith A. Meyer, a single person to Community Bank & Trust, in the originally stated amount of \$65,000.00, dated June 24, 2005, recorded June 27, 2005, as Document No. 1769004 .  
 NOTE: The Mortgage set forth above appears to secure a revolving line of credit. If the mortgage is to be paid off through the Company or other Settlement/Escrow Agent it is a requirement that current final pay-off figures closing the account must be obtained together with the necessary consents and/or directions from the borrower to the lender directing that said loan not be re-advanced, that the account be closed, and the mortgage be released of record.
11. Mortgage from Judith A. Meyer, Iris J. Sacher & Joseph J. Sacher to City of Sheboygan Department of City Development, in the originally stated amount of \$16,000.00, dated August 11, 1995, recorded August 14, 1995, as Document No. 1452354 .  
 Said Mortgage was subordinated by a Subordination Agreement recorded on June 27, 2005, as Document No. 1769003 .
12. Real Estate Security Agreement from Judith A. Meyer to Community Bank & Trust, dated June 17, 2013 recorded June 24, 2013, in Volume n/a, Page n/a, Document No. 1970790 .  
 NOTE The Mortgage set forth above appears to secure a revolving line of credit. If the mortgage is to be paid off through the Company or other Settlement/Escrow Agent it is a requirement that current final pay-off figures closing the account must be obtained together with the necessary consents and/or directions from the borrower to the lender directing that said loan not be re-advanced, that the account be closed, and the mortgage be released of record.
13. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000068 , in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$1,285.35, no attorney listed.
14. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000073 , in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$812.45, no attorney listed.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

Copyright 2006-2016 American Land Title Association. All rights reserved.  
 The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited.  
 Reprinted under license from the American Land Title Association.



 <b>First American Title™</b>	<b>ALTA Commitment for Title Insurance</b> ISSUED BY <b>First American Title Insurance Company</b>
<b>Schedule BI &amp; BII (Cont.)</b>	

Commitment No.: 2023-28999-14

Revision:

**SCHEDULE B, PART II****Exceptions (Continued)**

15. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000070 .pdf), in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$822.90, no attorney listed.
16. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000069 , in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$1,406.47, no attorney listed.
17. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000075 , in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$981.12, no attorney listed.
18. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000071 , in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$882.56, no attorney listed.
19. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000072 .pdf), in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$975.43, no attorney listed.
20. Judgment docketed in Circuit Court for Sheboygan County on March 31, 2023, Case No. 2023TW000074 .pdf), in favor of Department of Revenue creditor, vs. Judith Ann Meyer defendant, in the sum of \$619.71, no attorney listed.
21. Rights of the public in and to that portion of the insured premises lying within the limits of the public roads and/or right-of-ways.
22. Easements, restrictions, and any other matters as may appear on the recorded Plats/Certified Survey Maps of the subject property.
23. Encroachment Agreement recorded January 17, 1994, in Volume 1325, Page 740/1, Document No. 1395438 .
24. Ordinance with Easement recorded July 28, 1967, in Volume 516, Page 513/4, Document No. 893464 .
25. Ordinance with Easement recorded December 23, 1966, in Volume 499, Page 38/9, Document No. 887312 .pdf).

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by First American Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

Copyright 2006-2016 American Land Title Association. All rights reserved.  
 The use of this Form (or any derivative thereof) is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited.  
 Reprinted under license from the American Land Title Association.



FILED

06-15-2023

Sheboygan County

Clerk of Circuit Court

2023CV000328

Honorable Daniel J

Borowski

Branch 5

Item 7.

**STATE OF WISCONSIN****CIRCUIT COURT****SHEBOYGAN****WISCONSIN BANK & TRUST vs. JUDITH A. MEYER et al Electronic Filing  
Notice**

Case No. 2023CV000328

Class Code: Foreclosure of Mortgage

CITY OF SHEBOYGAN  
DEPARTMENT OF CITY DEVELOPMENT  
825 CENTER AV., SUITE 208  
SHEBOYGAN WI 53081-5014

Case number 2023CV000328 was electronically filed with/converted by the Sheboygan County Circuit Court office. The electronic filing system is designed to allow for fast, reliable exchange of documents in court cases.

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

You may also register as an electronic party by following the instructions found at <http://efiling.wicourts.gov/> and may withdraw as an electronic party at any time. There is a \$20.00 fee to register as an electronic party. This fee may be waived if you file a Petition for Waiver of Fees and Costs Affidavit of Indigency (CV-410A) and the court finds you are indigent under §814.29, Wisconsin Statutes.

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

**Pro Se opt-in code: 95311c**

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

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

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

Sheboygan County Circuit Court  
Date: June 16, 2023



SERVED 07-23-23 AT 203 P.M.  
AT 828 CENTER AVE CITY OF SHEBOY  
ON CITY CLERK MEREDITH DEBRUIN  
BY DEP. J. A. BREIDUNG

**CITY OF SHEBOYGAN  
R. O. 50-23-24**

**BY CITY CLERK.**

**OCTOBER 2, 2023.**

Submitting a Summons and Complaint in the matter of BMO Harris Bank, N.A. vs.  
Jessica J. Jacoby et al.

FILED

09-11-2023

Sheboygan County

Clerk of Circuit Court

2023CV000477

Honorable Natasha Torry

Item 8.

STATE OF WISCONSIN

CIRCUIT COURT

SHEBOYGAN COUNTY  
Branch 2

BMO Harris Bank N.A.  
Attn: Mortgage Disposition  
1 Corporate Drive, Suite 360  
Lake Zurich, IL 60047

Plaintiff,

v.

Jessica J. Jacoby f/k/a Jessica J. Grohman  
1132 Logan Avenue  
Sheboygan, WI 53083

Partners for Community Development, Inc.  
c/o Karin Kirchmeier- Registered Agent  
1407 S. 13th Street  
Sheboygan, WI 53081

City of Sheboygan  
c/o City Clerk  
828 Center Avenue, Ste. 208  
Sheboygan, WI 53081

Sheboygan County Clerk of the Circuit Court  
615 N. 6th Street  
Sheboygan, WI 53081

Defendants.

## SUMMONS

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

THE STATE OF WISCONSIN,

To each person named above as a defendant:

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

Within 20 days, or within 45 days if you are the State of Wisconsin or an insurance company, or within 60 days if you are the United States of America, after receiving this Summons, you must respond with a written answer, as that term is used in Chapter 802 of the Wisconsin Statutes, to Complaint. The Court may reject or disregard an answer that does not follow the requirements of the statutes. The answer must be sent or delivered to the Court, which address is Sheboygan County Courthouse 615 N 6th St, Sheboygan, WI 53081-4692, and to Codilis, Moody & Circelli, P.C., plaintiff's attorneys, whose address is 15W030 North Frontage Road, Suite 200, Burr Ridge, IL 60527. You may have an attorney help or represent you.

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

Dated: September 11, 2023.

Codilis, Moody & Circelli, P.C.  
Attorneys for Plaintiff  
Electronically signed by  
Shawn R. Hillmann  
WI State Bar No. 1037005  
Emily E. Thoms  
WI State Bar No. 1075844  
Matthew Comella  
WI State Bar No. 1096303

Andrew Mentzer  
WI State Bar No. 1121261  
Jordan Arrigo  
WI State Bar No. 1119740  
Josh Rittberg  
WI State Bar No. 1052139

Codilis, Moody & Circelli, P.C.  
15W030 North Frontage Road, Suite 200  
Burr Ridge, IL 60527  
(414) 775-7700  
pleadings@il.cslegal.com  
50-23-01024  
**NOTE: This law firm is a debt collector.**



FILED

09-11-2023

Sheboygan County

Clerk of Circuit Court

2023CV000477

Honorable Natasha Torrey

Branch 2

Item 8.

STATE OF WISCONSIN

CIRCUIT COURT

SHEBOYGAN COUNTY

BMO Harris Bank N.A.  
Attn: Mortgage Disposition  
1 Corporate Drive, Suite 360  
Lake Zurich, IL 60047

Plaintiff,

v.

Jessica J. Jacoby f/k/a Jessica J. Grohman  
1132 Logan Avenue  
Sheboygan, WI 53083

Partners for Community Development, Inc.  
c/o Karin Kirchmeier- Registered Agent  
1407 S. 13th Street  
Sheboygan, WI 53081

City of Sheboygan  
c/o City Clerk  
828 Center Avenue, Ste. 208  
Sheboygan, WI 53081

Sheboygan County Clerk of the Circuit Court  
615 N. 6th Street  
Sheboygan, WI 53081

Defendants.

---

**COMPLAINT**

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

---

Now comes the plaintiff, by its attorneys, and alleges:

1. Plaintiff is a National Association and is engaged in the lending business with offices at the address stated in the captions of these pleadings.

2. Jessica J. Jacoby f/k/a Jessica J. Grohman ("Mortgagor") is an adult whose last-known address is the address stated in the captions of these pleadings.

3. Mortgagor executed and delivered a Note and Mortgage to the originating lender for the consideration expressed therein, copies being attached as Exhibits.

4. The Mortgage was recorded in the office of the Register of Deeds on 02/13/2007 as Document Number 1819448.

5. M&I Marshall & Ilsley Bank merged with Harris National Association, and Harris National Association changed its corporate title to BMO Harris National Association effective 07/05/2011.

6. Plaintiff is owed the sum of \$43,973.56 as of 09/07/2023, plus any amount as allowed by the Note and Mortgage additionally paid by the Plaintiff and accrued interest to the date of entry of any judgment.

7. The property secured by the Mortgage has a common address of 1132 Logan Ave, Sheboygan, WI 53083 and is further described in the Mortgage document as recorded.

8. The Mortgagor defaulted on the Note and Mortgage by failing to make payment when due.

9. The Mortgagor defaulted by failing to comply with the terms of the Note and Mortgage.

10. Plaintiff is the holder of the Note and Mortgage, together with all rights thereunder.

11. Plaintiff has fulfilled all conditions precedent under the Note and Mortgage and has declared the unpaid balance immediately payable.

12. The mortgaged property is a one- to 4-family residence on real estate of 20 acres or less; said premises cannot be sold in parcels without injury to the interests of the parties.

13. The party or parties listed below may claim an interest in the property that is the subject of this action, and any such interest, whether identified or otherwise, is junior and subject to the plaintiff's mortgage:

Partners for Community Development, Inc. by virtue of an Affidavit of Interest in Property executed by Jessica J. Grohman dated January 24, 2007 and recorded February 13, 2007 in the Office of the Recorder of Deeds of Sheboygan County, Wisconsin as Document No. 1819450 in the amount of \$1,500.00.

Partners for Community Development, Inc. by virtue of an Affidavit of Interest in Property executed by Jessica J. Grohman dated January 24, 2007 and recorded February 13, 2007 in the Office of the Recorder of Deeds of Sheboygan County, Wisconsin as Document No. 1819451 in the amount of \$500.00.

Partners for Community Development, Inc. by virtue of an Affidavit of Interest in Property executed by Jessica J. Grohman dated March 21, 2007 and recorded March 22, 2007 in the Office of the Recorder of Deeds of Sheboygan County, Wisconsin as Document No. 1822378 in the amount of \$1,957.64.

City of Sheboygan, by virtue of a Mortgage executed by Jessica Jacoby, dated September 3, 2021, and Recorded/registered on October 14, 2021 in the office of the Recorder/Registrar of Deeds of Sheboygan County, Wisconsin, as Document No. 2124593, to secure a note in the principal sum of \$23,870.00;

Judgment docketed in the Circuit Court for Sheboygan County on 06/08/2023 as Case No. 2022FA000345, in favor of Sheboygan County Clerk of Circuit Court vs. Jessica J. Jacoby 1132 Logan Avenue Sheboygan, WI 53083, in the amount of \$35.00.

14. Plaintiff, for the purpose of obtaining a shortened redemption period under Wisconsin Statutes Chapter 846, elects to waive judgment for any deficiency which remains due

to the plaintiff after sale of the mortgaged premises in this action against every party who is personally liable for the debt secured by the Mortgage, and consents that each Mortgagor, unless they abandon the property, may remain in possession of the mortgaged property and be entitled to all rents, issues, and profits therefrom to the date of confirmation of sale by the Court. Plaintiff maintains its lien on, and all rights to, any amounts realized due to any taking, forfeiture, insurance loss or any similar miscellaneous proceeds, per the terms of the Mortgage or applicable loan documents.

WHEREFORE, the Plaintiff demands judgment as follows:

- (1) For the foreclosure and sale of the mortgaged premises in accordance with Wis. Stat. § 846.101, or if the mortgaged premises was not owner-occupied at the commencement of this action, in accordance with Wis. Stat. § 846.103(2);
- (2) If each Mortgagor or their assigns should abandon the property, for the foreclosure and sale of the mortgaged premises in accordance with Wis. Stat. § 846.102;
- (3) Any Mortgagor, or any person occupying the premises, be enjoined and restrained from committing waste during the pendency of the action;
- (4) Entry of a judgment of foreclosure and sale foreclosing the rights of each defendant so as to bar and foreclose each of them from all right, title, and interest in and to the mortgaged premises, except the right to apply for surplus in accordance with Wisconsin Statutes;
- (5) Any other relief as may be just and equitable to the plaintiff.

Dated: September 11, 2023.

Codilis, Moody & Circelli, P.C.  
Attorneys for Plaintiff  
Electronically signed by  
Shawn R. Hillmann  
WI State Bar No. 1037005  
Emily E. Thoms  
WI State Bar No. 1075844  
Matthew Comella  
WI State Bar No. 1096303

Andrew Mentzer  
WI State Bar No. 1121261  
Jordan Arrigo  
WI State Bar No. 1119740  
Josh Rittberg  
WI State Bar No. 1052139

Codilis, Moody & Circelli, P.C.  
15W030 North Frontage Road, Suite 200  
Burr Ridge, IL 60527  
(414) 775-7700  
pleadings@il.cslegal.com  
50-23-01024  
**NOTE: This law firm is a debt collector.**



# ADJUSTABLE RATE NOTE

(1 Year Treasury Index - Rate Caps)

THIS NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. THIS NOTE LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

February 09, 2007  
[Date]

Sheboygan  
[City]

Wisconsin  
[State]

1132 Logan Ave, Sheboygan, WI 53083

[Property Address]

## 1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 70,400.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is M&I Marshall & Ilsley Bank

I will make all payments under this Note in the form of cash, check or money order.

I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

## 2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 6.750 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

Solely for the purpose of computing interest, a monthly payment received by the Note Holder within 30 days prior to or after the date it is due will be deemed to be paid on such due date.

## 3. PAYMENTS

### (A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payment on the first day of each month beginning on 04/01/2007

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied to interest before Principal. If, on March 01, 2037, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 770 N Water Street Milwaukee, WI 53202

or at a different place if required by the Note Holder.

### (B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 456.62

. This amount may change.

### (C) Monthly Payment Changes

Changes in my monthly payment will reflect changes in the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

Grohman, J

WISCONSIN ADJUSTABLE RATE NOTE - ARM 5-2 - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3502.50 1/01

VMP-822N(WI) (0008).02

VMP MORTGAGE FORMS - (800)521-7281

**4. INTEREST RATE AND MONTHLY PAYMENT CHANGES****(A) Change Dates**

The interest rate I will pay may change on the first day of March, 2012, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding Two and 750/1000 percentage points (2.750 %) to the Current Index. The

Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than 8.750 % or less than 4.750 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 12.750 %.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**5. BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I may not designate a payment as a Prepayment if I have not made all the monthly payments due under the Note.

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount, before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

**6. LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from

Grohman, J

Form 3502 88 1/01

Initials: 

me which exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

## 7. BORROWER'S FAILURE TO PAY AS REQUIRED

### (A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15.000 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

### (B) Default

If I do not pay the full amount of each monthly payment on the date it is due, I will be in default.

### (C) Notice of Default

If I am in default, the Note Holder may send me a written notice telling me that if I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of principal which has not been paid and all the interest that I owe on that amount. That date must be at least 30 days after the date on which the notice is mailed to me or delivered by other means.

### (D) No Waiver By Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the Note Holder will still have the right to do so if I am in default at a later time.

### (E) Payment of Note Holder's Costs and Expenses

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include; for example, reasonable attorneys' fees.

## 8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Any notice that must be given to the Note Holder under this Note will be given by delivering it or by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

## 9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.

## 10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Presentment and Notice of Dishonor. "Presentment" means the right to require the Note Holder to demand payment of amounts due. "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

## 11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as

Grohman, J

Form 3502.50 1/0

Initials:

this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

  
Jessica J Grohman  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

(Seal)  
-Borrower

[Sign Original Only]

Grohman, J

Form 3502.50 1/01

1819448

Item 8.

**MORTGAGE**

DOCUMENT NUMBER

NAME &amp; RETURN ADDRESS

M&I Bank FSB  
ATTN Final Documentation Dept.  
P. O. Box 478  
Milwaukee, WI 53201-0478

PARCEL IDENTIFIER NUMBER  
59281-710090

SHEBOYGAN COUNTY, WI  
RECORDED ON  
02/13/2007 04:11PM  
ELLEN R. SCHLEICHER  
REGISTER OF DEEDS

RECORDING FEE: 47.00  
TRANSFER FEE:  
EXEMPTION #

STAFF ID 7  
TRANS # 93942  
# OF PAGES: 19

\_\_\_\_\_[Space Above This Line For Recording Data]\_\_\_\_\_

**DEFINITIONS**

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 11, 13, 18, 20 and 21. Certain rules regarding the usage of words used in this document are also provided in Section 16.

- (A) "Security Instrument" means this document, which is dated February 09, 2007 ,  
together with all Riders to this document.  
(B) "Borrower" is Jessica J Grohman, a single person

Borrower is the mortgagor under this Security Instrument.  
(C) "Lender" is M&I Marshall & Ilsley Bank

Lender is a Corporation  
organized and existing under the laws of the State of Wisconsin

WISCONSIN-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

LAHP-6(WI) (0005).02

Page 1 of 15

VMP MORTGAGE FORMS - (800)521-7291

Grohman, J

Form 3050 1/01



Lender's address is 770 N Water Street  
Milwaukee, WI 53202

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated February 09, 2007

The Note states that Borrower owes Lender Seventy Thousand Four Hundred and 0/100ths  
Dollars

(U.S. \$70,400.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than March 01, 2037

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider              | <input type="checkbox"/> Second Home Rider  |
| <input type="checkbox"/> Balloon Rider                    | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider   |
| <input type="checkbox"/> VA Rider                         | <input type="checkbox"/> Biweekly Payment Rider         | <input type="checkbox"/> Other(s) [specify] |

(H) "Applicable Law" means all controlling applicable federal, state and local statutes, regulations, ordinances and administrative rules and orders (that have the effect of law) as well as all applicable final, non-appealable judicial opinions.

(I) "Community Association Dues, Fees, and Assessments" means all dues, fees, assessments and other charges that are imposed on Borrower or the Property by a condominium association, homeowners association or similar organization.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape so as to order, instruct, or authorize a financial institution to debit or credit an account. Such term includes, but is not limited to, point-of-sale transfers, automated teller machine transactions, transfers initiated by telephone, wire transfers, and automated clearinghouse transfers.

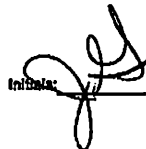
(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of this Security Instrument.

(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

Initials: 

Grohman, J

Form 3050 1/01

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

#### TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender, with power of sale, the following described property located in the

County

of

Sheboygan

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]

East Thirty-one feet (E31') of Lot Thirteen (13), Block Two (2), Krez & Detlings Subdivision, City of Sheboygan, Sheboygan County, Wisconsin.

This is a Homestead Property This is a Purchase Money Mortgage

which currently has the address of 1132 Logan Ave

Sheboygan  
("Property Address"):

[Street]  
[City], Wisconsin 53083-0000 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."

BORROWER COVENANTS that Borrower is lawfully seised of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow Items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this

Grohman, J

Initials:

Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

**2. Application of Payments or Proceeds.** Except as otherwise described in this Section 2, all payments accepted and applied by Lender shall be applied in the following order of priority: (a) interest due under the Note; (b) principal due under the Note; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

**3. Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts

Initials: 

Grohman, J

Form 3050 1/01

due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow Items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to Borrower for the excess funds in accordance with RESPA. If there is a shortage of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the shortage in accordance with RESPA, but in no more than 12 monthly payments. If there is a deficiency of Funds held in escrow, as defined under RESPA, Lender shall notify Borrower as required by RESPA, and Borrower shall pay to Lender the amount necessary to make up the deficiency in accordance with RESPA, but in no more than 12 monthly payments.

Upon payment in full of all sums secured by this Security Instrument, Lender shall promptly refund to Borrower any Funds held by Lender.

**4. Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the

lien. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

**5. Property Insurance.** Borrower shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term "extended coverage," and any other hazards including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings or similar changes occur which reasonably might affect such determination or certification. Borrower shall also be responsible for the payment of any fees imposed by the Federal Emergency Management Agency in connection with the review of any flood zone determination resulting from an objection by Borrower.

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with

Initials: 

Grohman, J

Form 3050 1/01



the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 22 or otherwise, Borrower hereby assigns to Lender (a) Borrower's rights to any insurance proceeds in an amount not to exceed the amounts unpaid under the Note or this Security Instrument, and (b) any other of Borrower's rights (other than the right to any refund of unearned premiums paid by Borrower) under all insurance policies covering the Property, insofar as such rights are applicable to the coverage of the Property. Lender may use the insurance proceeds either to repair or restore the Property or to pay amounts unpaid under the Note or this Security Instrument, whether or not then due.

**6. Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

**7. Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

Lender or its agent may make reasonable entries upon and inspections of the Property. If it has reasonable cause, Lender may inspect the interior of the improvements on the Property. Lender shall give Borrower notice at the time of or prior to such an interior inspection specifying such reasonable cause.

**8. Borrower's Loan Application.** Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at the direction of Borrower or with Borrower's knowledge or consent gave materially false, misleading, or inaccurate information or statements to Lender (or failed to provide Lender with material information) in connection with the Loan. Material representations include, but are not limited to, representations concerning Borrower's occupancy of the Property as Borrower's principal residence.

**9. Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying Reasonable

Attorneys' Fees (as defined in Section 25) to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

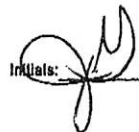
**10. Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer approved by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

Initials: 

Grohman, J

Form 3050 1/01

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

**11. Assignment of Miscellaneous Proceeds; Forfeiture.** All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

In the event of a total taking, destruction, or loss in value of the Property, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument whether or not the sums are then due.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

  
Initialed

Grohman, J

Form 3050 1/01

**12. Borrower Not Released; Forbearance By Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

**13. Joint and Several Liability; Co-signers; Successors and Assigns Bound.** Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

**14. Loan Charges.** Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

**15. Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

  
Initialed

Grohman, J

Form 3050 1/01



**16. Governing Law; Severability; Rules of Construction.** This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

As used in this Security Instrument: (a) words of the masculine gender shall mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole discretion without any obligation to take any action.

**17. Borrower's Copy.** Borrower shall be given one copy of the Note and of this Security Instrument.

**18. Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law.

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

**19. Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, Reasonable Attorneys' Fees (as defined in Section 25), property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

**20. Sale of Note; Change of Loan Servicer; Notice of Grievance.** The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated to a sale of the Note. If there is a change of the Loan Servicer, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA



requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

**21. Hazardous Substances.** As used in this Section 21: (a) "Hazardous Substances" are those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Law and the following substances: gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials; (b) "Environmental Law" means federal laws and laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection; (c) "Environmental Cleanup" includes any response action, remedial action, or removal action, as defined in Environmental Law; and (d) an "Environmental Condition" means a condition that can cause, contribute to, or otherwise trigger an Environmental Cleanup.

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

Borrower shall promptly give Lender written notice of (a) any investigation, claim, demand, lawsuit or other action by any governmental or regulatory agency or private party involving the Property and any Hazardous Substance or Environmental Law of which Borrower has actual knowledge, (b) any Environmental Condition, including but not limited to, any spilling, leaking, discharge, release or threat of release of any Hazardous Substance, and (c) any condition caused by the presence, use or release of a Hazardous Substance which adversely affects the value of the Property. If Borrower learns, or is notified by any governmental or regulatory authority, or any private party, that any removal or other remediation of any Hazardous Substance affecting the Property is necessary, Borrower shall promptly take all necessary remedial actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

**NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:**

**22. Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, Reasonable Attorneys' Fees (as defined in Section 25) and costs of title evidence.

If Lender invokes the power of sale, Lender shall give notice of sale in the manner prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Lender shall publish the notice of sale, and the Property shall be sold in the manner prescribed by Applicable Law. Lender or its designee may purchase the Property at any sale. The proceeds of the sale shall be applied in the following order: (a) to all expenses of the sale, including, but not limited to, Reasonable Attorneys' Fees (as defined in Section 25); (b) to all sums secured by this Security Instrument; and (c) any excess to the clerk of the circuit court of the county in which the sale is held.

**23. Release.** Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

**24. Accelerated Redemption Periods.** If the Property is a one- to four-family residence that is owner-occupied at the commencement of a foreclosure, a farm, a church or owned by a tax exempt charitable organization, Borrower agrees to the provisions of Section 846.101 of the Wisconsin Statutes, and as the same may be amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of real estate of 20 acres or less six months after a foreclosure judgment is entered. If the Property is other than a one- to four-family residence that is owner-occupied at the commencement of a foreclosure, a farm, a church, or a tax-exempt charitable organization, Borrower agrees to the provisions of Section 846.103 of the Wisconsin Statutes, and as the same may be amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of real estate three months after a foreclosure judgment is entered.

**25. Attorneys' Fees.** If this Security Instrument is subject to Chapter 428 of the Wisconsin Statutes, "Reasonable Attorneys' Fees" shall mean only those attorneys' fees allowed by that Chapter.

  
Initials: \_\_\_\_\_

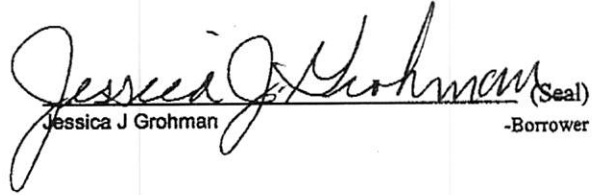
Grohman, J

Form 3050 1/01

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

\_\_\_\_\_

 (Seal)  
Jessica J Grohman -Borrower

\_\_\_\_\_

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

\_\_\_\_\_ (Seal)  
-Borrower

**STATE OF Wisconsin, Sheboygan**

**County ss:**

The foregoing instrument was acknowledged before me this February 09, 2007  
by Jessica J Grohman .

**My Commission Expires: 6-22-08**



Ellen B. Framness  
Notary Public, State of Wisconsin  
**Ellen B. Framness**

This instrument was prepared by  
Lorann J. Ten Haken

Vice President  
M&I Bank FSB

## ADJUSTABLE RATE RIDER

(1 Year Treasury Index - Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 9th day of February, 2007, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to M&I Marshall & Ilsley Bank

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1132 Logan Ave, Sheboygan, WI 53083  
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

**ADDITIONAL COVENANTS.** In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows:

### A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 6.750%. The Note provides for changes in the interest rate and the monthly payments as follows:

### 4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

#### (A) Change Dates

The interest rate I will pay may change on the first day of March, 2012, and on that day every 12th month thereafter. Each date on which my interest rate could change is called a "Change Date."

Grohman, J

MULTISTATE ADJUSTABLE RATE RIDER - ARM 5-2 - Single Family - Fannie Mae/Freddie  
Mac UNIFORM INSTRUMENT  
Fannie Mae 4-2/5-2/6-2 ARM  
Form 3111 1/01

VMP-822R (0405)

Page 1 of 4

Initials: 

VMP Mortgage Solutions, Inc.  
(800)521-7291



**(B) The Index**

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the weekly average yield on United States Treasury securities adjusted to a constant maturity of one year, as made available by the Federal Reserve Board. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

If the Index is no longer available, the Note Holder will choose a new index which is based upon comparable information. The Note Holder will give me notice of this choice.

**(C) Calculation of Changes**

Before each Change Date, the Note Holder will calculate my new interest rate by adding **Two and 750/1000** percentage points ( **2.750 %**) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the maturity date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

**(D) Limits on Interest Rate Changes**

The interest rate I am required to pay at the first Change Date will not be greater than **8.750 %** or less than **4.750 %**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than two percentage points (2.0%) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than **12.750 %**.

**(E) Effective Date of Changes**

My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

**(F) Notice of Changes**

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given to me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

**B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER**

Section 18 of the Security Instrument is amended to read as follows:

**Transfer of the Property or a Beneficial Interest in Borrower.** As used in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

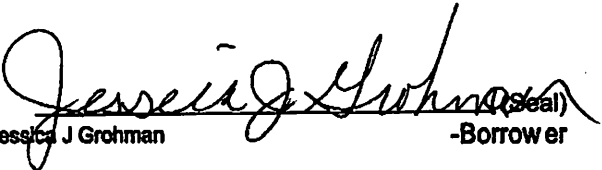
If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement in this Security Instrument is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing.

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.



BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Adjustable Rate Rider.

 \_\_\_\_\_ (Seal)  
Jessica J Grohman -Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

\_\_\_\_\_ (Seal) \_\_\_\_\_ (Seal)  
-Borrower -Borrower

 822R (0405)

  
Page 4 of 4

Grohman, J  
Form 3111 1/01

FILED

Item 8.

09-11-2023

Sheboygan County

Clerk of Circuit Court

2023CV000477

Honorable Natasha Torry

Branch 2

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

BMO Harris Bank, N.A. vs. Jessica J. Jacoby et al

**Electronic Filing  
Notice**

Case No. 2023CV000477

Class Code: Foreclosure of Mortgage

CITY OF SHEBOYGAN  
828 CENTER AVE., #208  
C/O CITY CLERK  
SHEBOYGAN WI 53081

Case number 2023CV000477 was electronically filed with/converted by the Sheboygan County Circuit Court office. The electronic filing system is designed to allow for fast, reliable exchange of documents in court cases.

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

You may also register as an electronic party by following the instructions found at <http://efiling.wicourts.gov/> and may withdraw as an electronic party at any time. There is a \$20.00 fee to register as an electronic party. This fee may be waived if you file a Petition for Waiver of Fees and Costs Affidavit of Indigency (CV-410A) and the court finds you are indigent under §814.29, Wisconsin Statutes.

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

**Pro Se opt-in code: b35e1b**

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

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

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

Sheboygan County Circuit Court  
Date: September 12, 2023

R. O. No. 137 - 22 - 23. By CITY CLERK. April 5, 2023.

Submitting a claim from James Passmore for alleged damages to his garage when it was hit by a City of Sheboygan garbage truck.

\_\_\_\_\_  
CITY CLERK

## CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

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

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

1. Name of Claimant: James Passmore
2. Home address of Claimant: 1422 N 10th Sheb WI 53081
3. Home phone number: 920-946-4115
4. Business address and phone number of Claimant: \_\_\_\_\_
5. When did damage or injury occur? (date, time of day) 1-30-23 8am
6. Where did damage or injury occur? (give full description) Garbage Truck  
Hit my garage with Forks From Truck
7. How did damage or injury occur? (give full description) Garbage Truck  
Hit my Garage with Forks From Truck
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
  - (a) Name of such officer or employee, if known: \_\_\_\_\_
  - (b) Claimant's statement of the basis of such liability: \_\_\_\_\_
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
  - (a) Public property alleged to be dangerous: \_\_\_\_\_
  - (b) Claimant's statement of basis for such liability: \_\_\_\_\_



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

Item 9.

NO Injuries

11. Name and address of any other person injured: \_\_\_\_\_

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

Auto: \$ \_\_\_\_\_

Property: \$ 955.00

Personal injury: \$ \_\_\_\_\_

Other: (Specify below) \$ \_\_\_\_\_

TOTAL \$ 955.00

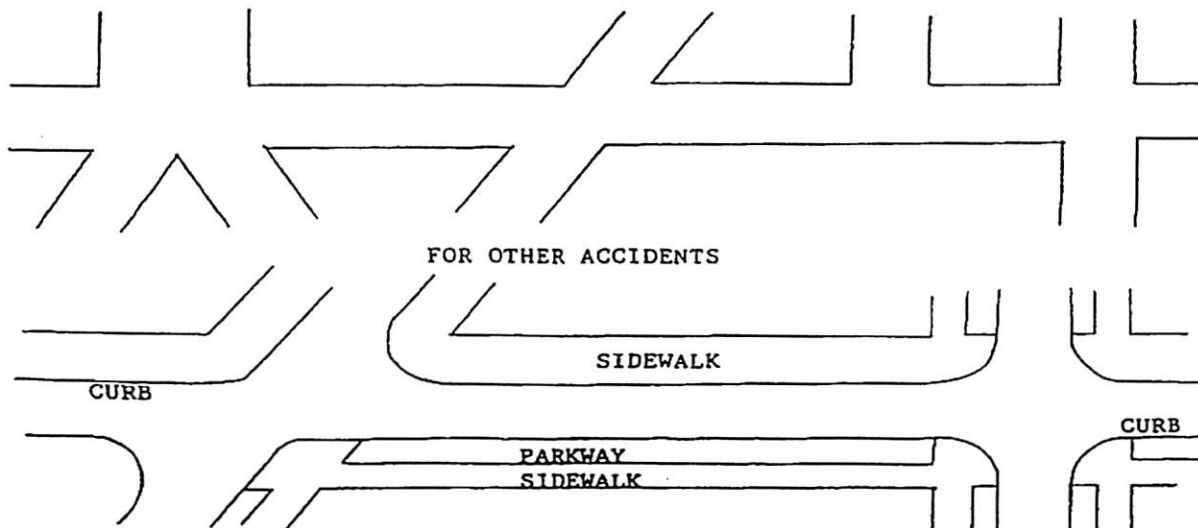
Damaged vehicle (if applicable)

Make: \_\_\_\_\_ Model: \_\_\_\_\_ Year: \_\_\_\_\_ Mileage: \_\_\_\_\_

Names and addresses of witnesses, doctors and hospitals: \_\_\_\_\_

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

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



SIGNATURE OF CLAIMANT

Jan T. Pan

DATE 3-31-23

DATE RECEIVED \_\_\_\_\_

RECEIVED BY \_\_\_\_\_

Item 9.

CLAIM NO. \_\_\_\_\_

CLAIM

Claimant's Name:	<u>James Passmore</u>	Auto	\$ _____
Claimant's Address:	<u>1422 N 10th</u>	Property	\$ <u>955.00</u>
	<u>Sheb WI 53081</u>	Personal Injury	\$ _____
Claimant's Phone No.	<u>920-946-4115</u>	Other (Specify below)	\$ _____
		<b>TOTAL</b>	\$ <u>955.00</u>

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

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

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of \$ 955.00.

SIGNED Jan T Passmore

DATE: 3-28-23

ADDRESS: 1422 N 10th Sheb WI 53081

MAIL TO: CLERK'S OFFICE  
828 CENTER AVE #100  
SHEBOYGAN WI 53081



The Genuine. The Original.



Overhead Door Co. of  
the Central Lakeshore

# PROFESSIONAL DOOR SYSTEMS, INC.

2602 Georgia Avenue  
P.O. Box 1408  
Sheboygan, WI 53082-1408  
(920) 452-2972 \* (800) 924-1737  
www.lakeshoredoor.com

The Genuine. The Original.



Overhead Door Co. of  
Sheboygan/Manitowoc  
Fond du Lac

Item 9.

## Invoice

Date: 1/31/2023

Invoice No.: 114872

Bill to: James Passmore  
1422 N. 10th Street  
Sheboygan, WI 53081

Service at:

ID/Account #: PassmoreJa

Contact/Callers Name:

Work Order: Work Order 125592

Phone Number: 9209464115

Service #: 303

Cell Number:

Terms: NET 30

PO Number:

1/30/23  
Re-aligned tracks  
reprogram operator  
Lubricated door

Material and labor: \$85.00

Note: customer stated building was hit by garbage truck, which he has video

PROFESSIONAL  
DOOR SYSTEMS, INC.

FEB 21 2023

PAID  
CK. # Cash AMT. \$ 85.00

A 4% Convenience Fee/Surcharge will be added to all debit/credit card purchases.

We sincerely appreciate the opportunity to have served you!

Subtotal:	85.00
Sales Tax:	0.00
Total Due:	85.00

Past Due accounts will be charged 1-1/2% per month on unpaid balances - 18% annual percentage rate.







**B Butzen Contracting, LLC**

1825 Erie Avenue, Sheboygan, WI 53081

Telephone 920-458-5360

Fax 920-458-9711

**James Passmore**  
**1422 N. 10<sup>th</sup> Street**  
**Sheboygan, WI 53081**

**February 25, 2023****Re: Garage Repair****920-946-4115**

Dear, James

As per your request, this proposal is for the repair of the south east corner of your residential garage which was struck by the city of Sheboygan garbage truck. Upon acceptance of this proposal, the following will apply.

1. Shoring and raising corner of garage for straightening and plumbing of pushed in walls as needed.
2. Remove damaged vinyl siding corner to be replaced.
3. Remove damaged vinyl siding pieces as needed to be replaced.
4. Replace any damaged wood as needed.
5. Straightening and plumbing of two walls as needed.
6. Install new anchor bolts through bottom plate of wall and into concrete floor as needed.
7. Install new vinyl siding sections removed as needed. (Matching color as close as possible.)
8. Clearing site of all job related debris.
- 9.

**Price: \$870.00****TERMS OF CONTRACT**

- 1- The above quoted price does not include any work other than that work specifically stated above. Additional work would be completed on a Time and Materials basis with prior notification.
- 2- Unless purchased by homeowner, permit fee will be added to final billing.
- 3- Payment shall be due in full upon completion and receipt of billing for this project.

Should you have any questions concerning this proposal, please contact our office during normal business hours. If the above proposal is agreeable, please sign and return one copy to us so that we may schedule this project. Thank you for the opportunity to provide you with this quote.

**ACCEPTANCE OF THE ABOVE PROPOSAL IS INDICATED BY SIGNATURE BELOW**

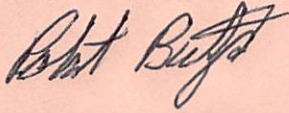






DATED \_\_\_\_\_ SIGNED \_\_\_\_\_

Respectfully,

A handwritten signature in dark ink, appearing to read "Robert Butzen", written in a cursive style.

**ROBERT BUTZEN**  
-Estimator-



## CONTRACT TERMS AND CONDITIONS

The person that has signed this Construction Contract accepts all of the conditions as stated on this Construction Contract and all of the following terms:

Payment will be due upon completion of the contracted work, or in any other time frame that has been stated on the Contract, no exceptions will be made.

Payment will be due on the day specified by this Contract and shall be paid upon receipt of invoice, regardless of any extenuating circumstances, including any complaints or disputes regarding the completed contracted work. Any complaints or disputes regarding the contracted work will be negotiated only after payment has been made in full as contracted. Non-payment of any monies, as per Contract, will null and void any Warrantee or Guarantees.

If the payment terms and conditions are not followed as stated, B Butzen Contracting, LLC. will exercise its legal rights to collect all contracted monies, as per the following:

- Charge 18% Interest or 1.5% Interest per month, charged on a daily basis until the full amount of the contracted amount has been paid, starting from the date that the work was completed as per contract.
- Charge a rebilling fee of \$5.00 per Statement or Invoice sent out.
- Charge all legal or any other fees incurred in the collection of the monies owed to B Butzen Contracting, LLC. pertaining to this signed Construction Contract.
- File a Construction Lien on the property that the work has been completed on, if payment is not made as agreed to the signed Contract.

Time and Materials: Unforeseen work, i.e. deterioration, excessive moisture, dry rot, or insect damage, shall be repaired only if necessary to satisfactorily complete a project as contracted in a professional manner. Additional work shall be completed per written Change Order.

Due to weather extremes, our inability to control raw product quality, and customer use of concrete slabs, B Butzen Contracting, LLC. will not Warrantee our installed concrete work in any way including cracking, popping, spalling, heaving, or any color variations of the surface. B Butzen Contracting, LLC. will not be responsible for any vandalism to the surface of newly installed concrete after the final finish has been completed.

B Butzen Contracting, LLC. will not be responsible for weather related damage claims to property prior to, during, or after the completion of a project.

B Butzen Contracting, LLC. is not responsible for the performance of any materials or products installed by us. We do not give any performance Warrantees or Guarantees of any type on the material or products that we use or install.

The Owner of the property, requesting specified work against the judgment/recommendation of B Butzen Contracting, LLC, must sign a Waiver of Responsibility prior to start of the said work.

All prices listed on this Contract shall be valid for 30 days after Contract date.

The Contract shall be completed within a time period of 270 days or as stated on the Contract.

The Contract contains the entire agreement of the parties. No project shall be started prior to provision of actual signed contract to B Butzen Contracting, LLC. It may not be modified or terminated orally, and no claimed modification, termination, or waiver shall be binding unless a written Change Order is presented and agreed upon by both parties. No modification or waiver shall be deemed effected by any acknowledgment of confirmation containing other or different terms. 11/01/2017

**CITY OF SHEBOYGAN  
RESOLUTION 64-23-24**

**BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.**

**OCTOBER 2, 2023.**

A RESOLUTION adopting certain changes to the City's Medical Benefit Plan and Dental Benefit Plan effective for calendar year 2024 coverage and establishing the monthly premium equivalent rates effective for January 2024 coverage and thereafter.

RESOLVED: That the following changes to the City of Sheboygan's Medical Benefit Plan and Dental Benefit Plan effective for calendar year 2024 are hereby adopted:

- 1) For calendar year 2024 there will be no changes to the City of Sheboygan's monthly premium rates. Those rates, as adopted for the past two years, are hereby adopted for 2024:

- a) 2024 Health Insurance Monthly Premium Rates

- i) The monthly premium for health insurance in 2024 shall be as follows:

Coverage

Single	\$ 914.90
Employee with spouse	\$1,740.56
Employee with children	\$1,577.78
Family	\$2,405.16

- ii) The monthly employee premium equivalent rates for full-time employees who participate in the annual physical exam shall be:

Coverage

Single	\$ 80.04
Employee with spouse	\$ 152.30
Employee with children	\$ 138.06
Family	\$ 210.44

- iii) The monthly employee premium equivalent rates for full-time employees who do not participate in the annual physical exam shall be:

Coverage

Single	\$ 137.24
Employee with spouse	\$ 261.08
Employee with children	\$ 236.67
Family	\$ 360.77

- iv) The monthly employee premium equivalent rates for part-time, eligible employees shall be:

Coverage

Single	\$ 457.44
Employee with spouse	\$ 870.22
Employee with children	\$ 788.88
Family	\$1,202.58

- 2) New employees, those not previously eligible for health insurance, and those not previously participating in the City of Sheboygan Health Insurance Plan will receive the rates listed in subsection i) above for the 2024 plan year (and the associated rates for the 2024 plan year) in order to allow the employee the necessary time to participate in the Wellness Plan Year, which runs from September 1 to August 31.
- 3) In 2024, the City will partially fund a Health Savings Account (HSA) for employees and/or family members (eligibility follows IRS guidelines) on the plan as of January 1, 2024. Except in the case of a collective bargaining agreement that states otherwise, the maximum City funding amounts will total \$750 for those with single coverage and \$1,500 for those of employee plus spouse, employee plus child(ren), and full family coverage. Additionally:
- a) Employees who are on the Plan on January 1, 2024 shall have their HSA funded in January 2024.
- b) No contributions will be made for those new to the plan on or after January 1, 2024.
- c) HSA contributions are issued to an employee and/or family member based on eligibility of the employee and/or retiree on January 1. Mid-year changes for an active plan participant after January 1 are not eligible for HSA contributions. In addition, COBRA-only participants are not eligible for the City contribution to the HSA.

- d) Employees/retirees are responsible for notifying the Human Resources Department if the employee/ retiree is or will be an active participant of a secondary government-issued health insurance, such as Medicare or Tricare, as of January 1 of the Plan year. Following IRS guidelines, neither the City nor the employee may contribute to a HSA account if the employee is also participating in the government plan.
  - e) Employees/retirees who elect the family plan, employee plus child(ren) plan, and employee plus spouse plan remain eligible for the applicable HSA contribution, even if their dependent is on a government issued plan so long as their spouse is not listed on the employee's HSA account. Once an employee is not eligible for the HSA contribution, no HSA contribution will be provided to spouse and/or dependents on the plan.
- 4) Effective for plan year 2024, the City will no longer charge employees a spousal surcharge.
  - 5) Eligible full-time employees (for plan year 2024 "full-time employees" are employees who work 30 or more hours per week) who waive or drop coverage will be eligible for an opt-out incentive, with a maximum yearly benefit of \$1,200. This amount would be paid directly to the employee in the last quarter of the calendar year for any month the full-time eligible employee is not on the Medical Benefit Plan.
  - 6) In all cases, employees are eligible for either the opt-out incentive or the HSA contribution as of the employee's January 1 election; not both.
  - 7) Effective January 1, 2024, all qualified employees will have a Dental Benefit Plan available. Effective for January 2024 coverage and thereafter the monthly premium equivalent rates for the City of Sheboygan Dental Plan for active employees are hereby adopted:
    - a) 2024 Dental Insurance Monthly Premium Rates
      - i) The monthly premium for dental insurance in 2024 shall be as follows:
 

<u>Coverage</u>	
Single	\$ 47.52
Employee with spouse	\$ 95.88
Employee with children	\$ 107.14
Family	\$ 157.42
      - ii) The monthly employee premium equivalent rates for full-time employees shall be:

Coverage

Single	\$ 7.14
Employee with spouse	\$ 14.38
Employee with children	\$ 16.08
Family	\$ 23.62

- iii) The monthly employee premium equivalent rates for part-time employees shall be:

Coverage

Single	\$ 23.76
Employee with spouse	\$ 47.94
Employee with children	\$ 53.57
Family	\$ 78.71

- 9) Effective for January 2024 coverage and thereafter the monthly premium equivalent rates for the Medical Benefit Plan that will be charged to retirees not on Medicare shall be:

Coverage

Single	\$ 914.90
Employee with spouse	\$1,740.56
Employee with children	\$1,577.78
Family	\$2,405.16

BE IT FURTHER RESOLVED: That said changes and rates shall not supercede the provisions contained within any applicable collective bargaining agreements.

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Ryan Sorenson, Mayor, City of  
Sheboygan

\_\_\_\_\_  
Meredith DeBruin, City Clerk, City of  
Sheboygan



**CITY OF SHEBOYGAN  
RESOLUTION 67-23-24**

**BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.**

**OCTOBER 2, 2023.**

A RESOLUTION authorizing the appropriate City officials to execute Engagement Letter Agreements with Baker Tilly US, LLP (“Baker Tilly”) for auditing services relating to the dissolution of Tax Incremental District No. 6, Tax Incremental District No. 10, Tax Incremental District No. 12, Tax Incremental District No. 13, Tax Incremental District No. 14, and Tax Incremental District No. 15.

WHEREAS, the State of Wisconsin requires a final audit of Tax Incremental Districts within six months of adopting their termination resolutions; and

WHEREAS, it is in the best interest of the City to engage Baker Tilly to provide auditing services; and

WHEREAS, Baker Tilly is knowledgeable and experienced in providing this service; and

WHEREAS, the City has previously engaged the services of Baker Tilly as an independent firm to conduct the City’s required annual financial audit; and

WHEREAS, the Tax Incremental District audit fees have been budgeted for in 2023 and there are sufficient funds to cover the expense.

NOW, THEREFORE, BE IT RESOLVED: That the appropriate City officials are authorized to enter into the attached Engagement Letter Agreements with Baker Tilly US, LLP.

BE IT FURTHER RESOLVED: That the Finance Director is authorized to disburse the audit fees from the following accounts:

TID 6 Fund - Administration Services (Acct. No. 406660-531500)	\$20,000.00
TID 10 Fund - Administration Services (Acct. No. 410660-531500)	\$37,000.00
TID 12 Fund - Administration Services (Acct. No. 412660-531500)	\$30,000.00
TID 13 Fund - Administration Services (Acct. No. 413660-531500)	\$15,000.00
TID 14 Fund - Administration Services (Acct. No. 414660-531500)	\$10,000.00
TID 15 Fund - Administration Services (Acct. No. 415660-531500)	\$10,000.00

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

---

Presiding Officer

Attest

---

Ryan Sorenson, Mayor, City of  
Sheboygan

---

Meredith DeBruin, City Clerk, City of  
Sheboygan

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 6 of the City of Sheboygan as of March 6, 2023 and from the date the TID was created through March 6, 2023, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 6. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.

September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

### Management's Responsibilities

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

September 14, 2023  
Page 4

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

Nonattest services that we will be providing are as follows:

- > Propose adjusting journal entries, as necessary
- > Financial statement preparation

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.



September 14, 2023  
Page 5

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Sheboygan must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### **Timing and Fees**

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

September 14, 2023  
Page 6

We estimate that our fees will not exceed \$20,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.



Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414 777 5423, or at [wendi.unger@bakertilly.com](mailto:wendi.unger@bakertilly.com).

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

---

Official's Name

---

Official's Signature

---

Title

---

Date

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 10 of the City of Sheboygan as of March 6, 2023 and from the date the TID was created through March 6, 2023, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 10. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.

September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

## Management's Responsibilities

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

September 14, 2023  
Page 4

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

Nonattest services that we will be providing are as follows:

- > Propose adjusting journal entries, as necessary
- > Financial statement preparation

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.



September 14, 2023  
Page 5

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Sheboygan must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### **Timing and Fees**

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

September 14, 2023  
Page 6

We estimate that our fees will not exceed \$37,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.



Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414 777 5423, or at [wendi.unger@bakertilly.com](mailto:wendi.unger@bakertilly.com).

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

---

Official's Name

---

Official's Signature

---

Title

---

Date

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 12 of the City of Sheboygan as of March 6, 2023 and from the date the TID was created through March 6, 2023, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 12. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.

September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

### Management's Responsibilities

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

September 14, 2023  
Page 4

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

Nonattest services that we will be providing are as follows:

- > Propose adjusting journal entries, as necessary
- > Financial statement preparation

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

September 14, 2023  
Page 5

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Sheboygan must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### **Timing and Fees**

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.



September 14, 2023  
Page 6

We estimate that our fees will not exceed \$30,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414 777 5423, or at [wendi.unger@bakertilly.com](mailto:wendi.unger@bakertilly.com).

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

\_\_\_\_\_  
Official's Name

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 13 of the City of Sheboygan as of March 6, 2023 and from the date the TID was created through March 6, 2023, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 13. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.



September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

### Management's Responsibilities

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

September 14, 2023  
Page 4

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

Nonattest services that we will be providing are as follows:

- > Propose adjusting journal entries, as necessary
- > Financial statement preparation

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

September 14, 2023  
Page 5

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Sheboygan must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### **Timing and Fees**

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

September 14, 2023  
Page 6

We estimate that our fees will not exceed \$15,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.



September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414 777 5423, or at [wendi.unger@bakertilly.com](mailto:wendi.unger@bakertilly.com).

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

\_\_\_\_\_  
Official's Name

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 14 of the City of Sheboygan as of March 6, 2023 and from the date the TID was created through March 6, 2023, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 14. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.

September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

## Management's Responsibilities

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

You are responsible for the preparation of the supplementary information in conformity with GAAP. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (a) you are responsible for presentation of the supplementary information in accordance with GAAP; (b) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (c) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (d) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.



September 14, 2023  
Page 4

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

Nonattest services that we will be providing are as follows:

- > Propose adjusting journal entries, as necessary
- > Financial statement preparation

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

September 14, 2023  
Page 5

If you intend to reproduce or publish the financial statements in an official statement, unless we establish a separate agreement to be involved in the issuance, any official statements issued by the City of Sheboygan must contain a statement that Baker Tilly is not associated with the official statement, which shall read "Baker Tilly US, LLP, our independent auditor, has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Baker Tilly US, LLP, has also not performed any procedures relating to this official statement."

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### **Timing and Fees**

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

September 14, 2023  
Page 6

We estimate that our fees will not exceed \$10,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the services require Baker Tilly receive personal data or personal information from Client, Baker Tilly may process any personal data or personal information, as those terms are defined in applicable privacy laws, in accordance with the requirements of the applicable privacy law relevant to the processing in providing services hereunder. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor in relation to Client personal data and personal information, as those terms are defined respectively under the CCPA/GDPR. Client is responsible for notifying Baker Tilly of any data privacy laws the data provided to Baker Tilly is subject to and Client represents and warrants it has all necessary authority (including any legally required consent from data subjects) to transfer such information and authorize Baker Tilly to process such information in connection with the services described herein. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.



Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact Wendi M. Unger, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. Wendi M. Unger is available at 414 777 5423, or at [wendi.unger@bakertilly.com](mailto:wendi.unger@bakertilly.com).

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

\_\_\_\_\_  
Official's Name

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

Baker Tilly US, LLP  
790 N Water St  
Suite 2000  
Milwaukee, WI 53202  
United States of America

T: +1 (414) 777 5500  
F: +1 (414) 777 5555

[bakertilly.com](http://bakertilly.com)

September 14, 2023

Ms. Kaitlyn Krueger  
City of Sheboygan  
828 Center Avenue  
Sheboygan, Wisconsin 53081

Dear Ms. Krueger:

Thank you for using Baker Tilly US, LLP (Baker Tilly, we, our) as your auditors.

The purpose of this letter (the Engagement Letter) is to confirm our understanding of the terms and objectives of our engagement and the nature of the services we will provide as independent accountants of the City of Sheboygan (Client, you, your).

### **Service and Related Report**

We will audit the Balance Sheet, the Historical Summary of Project Costs, Project Revenues and Net Costs to be Recovered Through Tax Increments and Historical Summary of Sources, Uses and Status of Funds of the Tax Incremental (TID) No. 15 of the City of Sheboygan as of December 31, 2022 and from the date the TID was created through December 31, 2022, and the related notes to the financial statements. This audit represents the dissolution audit of TID No. 15. If, for any reasons caused by or relating to the affairs or management of the City of Sheboygan, we are unable to complete the audit or are unable to or have not formed an opinion, or if we determine in our professional judgment the circumstances necessitate, we may withdraw and decline to issue a report as a result of this engagement.

The following supplementary information accompanying the financial statements will also be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and our auditor's report will provide an opinion on it in relation to the financial statements as a whole.

- > Detailed Schedule of Sources, Uses and Status of Funds
- > Detailed Schedule of Capital Expenditures

Our report does not include reporting on key audit matters.

September 14, 2023  
Page 2

## **Our Responsibilities and Limitations**

The objective of a financial statement audit is the expression of an opinion on the financial statements. We will be responsible for performing that audit in accordance with auditing standards generally accepted in the United States of America (GAAS). These standards require that we plan and perform our audit to obtain reasonable, rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud. 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 will always detect a material misstatement when it exists. A misstatement is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user based on the financial statements. The audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit does not relieve management and those charged with governance of their responsibilities. Our audit is limited to the period covered by our audit and does not extend to any later periods during which we are not engaged as auditor.

The audit will include obtaining an understanding of the City of Sheboygan and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to determine the nature, timing and extent of further audit procedures. An audit is not designed to provide assurance on internal controls or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control matters that are required to be communicated under professional standards.

We are also responsible for determining that those charged with governance are informed about certain other matters related to the conduct of the audit, including (i) our responsibility under GAAS, (ii) an overview of the planned scope and timing of the audit, and (iii) significant findings from the audit, which include (a) our views about the qualitative aspects of your significant accounting practices, accounting estimates, and financial statement disclosures; (b) difficulties encountered in performing the audit; (c) uncorrected misstatements and material corrected misstatements that were brought to the attention of management as a result of auditing procedures; and (d) other significant and relevant findings or issues (e.g., any disagreements with management about matters that could be significant to your financial statements or our report thereon, consultations with other independent accountants, issues discussed prior to our retention as independent auditors, fraud and illegal acts, and all significant deficiencies and material weaknesses identified during the audit). Lastly, we are responsible for ensuring that those charged with governance receive copies of certain written communications between us and management including written communications on accounting, auditing, internal controls or operational matters and representations that we are requesting from management.

Our audit will be conducted in accordance with the standards referred to above. As part of obtaining reasonable assurance about whether the TID financial statements are free of material misstatement, we will perform tests of compliance with tax increment financing district laws, regulations and the project plan. However, it should be noted that our objective was not to provide an opinion on overall compliance with the provisions included in Wisconsin State Statutes Section 66.1105.

The audit will not be planned or conducted in contemplation of reliance of any specific third party or with respect to any specific transaction. Therefore, items of possible interest to a third party will not be specifically addressed and matters may exist that would be addressed differently by a third party, possibly in connection with a specific transaction.

September 14, 2023  
Page 3

### **Management's Responsibilities**

Our audit will be conducted on the basis that the Organization's management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- > For the preparation and fair presentation of the financial statements and supplementary information in accordance with accounting principles generally accepted in the United States of America;
- > For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and supplementary information that are free from material misstatement, whether due to fraud or error; and
- > To provide us with:
  - Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements and supplementary information such as records, documentation, and other matters;
  - Additional information that we may request from management for the purpose of the audit; and
  - Unrestricted access to persons within the Organization from whom we determine it necessary to obtain audit evidence

Management is responsible for (i) adjusting the financial statements to correct material misstatements and for affirming to us in a management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period under audit are immaterial, both individually and in the aggregate, to the financial statements taken as a whole, and (ii) notifying us of all material weaknesses, including other significant deficiencies, in the design or operation of your internal control over financial reporting that are reasonably likely to adversely affect your ability to record, process, summarize and report external financial data reliably in accordance with GAAP. Management is also responsible for identifying and ensuring that the City of Sheboygan complies with the laws and regulations applicable to its activities.

As part of our audit process, we will request from management and, when appropriate, those charge with governance written confirmation concerning representations made to us in connection with the audit.

Baker Tilly is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the Act). Baker Tilly is not recommending an action to the City of Sheboygan; is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. Any municipal advisory services would only be performed by Baker Tilly Municipal Advisors LLC (BTMA) pursuant to a separate engagement letter between you and BTMA. You should discuss any information and material contained in the deliverables with any and all internal and external advisors and experts that you deem appropriate before acting on this information or material.

### **Nonattest Services**

Prior to or as part of our audit engagement, it may be necessary for us to perform certain nonattest services.

September 14, 2023  
Page 4

- > Preparation of trial balance from trust reports
- > Propose adjusting journal entries, as necessary

None of these nonattest services constitute an audit under generally accepted auditing standards.

We will not perform any management functions or make management decisions on your behalf with respect to any nonattest services we provide.

In connection with our performance of any nonattest services, you agree that you will:

- > Continue to make all management decisions and perform all management functions, including approving all journal entries and general ledger classifications when they are submitted to you.
- > Designate an employee with suitable skill, knowledge, and/or experience, preferably within senior management, to oversee the services we perform.
- > Evaluate the adequacy and results of the nonattest services we perform.
- > Accept responsibility for the results of our nonattest services.
- > Establish and maintain internal controls, including monitoring ongoing activities related to the nonattest function.

On a periodic basis, as needed, we will meet with you to discuss your accounting records and the management implications of your financial statements. We will notify you, in writing, of any matters that we believe you should be aware of and will meet with you upon request.

### **Other Documents**

If you intend to reproduce or publish the financial statements in an annual report or other information (excluding official statements), and make reference to our firm name in connection therewith, you agree to publish the financial statements in their entirety. In addition, you agree to provide us, for our approval and consent, proofs before printing and final materials before distribution.

The City of Sheboygan may wish to include our report on these financial statements in an official statement or some other securities offering. You agree that the aforementioned audit report or reference to Baker Tilly will not be included in such offering without our prior written permission or consent. Upon notification, auditing standards will require our involvement with the official statement, and any procedures related to this involvement will be a separate agreement.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your Internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

September 14, 2023  
Page 5

The documentation for this engagement, including the workpapers, is the property of Baker Tilly and constitutes confidential information. We may have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. Baker Tilly does not retain any original client records and we will return such records to you at the completion of the services rendered under this engagement. When such records are returned to you, it is the City of Sheboygan's responsibility to retain and protect its accounting and other business records for future use, including potential review by any government or other regulatory agencies. By your signature below, you acknowledge and agree that, upon the expiration of the documentation retention period, Baker Tilly shall be free to destroy our workpapers related to this engagement. If we are required by law, regulation or professional standards to make certain documentation available to regulators, the City of Sheboygan hereby authorizes us to do so.

### Timing and Fees

Completion of our work is subject to, among other things, (i) appropriate cooperation from the City of Sheboygan's personnel, including timely preparation of necessary schedules, (ii) timely responses to our inquiries, and (iii) timely communication of all significant accounting and financial reporting matters. When and if for any reason the City of Sheboygan is unable to provide such schedules, information, and assistance, Baker Tilly and you may mutually revise the fee to reflect additional services, if any, required of us to complete the audit. Delays in the issuance of our audit report beyond the date that was originally contemplated may require us to perform additional auditing procedures which will likely result in additional fees.

Certain changes in the City of Sheboygan's business or within its accounting department may result in additional fees not contemplated as part of the original engagement quote provided below. Examples of such changes include but are not limited to: implementation of new general ledger software or a new chart of accounts; the creation of new funds, departments or component units; other significant changes in operations; new financing arrangements or modifications to existing financing arrangements; significant new federal or state funding; government combinations; significant new employment agreements; complex research matters; and significant subsequent events. Any additional fees associated with these business or accounting changes would not be expected to be recurring in nature.

For certain transactions or changes in operations or conditions, financial reporting and/or auditing standards may require us to utilize the services of internal or external valuation specialists. This includes matters such as government combinations, impairment evaluations, and going concern evaluation, among other potential needs for specialists. The time and cost of such services are not included in the fee estimate provided below.

Revisions to the scope of our work will be communicated to you and may be set forth in the form of an "Amendment to Existing Engagement Letter." In addition, if we discover compliance issues that require us to perform additional procedures and/or provide assistance with these matters, fees at our standard hourly rates apply.

We estimate that our fees will not exceed \$10,000. Invoices for these fees will be rendered each month as work progresses and are payable on presentation. In addition to professional fees, our invoices will include our standard administrative charge, plus travel and subsistence and other out-of-pocket expenses related to the engagement. A charge of 1.5 percent per month shall be imposed on accounts not paid within thirty (30) days of receipt of our statement for services provided. In accordance with our firm policies, work may be suspended if your account becomes thirty (30) days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notice of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination. In the event that collection procedures are required, the City of Sheboygan agrees to be responsible for all expenses of collection including related attorneys' fees.



September 14, 2023  
Page 6

We may use temporary contract staff to perform certain tasks on your engagement and will bill for that time at the rate that corresponds to Baker Tilly staff providing a similar level of service. Upon request, we will be happy to provide details on training, supervision and billing arrangements we use in connection with these professionals. Additionally, we may from time to time, and depending on the circumstances, use service providers (e.g., to act as a specialist or audit an element of the financial statements) in serving your account. We may share confidential information about you with these contract staff and service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all contract staff and service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the contract staff or third-party service provider. Furthermore, the firm will remain responsible for the work provided by any such contract staff or third-party service providers.

To the extent the Services require Baker Tilly to receive personal data or personal information from Client, Baker Tilly may process, and engage subcontractors to assist with processing, any personal data or personal information, as those terms are defined in applicable privacy laws. Baker Tilly's processing shall be in accordance with the requirements of the applicable privacy laws relevant to the processing in providing Services hereunder, including Services performed to meet the business purposes of the Client, such as Baker Tilly's tax, advisory, and other consulting services. Applicable privacy laws may include any local, state, federal or international laws, standards, guidelines, policies or regulations governing the collection, use, disclosure, sharing or other processing of personal data or personal information with which Baker Tilly or its Clients must comply. Such privacy laws may include (i) the EU General Data Protection Regulation 2016/679 (GDPR); (ii) the California Consumer Privacy Act of 2018 (CCPA); and/or (iii) other laws regulating marketing communications, requiring security breach notification, imposing minimum security requirements, requiring the secure disposal of records, and other similar requirements applicable to the processing of personal data or personal information. Baker Tilly is acting as a Service Provider/Data Processor, as those terms are defined respectively under the CCPA/GDPR, in relation to Client personal data and personal information. As a Service Provider/Data Processor processing personal data or personal information on behalf of Client, Baker Tilly shall, unless otherwise permitted by applicable privacy law, (a) follow Client instructions; (b) not sell personal data or personal information collected from the Client or share the personal data or personal information for purposes of targeted advertising; (c) process personal data or personal information solely for purposes related to the Client's engagement and not for Baker Tilly's own commercial purposes; and (d) cooperate with and provide reasonable assistance to Client to ensure compliance with applicable privacy laws. Client is responsible for notifying Baker Tilly of any applicable privacy laws the personal data or personal information provided to Baker Tilly is subject to, and Client represents and warrants it has all necessary authority (including any legally required consent from individuals) to transfer such information and authorize Baker Tilly to process such information in connection with the Services described herein. Baker Tilly is responsible for notifying Client if Baker Tilly becomes aware that it can no longer comply with any applicable privacy law and, upon such notice, shall permit Client to take reasonable and appropriate steps to remediate personal data or personal information processing. Client agrees that Baker Tilly has the right to generate aggregated/de-identified data from the accounting and financial data provided by Client to be used for Baker Tilly business purposes and with the outputs owned by Baker Tilly. For clarity, Baker Tilly will only disclose aggregated/de-identified data in a form that does not identify Client, Client employees, or any other individual or business entity and that is stripped of all persistent identifiers. Client is not responsible for Baker Tilly's use of aggregated/de-identified data.

September 14, 2023  
Page 7

Baker Tilly has established information security related operational requirements that support the achievement of our information security commitments, relevant information security related laws and regulations, and other information security related system requirements. Such requirements are communicated in Baker Tilly's policies and procedures, system design documentation and contracts with customers. Information security policies have been implemented that define our approach to how systems and data are protected. Client is responsible for providing timely written notification to Baker Tilly of any additions, changes or removals of access for Client personnel to Baker Tilly provided systems or applications. If Client becomes aware of any known or suspected information security or privacy related incidents or breaches related to this agreement, Client should timely notify Baker Tilly via email at [dataprotectionofficer@bakertilly.com](mailto:dataprotectionofficer@bakertilly.com).

Any additional services that may be requested, and we agree to provide, may be the subject of a separate engagement letter.

We may be required to disclose confidential information to federal, state and international regulatory bodies or a court in criminal or other civil litigation. In the event that we receive a request from a third party (including a subpoena, summons or discovery demand in litigation) calling for the production of information, we will promptly notify the City of Sheboygan, unless otherwise prohibited. In the event we are requested by the City of Sheboygan or required by government regulation, subpoena or other legal process to produce our engagement working papers or our personnel as witnesses with respect to services rendered to the City of Sheboygan, so long as we are not a party to the proceeding in which the information is sought, we may seek reimbursement for our professional time and expenses, as well as the fees and legal expenses, incurred in responding to such a request.

We may be required to disclose confidential information with respect to complying with certain professional obligations, such as peer review programs. All participants in such peer review programs are bound by the same confidentiality requirements as Baker Tilly and its employees. Baker Tilly will not be required to notify the City of Sheboygan if disclosure of confidential information is necessary for peer review purposes.

Our fees are based on known circumstances at the time of this Engagement Letter. Should circumstances change significantly during the course of this engagement, we will discuss with you the need for any revised audit fees. This can result from changes at the City of Sheboygan, such as the turnover of key accounting staff, the addition of new funds or significant federal or state programs or changes that affect the amount of audit effort from external sources, such as new accounting and auditing standards that become effective that increase the scope of our audit procedures. This Engagement Letter currently includes all auditing and accounting standards and the current single audit guidance in effect as of the date of this letter.

We would expect to continue to perform our services under the arrangements discussed above from year to year, unless for some reason you or we find that some change is necessary. We will, of course, be happy to provide the City of Sheboygan with any other services you may find necessary or desirable.

### **Resolution of Disagreements**

In the unlikely event that differences concerning services or fees should arise that are not resolved by mutual agreement, both parties agree to attempt in good faith to settle the dispute by mediation administered by the American Arbitration Association (AAA) under its mediation rules for professional accounting and related services disputes before resorting to litigation or any other dispute-resolution procedure. Each party shall bear their own expenses from mediation.

September 14, 2023  
Page 8

If mediation does not settle the dispute or claim, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Baker Tilly office providing the relevant services is located, unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (FAA) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from Judicate West, AAA, Judicial Arbitration & Mediation Services (JAMS), the Center for Public Resources or any other internationally or nationally recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within fifteen (15) days of the parties' agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. Any issue concerning the extent to which any dispute is subject to arbitration, or concerning the applicability, interpretation, or enforceability of any of these procedures, shall be governed by the FAA and resolved by the arbitrators. The arbitration will be conducted before a single arbitrator, experienced in accounting and auditing matters. The arbitrator shall have no authority to award nonmonetary or equitable relief and will not have the right to award punitive damages or statutory awards. Furthermore, in no event shall the arbitrator have power to make an award that would be inconsistent with the Engagement Letter or any amount that could not be made or imposed by a court deciding the matter in the same jurisdiction. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Discovery shall be permitted in arbitration only to the extent, if any, expressly authorized by the arbitrator(s) upon a showing of substantial need. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. Both parties agree and acknowledge that they are each giving up the right to have any dispute heard in a court of law before a judge and a jury, as well as any appeal. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration. The arbitrator(s) shall apply the limitations period that would be applied by a court deciding the matter in the same jurisdiction, including the contractual limitations set forth in this Engagement Letter, and shall have no power to decide the dispute in any manner not consistent with such limitations period. The arbitrator(s) shall be empowered to interpret the applicable statutes of limitations.

Our services shall be evaluated solely on our substantial conformance with the terms expressly set forth herein, including all applicable professional standards. Any claim of nonconformance must be clearly and convincingly shown.

#### **Limitation on Damages and Indemnification**

The liability (including attorney's fees and all other costs) of Baker Tilly and its present or former partners, principals, agents or employees related to any claim for damages relating to the services performed under this Engagement Letter shall not exceed the fees paid to Baker Tilly for the portion of the work to which the claim relates, except to the extent finally determined to have resulted from the willful misconduct or fraudulent behavior of Baker Tilly relating to such services. This limitation of liability is intended to apply to the full extent allowed by law, regardless of the grounds or nature of any claim asserted, including the negligence of either party. Additionally, in no event shall either party be liable for any lost profits, lost business opportunity, lost data, consequential, special, incidental, exemplary or punitive damages, delays or interruptions arising out of or related to this Engagement Letter even if the other party has been advised of the possibility of such damages.

As Baker Tilly is performing the services solely for your benefit, you will indemnify Baker Tilly, its subsidiaries and their present or former partners, principals, employees, officers and agents against all costs, fees, expenses, damages and liabilities (including attorney's fees and all defense costs) associated with any third-party claim, relating to or arising as a result of the services, or this Engagement Letter.

September 14, 2023  
Page 9

Because of the importance of the information that you provide to Baker Tilly with respect to Baker Tilly's ability to perform the services, you hereby release Baker Tilly and its present and former partners, principals, agents and employees from any liability, damages, fees, expenses and costs, including attorney's fees, relating to the services, that arise from or relate to any information, including representations by management, provided by you, its personnel or agents, that is not complete, accurate or current, whether or not management knew or should have known that such information was not complete, accurate or current.

Each party recognizes and agrees that the warranty disclaimers and liability and remedy limitations in this Engagement Letter are material bargained for bases of this Engagement Letter and that they have been taken into account and reflected in determining the consideration to be given by each party under this Engagement Letter and in the decision by each party to enter into this Engagement Letter.

The terms of this section shall apply regardless of the nature of any claim asserted (including, but not limited to, contract, tort or any form of negligence, whether of you, Baker Tilly or others), but these terms shall not apply to the extent finally determined to be contrary to the applicable law or regulation. These terms shall also continue to apply after any termination of this Engagement Letter.

You accept and acknowledge that any legal proceedings arising from or in conjunction with the services provided under this Engagement Letter must be commenced within twelve (12) months after the performance of the services for which the action is brought, without consideration as to the time of discovery of any claim or any other statutes of limitations or repose.

#### **Other Matters**

Neither this Engagement Letter, any claim, nor any rights or licenses granted hereunder may be assigned, delegated or subcontracted by either party without the written consent of the other party. Either party may assign and transfer this Engagement Letter to any successor that acquires all or substantially all of the business or assets of such party by way of merger, consolidation, other business reorganization or the sale of interest or assets, provided that the party notifies the other party in writing of such assignment and the successor agrees in writing to be bound by the terms and conditions of this Engagement Letter.

The services performed under this Agreement do not include the provision of legal advice and Baker Tilly makes no representations regarding questions of legal interpretation. Client should consult with its attorneys with respect to any legal matters or items that require legal interpretation under federal, state or other type of law or regulation.

Baker Tilly US, LLP, trading as Baker Tilly, is an independent member of Baker Tilly International. Baker Tilly International Limited is an English company. Baker Tilly International provides no professional services to clients. Each member firm is a separate and independent legal entity and each describes itself as such. Baker Tilly US, LLP is not Baker Tilly International's agent and does not have the authority to bind Baker Tilly International or act on Baker Tilly International's behalf. None of Baker Tilly International, Baker Tilly US, LLP, nor any of the other member firms of Baker Tilly International has any liability for each other's acts or omissions. The name Baker Tilly and its associated logo is used under license from Baker Tilly International Limited.

This Engagement Letter and any applicable online terms and conditions or terms of use ("Online Terms") related to online products or services made available to City of Sheboygan by Baker Tilly ("Online Offering") constitute the entire agreement between the City of Sheboygan and Baker Tilly regarding the services described in this Engagement Letter and supersedes and incorporates all prior or contemporaneous representations, understandings or agreements, and may not be modified or amended except by an agreement in writing signed between the parties hereto. For clarity and avoidance of doubt, the terms of this Engagement Letter govern Baker Tilly's provision of the services described herein, and the Online Terms govern City of Sheboygan's use of the Online Offering. This Engagement Letter's provisions shall not be deemed modified or amended by the conduct of the parties.

Ms. Kaitlyn Krueger  
City of Sheboygan

Item 11.

September 14, 2023  
Page 10

The provisions of this Engagement Letter, which expressly or by implication are intended to survive its termination or expiration, will survive and continue to bind both parties, including any successors or assignees. If any provision of this Engagement Letter is declared or found to be illegal, unenforceable or void, then both parties shall be relieved of all obligations arising under such provision, but if the remainder of this Engagement Letter shall not be affected by such declaration or finding and is capable of substantial performance, then each provision not so affected shall be enforced to the extent permitted by law or applicable professional standards.

If because of a change in the City of Sheboygan's status or due to any other reason, any provision in this Engagement Letter would be prohibited by, or would impair our independence under laws, regulations or published interpretations by governmental bodies, commissions or other regulatory agencies, such provision shall, to that extent, be of no further force and effect and this agreement shall consist of the remaining portions.

This agreement shall be governed by and construed in accordance with the laws of the state of Illinois, without giving effect to the provisions relating to conflict of laws.

We appreciate the opportunity to be of service to you.

If there are any questions regarding this Engagement Letter, please contact <Review and Signing Professional>, the engagement partner on this engagement who is responsible for the overall supervision and review of the engagement and determining that the engagement has been completed in accordance with professional standards. <Review and Signing Professional> is available at 608 240 0000, or at email.address@bakertilly.com.

Sincerely,

BAKER TILLY US, LLP



Enclosure

The services and terms as set forth in this Engagement Letter are agreed to by:

\_\_\_\_\_  
Official's Name

\_\_\_\_\_  
Official's Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

VI

R. C. No. 209 - 22 - 23. By FINANCE AND PERSONNEL COMMITTEE. April 17, 2023.

Your Committee to whom was referred R. C. No. 269-21-22 by Finance and Personnel Committee to whom was referred R. O. No. 69-21-22 by City Clerk submitting a claim of alleged unlawful tax collected from FedEx Services by the City of Sheboygan for the 2020 tax year, plus interest as provided by law, with respect to certain property located in the City and known by the personal property tax Account Number 59281950534P; recommends referring to the Finance and Personnel Committee of the 2023-2024 council year.

FAP 23-24

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor



**VI**

R. C. No. 269 - 21 - 22. By FINANCE AND PERSONNEL COMMITTEE.  
April 18, 2022.

Your Committee to whom was referred R. O. No. 69-21-22 by City Clerk submitting a claim of alleged unlawful tax collected from FedEx Services by the City of Sheboygan for the 2020 tax year, plus interest as provided by law, with respect to certain property located in the City and known by the personal property tax Account Number 59281950534P; recommends referring to Finance and Personnel Committee of the 2022-2023 Council.

*F+P  
2022-2023 Council*

_____	_____
_____	_____
_____	_____
	Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

II

R. O. No. 69 - 21 - 22. By CITY CLERK. August 16, 2021.

Submitting a claim of alleged unlawful tax collected from FedEx Services by the City of Sheboygan for the 2020 tax year, plus interest as provided by law, with respect to certain property located in the City and known by the personal property tax Account Number 59281950534P.

\_\_\_\_\_  
CITY CLERK

F+P

John A. Sample  
Title First Line  
Title Second Line

Division Name  
1234 Street Name  
Suite 123  
Building Number 123  
City Name, ST/PR 12345-6789

Second Address  
1234 Street Name  
Suite 123  
Building Number 123  
City Name, ST/PR 12345-6789

Mobile 123.456.7890  
Telephone 123.456.7890  
Fax 123.456.7890  
john.sample@fedex.com  
Additional contact information



August 10, 2021

3431 Concord Dr / 3510 Playbird Rd  
Account # 950534

To whom it may concern:

We are requesting a refund for the \$514.95 paid for the 2020 tax year on account 950534, located at 3431 Concord Dr. Sheboygan, WI 53081. This account moved from 3510 Playbird Rd in the Town of Mosel to 3431 Concord Dr. in the City of Sheboygan after the 1/1/2020 lien date and therefore we were only responsible for taxes in the Town of Mosel for the 2020 tax year.

Attached is a copy of the tax bill 2020 taxes paid to the City of Sheboygan.

Please reach out to Lauren Dorsey at (410) 568-0789 or lauren.dorsey@altusgroup.com with any questions regarding this account.

Thank you,

A handwritten signature in black ink, appearing to read "Branden Harbaugh".

Branden Harbaugh  
Senior Tax Analyst  
(901) 434-5780  
branden.harbaugh@fedex.com

Form TAX895

CITY OF SHEBOYGAN  
FINANCE DEPARTMENT  
828 Center Avenue, STE 110  
Sheboygan, WI 53081  
920-459-3311

June 24, 2021

FED EX 950534  
3431 CONCORD DR  
SHEBOYGAN, WI 53081

SECOND NOTICE: DELINQUENT PERSONAL PROPERTY TAX

Dear Sir or Madam:

The Personal Property Tax Roll confirms taxes assessed to 3431 CONCORD DR in the amount of \$514.95. According to Wisconsin State Statute 74.11(4), payment for Personal Property Tax shall be received or postmarked on or by January 31<sup>st</sup> to be considered as timely. If the Personal Property Tax is not paid or postmarked by January 31<sup>st</sup>, the amount is subject to a one percent per month interest charge and an additional 0.5 percent per month penalty charge which shall be applied. These charges are pursuant to the Wisconsin State Statute 74.47 and Municipal Code Ordinance No. 55-04-05. The amount applicable is \$28.35 interest and \$14.17 penalty.

The City of Sheboygan adopted an Ordinance requiring payment of all local taxes, assessments and charges due and owing to the City as a condition to the issuance of licenses and permits. The Ordinance stipulates "in the event of unpaid Personal Property Tax and any outstanding fees, penalties, the City is forbidden from issuing any licenses and/or permits. All unpaid taxes, fees and penalties must be paid in full to receive any licenses and/or permits." Please note, the City is not obligated to provide regular notification of these outstanding delinquencies.

At the earliest convenience, please make payment to the City of Sheboygan Finance Department, and mail to: Finance Department, 828 Center Avenue, Suite 110, Sheboygan, WI 53081. The total due is \$514.95. To avoid additional interest and penalty, please pay the amount due on or before July 31, 2021. Nonpayment will result in collection action against this account. If you have any questions, please contact the City of Sheboygan Finance Department at the above listed number. Thank you.

Sincerely,

*Kaitlyn Krueger*  
City of Sheboygan  
Finance Director

**FEDEX (PT)**

PH: 602-707-5575  
PO BOX 71850  
PHOENIX AZ 85050

**EAGLE BANK**  
11900 BOURNEFIELD WAY  
SILVER SPRING, MD 20904

**NO. 76374396**

VOID 180 DAYS AFTER ISSUE 200268944 65-358/550

CHECK DATE	CHECK NUMBER	CHECK AMOUNT
07/22/2021	76374396	514.95

**PAY**

\*\*\* Five Hundred Fourteen And 95/100-Dollars \*\*\*

**\$ \*\* 514.95 \*\***

**TO THE ORDER OF**  
**SHEBOYGAN CITY TAX COLLECTOR**  
828 CENTER AVE STE 205  
SHEBOYGAN, WI 53081



Account No: 950534  
Invoice No: 38528

⑈ 76374396 ⑈ ⑆055003586⑆ 200268944⑈

For Remote Deposit Only  
City of Sheboygan  
Wisconsin Bank & Trust 075907594

>075907594< 07/28/2021

WATERMARK IN PAPER: HOLD UP TO A LIGHT VIEW

VI

R. C. No. 211 - 22 - 23. By FINANCE AND PERSONNEL COMMITTEE. April 17, 2023.

Your Committee to whom was referred R. C. No. 271-21-22 by Finance and Personnel Committee to whom was referred R. C. No. 321-20-21 by Finance and Personnel Committee and R. O. No. 75-20-21 by City Clerk submitting a pending claim from Linda Arentsen for alleged injuries when she tripped on a raised part of the sidewalk on Center Avenue; recommends referring to the Finance and Personnel Committee of the 2023-2024 council year.

F+P 2324

_____	_____
_____	_____
_____	_____
	Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor



VI

R. C. No. 271 - 21 - 22. By FINANCE AND PERSONNEL COMMITTEE.  
April 18, 2022.

Your Committee to whom was referred R. C. No. 321-20-21 by Finance and Personnel Committee and R. O. No. 75-20-21 by City Clerk submitting a pending claim from Linda Arentsen for alleged injuries when she tripped on a raised part of the sidewalk on Center Avenue; recommends referring to the Finance and Personnel Committee of the 2022-2023 Council.

F+P  
2022-2023 Council

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

VI

R. C. No. 321 - 20 - 21. By FINANCE AND PERSONNEL COMMITTEE. April 19, 2021.

Your Committee to whom was referred R. O. No. 75-20-21 by City Clerk submitting a pending claim from Linda Arentsen for alleged injuries when she tripped on a raised part of the sidewalk on Center Avenue; recommends referring to the Finance and Personnel Committee of the 2021-2022 Council.

F&P  
21-22

*My signature* \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ Committee

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

Dated \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, City Clerk

Approved \_\_\_\_\_ 20\_\_\_\_. \_\_\_\_\_, Mayor

II  
R. O. No. 75 - 20 - 21. By CITY CLERK. September 21, 2020.

Submitting a pending claim from Linda Arentsen for alleged injuries when she tripped on a raised part of the sidewalk on Center Avenue.

FAP  
\_\_\_\_\_  
CITY CLERK

DATE RECEIVED

9-17-20

RECEIVED BY

MKE

Item 13.

CLAIM NO.

12-20

## CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

## INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

SEP 17 '20 PM 12:01

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

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

1. Name of Claimant: LINDA ARGENTSEN
2. Home address of Claimant: 2709 PRAIRIE WINDS CT.
3. Home phone number: 920 980 - 8408
4. Business address and phone number of Claimant: NA
5. When did damage or injury occur? (date, time of day) 8-7-20 APPROX 9:45
6. Where did damage or injury occur? (give full description) SIDEWALK ON THE NORTH SIDE OF CENTER AVE - APPROX 20' WEST OF N. 6<sup>TH</sup> ST
7. How did damage or injury occur? (give full description) I WAS WALKING ON THE SIDEWALK & TRIPPED ON A RAISED PART OF THE SIDEWALK. FACE PLANTED INTO SIDEWALK - BROKEN ARM, RIBS BROKEN & BRUISES ON FACE
8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:
  - (a) Name of such officer or employee, if known: NA
  - (b) Claimant's statement of the basis of such liability: NA
9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:
  - (a) Public property alleged to be dangerous: SIDEWALK
  - (b) Claimant's statement of basis for such liability: PROPERTY OWNER SAID CITY KNEW OF DEFECT IN SIDEWALK & CITY HAD PLACED A SAFETY CONE THERE AT 0 TIME. THE SIDEWALK WAS NEVER FIXED & THE CONE WAS REMO



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

Item 13.

BROKEN ARM - DAMAGED SHOULDER - BROKEN RIBS - BRUISES ON FACE  
TAKEN BY AMBULANCE FROM SITE TO HOSPITAL E.R.

11. Name and address of any other person injured: NONE.

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

Auto: \$ NONE

Property: \$ NONE

Personal injury: \$ WE HAVE NOT RECEIVED BILLING FROM  
AMBULANCE, E.R., DOCTOR  
P.T. ETC.

Other: (Specify below) \$ ?

CANCELLED VACATION \$ ?

LOSS OF EMPLOYMENT \$ ?

TOTAL

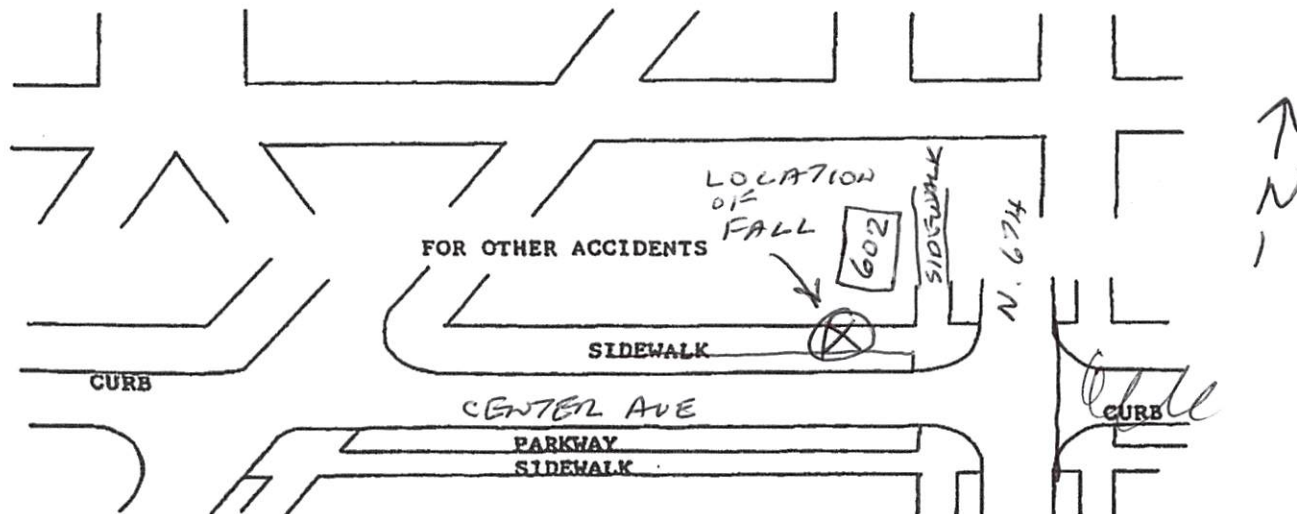
Damaged vehicle (if applicable) NONE

Make: \_\_\_\_\_ Model: \_\_\_\_\_ Year: \_\_\_\_\_ Mileage: \_\_\_\_\_

Names and addresses of witnesses, doctors and hospitals: \_\_\_\_\_

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

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



SIGNATURE OF CLAIMANT

d. Grenten

DATE

9/16/2020

DATE RECEIVED 9-17-20

RECEIVED BY MKC

Item 13.

CLAIM NO. 12-20

CLAIM

Claimant's Name: LINDA ARENTSEN Auto \$ -0-  
Claimant's Address: 2709 PRAIRIE WINDS CT Property \$ -0-  
SHEBOYGAN, WI 53081 Personal Injury \$ TBD  
Claimant's Phone No. 920-980-8408 Other (Specify below) \$ TBD  
TOTAL \$ \_\_\_\_\_

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

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

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

SIGNED L. Arentsen

DATE: 9/16/2020

ADDRESS: 2709 Prairie Winds Ct., Sheboygan 53081

MAIL TO: CLERK'S OFFICE  
828 CENTER AVE #100  
SHEBOYGAN WI 53081



**CITY OF SHEBOYGAN  
DIRECT REFERRAL RESOLUTION 74-23-24  
TO FINANCE AND PERSONNEL COMMITTEE**

**BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.**

**OCTOBER 9, 2023.**

A RESOLUTION authorizing the issuance of a refund for excess property tax payable to Harbor Pride LLC related to 2022 real estate tax for Parcel No. 59281835115P.

WHEREAS, an error by the assessor in the assessed value of Parcel No. 59281835115P resulted in a tax overpayment by Harbor Pride LLC in 2022 of \$11,868.37; and

WHEREAS, the error was a double assessment of the improvements on the leased land property in the City, and is therefore considered a palpable error pursuant to state statutes; and

WHEREAS, Wis. Stat. § 74.33 directs the excess property tax payment be refunded in the event of palpable errors; and

WHEREAS, a chargeback request has been filed with the State of Wisconsin which if approved would allow the City of Sheboygan to receive a portion of the funds back from the other taxing jurisdictions pursuant to Wis. Stat. § 74.41.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized and directed to rescind 2022 real estate taxes in the amount of \$11,868.37 for Parcel No. 59281835115P and refund the parcel owner, Harbor Pride LLC, the rescinded amount from the General Fund – Tax Roll Adjustment Account (Account No. 101150-580250).

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Ryan Sorenson, Mayor, City of  
Sheboygan

\_\_\_\_\_  
Meredith DeBruin, City Clerk, City of  
Sheboygan

**CITY OF SHEBOYGAN  
DIRECT REFERRAL RESOLUTION 75-23-24  
TO FINANCE AND PERSONNEL COMMITTEE**

**BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.**

**OCTOBER 9, 2023.**

A RESOLUTION authorizing the issuance of a refund for excess property tax payable to JL French/Nemak related to 2019 real estate tax for Parcel No. 59281479013.

WHEREAS, the State of Wisconsin – Department of Revenue executed a settlement agreement under the jurisdiction of the Wisconsin Tax Appeals Commission related to the assessed value of Parcel No. 59281479013 resulting in a tax overpayment by JL French/Nemak in 2019 of \$5,839.36; and

WHEREAS, Wis. Stat. § 74.33 directs the excess property tax payment be refunded in the event of palpable errors; and

WHEREAS, a chargeback request has been filed with the State of Wisconsin which if approved would allow the City of Sheboygan to receive a portion of the funds back from the other taxing jurisdictions pursuant to Wis. Stat. § 74.41.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized and directed to rescind 2019 real estate taxes in the amount of \$5,839.36 for Parcel No. 59281479013 and refund the parcel owner, JL French/Nemak, the rescinded amount from the General Fund – Tax Roll Adjustment Account (Account No. 101150-580250).

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Ryan Sorenson, Mayor, City of  
Sheboygan

\_\_\_\_\_  
Meredith DeBruin, City Clerk, City of  
Sheboygan

**CITY OF SHEBOYGAN  
DIRECT REFERRAL RESOLUTION 76-23-24  
TO FINANCE AND PERSONNEL COMMITTEE**

**BY ALDERPERSONS MITCHELL AND FILICKY-PENESKI.**

**OCTOBER 9, 2023.**

A RESOLUTION authorizing the issuance of a refund for excess property tax payable to JL French/Nemak related to 2020 real estate tax for Parcel No. 59281479013.

WHEREAS, the State of Wisconsin – Department of Revenue executed a settlement agreement under the jurisdiction of the Wisconsin Tax Appeals Commission related to the assessed value of Parcel No. 59281479013 resulting in a tax overpayment by JL French/Nemak in 2020 of \$10,636.89; and

WHEREAS, Wis. Stat. § 74.33 directs the excess property tax payment be refunded in the event of palpable errors; and

WHEREAS, a chargeback request has been filed with the State of Wisconsin which if approved would allow the City of Sheboygan to receive a portion of the funds back from the other taxing jurisdictions pursuant to Wis. Stat. § 74.41.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized and directed to rescind 2020 real estate taxes in the amount of \$10,636.89 for Parcel No. 59281479013 and refund the parcel owner, JL French/Nemak, the rescinded amount from the General Fund – Tax Roll Adjustment Account (Account No. 101150-580250).

PASSED AND ADOPTED BY THE CITY OF SHEBOYGAN COMMON COUNCIL

Presiding Officer

Attest

\_\_\_\_\_  
Ryan Sorenson, Mayor, City of  
Sheboygan

\_\_\_\_\_  
Meredith DeBruin, City Clerk, City of  
Sheboygan