CITY COUNCIL MEETING

Monday, February 06, 2023 at 6:00 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

AGENDA

NOTICE: Arrangements for Addressing the City Council by Telephone, During Public Hearings or Input from the Public can be made by Contacting the City Manager's Office at 920-793-5532 or City Clerk's Office at 920-793-5526 by 4:00 p.m. on the day of the meeting

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL BY CITY CLERK
Councilmembers: Jeff Dahlke, Bill LeClair, Darla LeClair, Tracey Koach, Tim Petri, Jason Ring, Bonnie Shimulunas, Scott Stechmesser, Adam Wachowski

4. CONSIDERATION OF ANY COUNCIL MEMBER REQUESTS TO PARTICIPATE IN THIS MEETING FROM A REMOTE LOCATION

5. PUBLIC HEARING

A. Public Hearing on a Proposed Conditional Use Permit (CUP) for 1010 34th Street, for Operation of Mini Storage and a Business Incubator Service (Growth Garage)
Recommended Action:
Motion to approve conditional use permit, as recommended by the Plan Commission

6. INPUT FROM THE PUBLIC

7. COUNCIL COMMUNICATIONS
Letters and other communications from citizens

8. COUNCIL REPORTS FROM BOARDS/COMMISSIONS/COMMITTEES

9. CITY MANAGER'S REPORT

A. Invited Guests
1. PJ Stephens/American Cancer Society, Sponsors and Volunteers Needed at Relay for Life, Friday, July 28, 2023, Central Park West

B. Status Update/Reports
1. Staffing Updates
2. WDNR and FEMA Approval of New Floodplain Zoning Ordinance
3. Recent Water Main Break
4. Full Summer of Events Planned for 2023
5. Main Street Art Banner Sponsors and Artists Needed
6. Two Rivers/Manitowoc Visitor Guide
7. Implementation of New Police Body Cameras
8. Two Rivers Police Cadets 2023 WLEEAA (WI Law Enforcement Education Advocates Association) Conference

9. Central Park West 365 Project
a. Fund-Raising
b. Construction Timetable
10. Lester Library to Host Traveling Exhibit on Human Migration
11. Proposed Amendments to Golf Cart Ordinance to be presented at February 20 City Council Meeting
12. Upcoming Events:
a. Creative Partners Paint Day, Behringer Room Community House, Friday, February 10, 6:00-8:00 PM
b. Main Street Sweet Street, Saturday, February 11, 10:00 AM - 3:00 PM, check website for participating businesses
13. Other

C. Legislative/Intergovernmental Update

10. CONSENT AGENDA

A. Presentation of Minutes
1. City Council, January 16, 2023
2. City Council Special Work Session, January 23, 2023
3. City Council Work Session, January 30, 2023
Recommended Action:
Motion to waive reading and adopt the minutes

B. Minutes of Meetings
1. Personnel & Finance Committee, January 24, 2023
2. Environmental Advisory Board, January 17, 2023
3. Business & Industrial Development Committee/Community Development Authority, November 17, 2022
Recommended Action:
Motion to receive and file

C. Applications and Petitions
1. Application for Temporary Class "B"/"Class B" Retailer's License from Roncalli Athletic Association for TRCCS Volleyball Tournament, March 4-5, 2023 at Two Rivers Community House Lobby & Gym, 1710 W. Park Street, Two Rivers
Recommended Action:
Motion to approve the application and authorize issuance of the license

D. TID 4 Close-Out Audit Report
Recommended Action:
Motion to receive and file the report

RECOMMENDED ACTION FOR CONSENT AGENDA
Motion to approve the Consent Agenda with the various actions recommended

11. CITY COUNCIL - FORMAL ITEMS

A. City Manager's Appointment to Boards, Committees and Commissions
--Douglas Brandt, Environmental Advisory Board, term to expire May 2023 (filling vacancy by Larry Thomas resignation)
Recommended Action:
Motion to approve the appointment, as recommended by the City Manager

B. Resolution Establishing Grant Program to Assist Homeowners with Tree Planting on Private Properties--Recommendation from Environmental Advisory Board, Meeting of January 17, 2023
Recommended Action:
Motion to waive reading and adopt the resolution

C. Authorize Three Percent Wage Adjustment for City Manager--Recommended from Personnel & Finance Committee, Meeting of January 24, 2023
Recommended Action:
Motion to authorize the adjustment, as budgeted and based on performance relative to 2021-2022 City goals, effective January 1, 2023

12. FOR INFORMATION ONLY

A. Personnel & Finance Meeting, Wednesday, February 8, 2023, 6:00 PM to Review 2023 Capital Projects Financing
B. City Council Special Meeting, Monday, February 13, 2023, 6:00 PM for Action on Playground Bids
C. City Council Regular Meeting, Monday, February 20, 2023, 6:00 PM
D. City Council Work Session Meeting, Monday, February 27, 2023, 6:00 PM

13. ADJOURNMENT

Motion to dispense with the reading of the minutes of this meeting and adjourn

In accordance with the requirements of Title II of the Americans with Disabilities Act (ADA), the City of Two Rivers will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the City Clerk's office at 920-793-5526 or email clerk@two-rivers.org at least 48 hours prior to the scheduled meeting or event to request an accommodation. For additional assistance, individuals with hearing or speech disabilities can call 711 and be connected to a telephone relay system.

It is possible that members of and possibly a quorum of governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no other action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

CONDITIONAL USE PERMIT
City of Two Rivers

Document Number

Permit No. 2023-01

Before the City Council of the City of Two Rivers, Manitowoc County, Wisconsin, regarding the premises at 1900 School Street in the City of Two Rivers, Manitowoc County, State of Wisconsin, further described as:

TRACT 3 OF CSM V6 P253 in the City of Two Rivers, Manitowoc County, Wisconsin

Inspections Department
City of Two Rivers
PO Box 87
Two Rivers, WI 54241-0087

Parcel ID Number: 053-162-401-200.02

Zoning Classification of the Premises is: B-2 Business District
Mailing Address of the Premises is: 1010 34th Street, Two Rivers, WI 54241

WHEREAS, the Zoning Code and Zoning District Map of the above named municipality, pursuant to State Statute, state that the premises may not be used for the purpose hereinafter described but that upon petition such use may be approved by the municipality as a Conditional Use in particular circumstances as defined by the standards in the Zoning Ordinance; and

Petition therefore having been made, and public hearing held thereon, and the City Council of the City of Two Rivers having determined that by reason of the particular nature, character and circumstances of the proposed use, and of the specific and contemporary conditions, permit of such use upon the terms and conditions hereinafter prescribed would be consistent with the requirements of the Zoning Ordinance.

Now, therefore, it is permitted, subject to compliance with the terms and conditions hereinafter stated, that the Premises may be used for the purpose of the operation of mini storage units and a business incubator service called the Growth Garage.

Permitted by action of the City Council of the City of Two Rivers on February 6, 2022

Original filed in the office of the City Clerk of the City of Two Rivers, Wisconsin

The Conditions of this Permit are:

1. This Permit shall become effective upon the execution and recording by the Owner of the Premises as acceptance hereof.
2. This Permit shall be void unless proper application, pursuant to the Building and Zoning Codes of this Municipality, for appropriate Building and Zoning Use Permits in conformity to this Permit, is made within twelve (12) months of the date hereof.
3. This Permit is subject to amendment and termination in accordance with the provisions of the City's Zoning Code.
4. Operation of the use permitted shall be in strict conformity to the Site Plan filed in connection with the Petition for this Permit and said plan is incorporated herein by reference as if set forth in detail herein.
5. Any substantial change or expansion of the facilities permitted by the initial issuance of this Permit would require approval by the Plan Commission and City Council as an amendment to this Permit.
6. This Permit is specifically issued to Grow Garage LLC and shall lapse upon a change in ownership of the business, tenancy of the subject premises or if the land uses ceases operation for more than 12 months. This permit may be reissued only after proper application is made to the City as if this permit were being newly issued.
7. Conditions of Operations:
   a. Hours of operation of Growth Garage: 7AM - 10PM seven days a week.
   b. Access to storage units: 5AM - 10PM seven days a week.
   c. Self-storage units may be rented or leased for the storage of personal goods, vehicles, recreational vehicles, boats, business supplies, and contractor supplies.
   d. No sales, service, or contractor repair activities are permitted in the storage units, excepting the Growth Garage

Units in Buildings 1, and 3 as shown on the site plan. The Growth Garage is intended for contractor business operations, but other businesses permitted within the B-2 zoning district are candidates to use the Growth Garage buildings.

e. No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any storage unit.
f. No noxious, offensive, boisterous or illegal activity shall be carried on or conducted on in any unit, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or public nuisance.
g. There shall be no outdoor operations or outdoor storage.
h. No hazardous substances or materials as defined by federal, state or local law shall be brought upon, kept or used in, on or about a unit, except for small quantities of gasoline or motor oil necessities necessary for motor vehicles.
i. Buildings shall comply with applicable building and fire codes and building safety requirements.
j. All trash and recyclable materials, dumpster(s) stored outside shall be within an enclosure screened from view.
k. Signage in accord with the City's Sign Code.
l. All landscaping plantings shall be maintained and kept in good health or be replaced; and, all landscaped areas shall be maintained in such a manner to be free of weeds.

SIGNATURES OF PROPERTY OWNER AND PERMITEE:

As Owners of the Subject Property, we accept and understand the above described conditions.

____ ____
Dave Kalista

STATE OF WISCONSIN
MANITOWOC COUNTY

Personally came before me this __________ day of ___________________________, 2023, the above named Dave Kalista to me known to be the persons who executed the foregoing instrument and acknowledge the same.

____

Notary Public, Manitowoc County, Wisconsin
My commission expires:

SIGNATURES - CITY OF TWO RIVERS

____ ____
Jamie Jackson, City Clerk Adam Wachowski, Council President

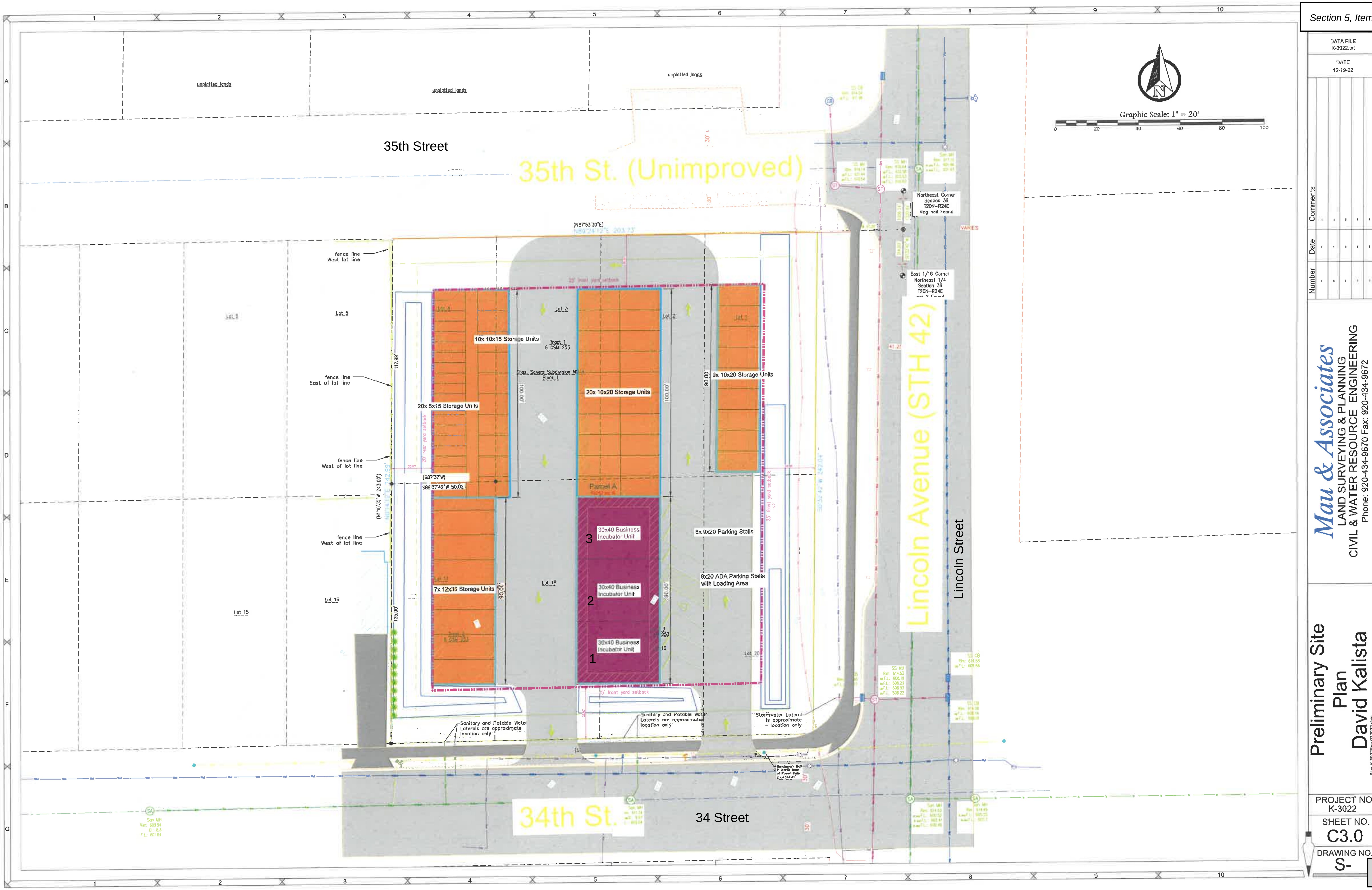
STATE OF WISCONSIN
MANITOWOC COUNTY

Personally came before me this __________ day of ___________________________, 2023, the above named Matthew Diedrich known to be the person who executed the foregoing instrument and acknowledge the same.

____
Adam Taylor

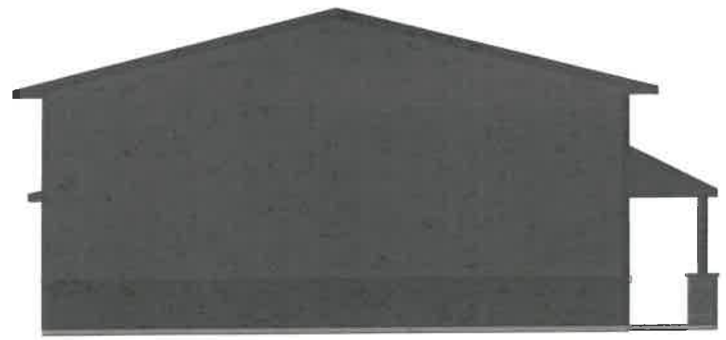
Notary Public, Manitowoc County, Wisconsin
My commission expires:

THIS INSTRUMENT WAS DRAFTED BY:
Elizabeth Runge, Community Development Director

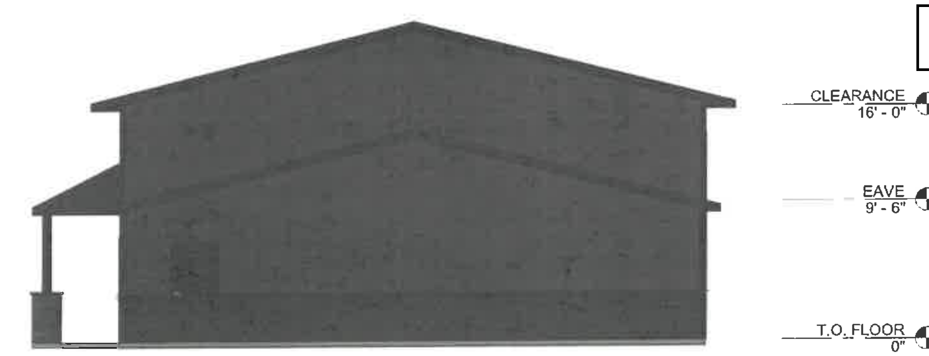


35th Street
35th St. (Unimproved)
unplatted lands
unplatted lands
unplatted lands
Graphic Scale: 1" = 20'
Northeast Corner Section 36 T20N-R24E Mag nail Found
East 1/16 Corner Northeast 1/4 Section 36 T20N-R24E
fence line West of lot line
fence line East of lot line
fence line West of lot line
fence line West of lot line
Lot 6
Lot 5
Lot 3
Lot 2
Lot 1
Lot 15
Lot 16
Lot 18
Lot 20
10x 10x15 Storage Units
20x 5x15 Storage Units
7x 12x30 Storage Units
20x 10x20 Storage Units
9x 10x20 Storage Units
Parcel A
3
30x40 Business Incubator Unit
2
30x40 Business Incubator Unit
1
30x40 Business Incubator Unit
6x 9x20 Parking Stalls
9x20 ADA Parking Stalls with Loading Area
25' front yard setback
Sanitary and Potable Water Laterals are approximate location only
Sanitary and Potable Water Laterals are approximate location only
Stormwater Lateral is approximate location only
Lincoln Avenue (STH 42)
Lincoln Street
34th St.
34 Street
DATA FILE K-3022.txt
DATE 12-19-22
Comments
Date
Number
Mau & Associates
LAND SURVEYING & PLANNING
CIVIL & WATER RESOURCE ENGINEERING
Phone: 920-434-9670 Fax: 920-434-9672
Preliminary Site Plan
David Kalista
PROJECT NO. K-3022
SHEET NO. C3.0
DRAWING NO. S-

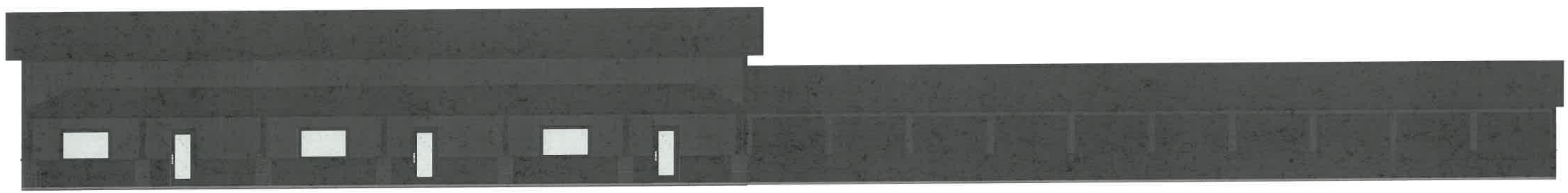
Section 5, ItemA.



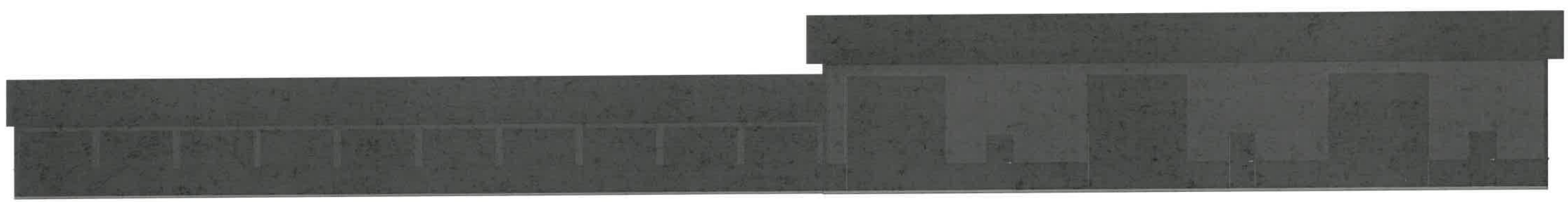
4 SOUTH
1 : 72



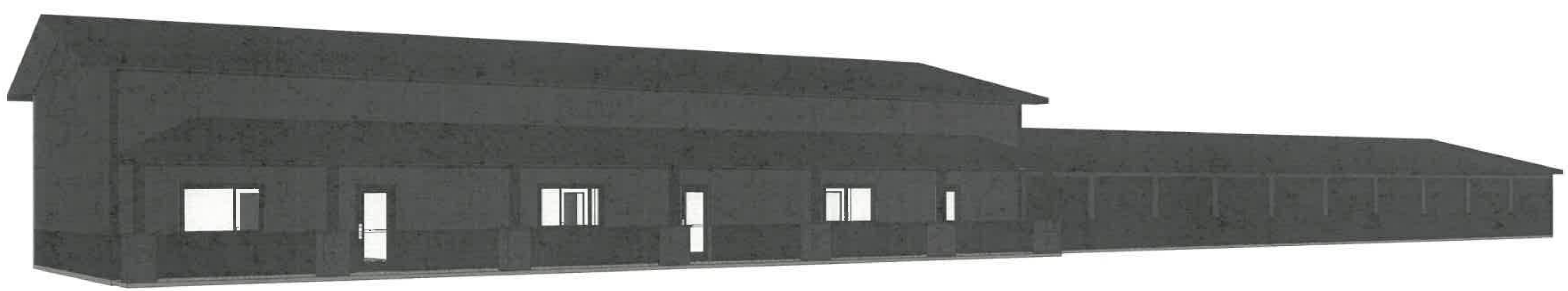
3 NORTH
1 : 72



1 EAST
1 : 72



2 WEST
1 : 72



5 SOUTHEAST CAMERA

PRELIMINARY PLAN
NOT FOR CONSTRUCTION

DRAWN BY: ARN	CLIENT NAME: DAVE KALISTA (GROWTH GARAGE)
SCALE: 1 : 72	PROJECT NAME: 40' X 90' X 16' BUSINESS CONDO & 40' X 100' 4" MINI
ISSUE DATE: 10/19/22	PROJECT LOCATION: TWO RIVERS, WI

FOREST CONSTRUCTION INC.

FOREST CONSTRUCTION CO., INC.
106 PRAIRIE LANE
P.O. BOX 350
LUXEMBURG, WI 54217
TOLL FREE: 800-242-8085
OFFICE: 920-845-2302
FAX: 920-845-5002
EMAIL: INFO@FORESTBUILDINGS.COM
WEB: WWW.FORESTBUILDINGS.COM

SHEET NUMBER: A7

LATEST REVISION:

CITY COUNCIL SPECIAL WORK SESSION

Monday, January 23, 2023 at 6:00 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. **CALL TO ORDER**
The meeting was called to order by Council President Wachowski at 6:00 PM.

2. **PLEDGE OF ALLEGIANCE**

3. **ROLL CALL**
Councilmembers: Jeff Dahlke, Bill LeClair, Darla LeClair, Tracey Koach, Tim Petri, Jason Ring, Bonnie Shimulunas, Scott Stechmesser, Adam Wachowski

ALSO PRESENT: Dave Buss, Finance Director; Brian Dellemann, Electric Utility Director; Matt Heckenlaible, Public Works Director; Mike Mathis, Parks and Recreation Director; Rick Powell, IT Supervisor; and Greg Buckley, City Manager.

4. **DISCUSSION ITEMS**

A. Discussion With City Staff and School District Representatives, Regarding Conveyance of City-Owned Property Adjacent to L.B. Clarke Middle School to the School District for Facilities Expansion
Recommended Action:
Provide direction to staff regarding the requested conveyance

The Two Rivers School District's facilities expansion design team was present to speak to the Council along with Business Manager Mary Kay Slattery and Facilities Manager Adam Rohrer to discuss the request from the School District for the City to convey City-owned property adjacent to L.B. Clarke Middle School to the School District for a facilities expansion recently approved by referendum. Representing the District's design consultants were Clint Selle and Jeff Peck from Bray Associates and Ryan Birschbach from Kapur & Associates.

A map of the proposed layout was shared including classroom and gymnasium additions, a playground, and added parking areas with parent pick-up/drop-off areas that would aid in the existing traffic congestion. All intended additions require the use of property currently owned by the City of Two Rivers.

Council and City staff discussed an opportunity for the School District to provide a varsity baseball diamond on School District property versus the current practice of utilizing the City's field at Walsh Field. Relocating the varsity baseball diamond to School District property would open up Walsh Field for multiple other uses by the City including special events and programming by the Parks and Recreation Department. Council also discussed other concerns that were highlighted during discussions and presentations leading up to the referendum vote regarding parking, student pickup, and cafeteria space to ensure that those reasons stated were all being addressed as part of the facilities referendum.

By show of hands, the Council displayed a consensus for conveyance of the propert School District for $1 with a minimum of the pony league baseball field being relocated to the west end of the City owned parcel with turf maintained by the School District and the City retaining scheduling control of the field outside of school hours. The School District will need to follow up with administration and the School Board before a follow-up meeting can be scheduled.

B. Consider Options for Possible Relocation and Re-Use of Current Central Park Bandstand, Versus Demolition
Recommended Action:
Review staff report and provide direction

Public Works Director Matt Heckenlaible presented options for relocating the existing Central Park bandstand to another location to be used as a picnic shelter or to be repurposed for storage. The first proposed new location was Vietnam Veterans Park, but there are issues with the width and height of the existing structure that would not allow for moving the structure as is or without having overhead lines removed at numerous locations along the route. The second option is to relocate the existing structure to the Public Works campus on Lake Street which offers a route without the concern of overhead lines but provides some concerns with removal of fencing and cooperation of Seagull Marina guests to get it into the back of the property out of public view. Vet's Park was also discussed, but there are concerns with the property being in a floodplain. Proposed costs provided for the options provided by the Public Works Director include:

Option 1: Demolition and disposal of existing band shelter using City personnel and equipment: $35,000

Option 2: Demolition and salvage portions of the existing band shelter: $52,500

Option 3: Relocate existing band shelter to Vietnam Veterans Park for the framework of a cold storage facility: $74,800

Option 4: Relocate existing band shelter to other alternate locations (Public Works Facility or Vet's Park): $74,800 (Public Works) or $74,800 plus additional unknown costs (Vet's Park)

By show of hands, the overall consensus of the Council was to have the structure removed in the most cost-effective manner, either by demolition by City crews or an outside contractor, or by sale to a outside bidder for relocation or repurposing.

5. **REMINDER:** Work Session on City Goals, January 30

6. **ADJOURNMENT**
Motion to adjourn the meeting at 7:33 PM.

Motion made by Dahlke, Seconded by D. LeClair.
Voting Yea: Dahlke, B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Respectfully Submitted,

Jamie Jackson
City Clerk

CITY COUNCIL WORK SESSION

Monday, January 30, 2023 at 6:00 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. CALL TO ORDER

The meeting was called to order by Council President Wachowski at 6:01 PM.

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

Councilmembers: Bill LeClair, Darla LeClair, Tracey Koach, Tim Petri, Jason Ring, Bonnie Shimulunas, Scott Stechmesser, Adam Wachowski

COUNCILMEMBERS EXCUSED: Jeff Dahlke

ALSO PRESENT: Dave Buss, Finance Director; Dave Dassey, IT Assistant; Brian Dellemann, Electric Utility Director; Matt Heckenlaible, Public Works Director; David Murack, Assistant Fire Chief; Elizabeth Runge, Community Development Director; Tammy Stadler, Parks & Recreation Administrative Assistant; Andrew Sukowaty, Water Utility Director; and Greg Buckley, City Manager

4. ACTION ITEMS

A. Review and Update City Goals
Recommended Action:
Council discretion; act at this meeting or defer to February 6 regular meeting

City Manager Buckley reviewed an updated list of strategic goals and objectives for 2023 as modified during the January 24, 2023 Personnel and Finance Committee meeting. In the discussion that followed, Council reviewed the City's progress on the various goals and objectives listed, which fall under six major goals:

I. Focus relentlessly on new fiscal revenue streams and operational sustainability.

II. Deliver outstanding city services & innovations for both sustainability and to support future growth.

III. Drive strategic community development.

IV. IV.Continue to grow a vibrant, sustainable, safe, and connected community while respecting our traditions and history to attract new residents, visitors, and new businesses.

V. Encourage employees' personal and professional development, invest in employees to deliver the highest quality services for our community today and tomorrow while being a preferred city for career opportunities.

VI. Enhance and promote the City’s identity and brand story throughout the region.

Motion to adopt the strategic goals and objectives for 2023 with the additions and changes discussed during the review.

Motion made by B. LeClair, Seconded by Koach.
Voting Yea: B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Motion carried upon a roll call vote.

B. Consideration of Amendments to Personnel Policy Manual Related to Overtime, Longevity, and Pay on Legal Holidays and/or City-Observed Holiday Dates as Recommended by the Personnel & Finance Committee
Recommended Action:
Motion to approve the policy revisions and direct the City Clerk/Human Resources Director to incorporate the changes into the existing Personnel Policy manual

Jamie Jackson, City Clerk/Human Resources Director, reviewed the proposed changes to the Personnel Policy related to overtime, longevity, and pay on legal holidays and/or City-observed holidays dates. She indicated that the updates are to add existing practices or clarifying language to the Personnel Policy for transparency to employees, department heads, and those doing payroll administration.

Motion made by Stechmesser, Seconded by D. LeClair.
Voting Yea: B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Motion carried upon a roll call vote.

C. Set Special Meeting for Action on Playground Equipment Bids--Staff requests special meeting on Monday, February 13 at 6:00 PM

Councilmembers indicated their availability for a special meeting on February 13. By show of hands, a quorum of the City Council will be available.

5. ADJOURNMENT

Motion to adjourn the meeting at 7:56 PM.

Motion made by B. LeClair, Seconded by Stechmesser.
Voting Yea: B. LeClair, D. LeClair, Koach, Petri, Ring, Shimulunas, Stechmesser, Wachowski

Motion carried upon a voice vote.

Respectfully submitted,

Jamie Jackson
City Clerk

PERSONNEL AND FINANCE COMMITTEE MEETING (REVISED 1-20-23)

Tuesday, January 24, 2023 at 6:00 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. **CALL TO ORDER**
The meeting was called to order by Chairperson Dahlke at 6:00 PM.

2. **ROLL CALL**
Committee Members: Jeff Dahlke, Bonnie Shimulunas, Adam Wachowski

ALSO PRESENT: Councilmember Tracey Koach; Councilmember Scott Stechmesser; and Greg Buckley, City Manager

3. **REVIEW 2022 YEAR-END OVERTIME REPORT**
Mr. Buckley reviewed the 2022 year-end overtime report. General Fund overtime was budgeted at $457,067.00 for 2022. Actual overtime as of year end was $517,404.16, 113.2% of budget. Individual overtime budgets were exceeded in the areas of Police Administration and Patrol, Fire Administration and Firefighters, Community House, and Parks.

Compared to 2021 actual overtime at $487,587.52, 2022 overtime totals as of year end for General Fund operations was up approximately $30,000.

4. **DISCUSS CHANGES TO PERSONNEL POLICY REGARDING WORKING ON HOLIDAYS**
Jamie Jackson, City Clerk/Human Resources Director, discussed the need for amendments to the Personnel Policy manual for clarification on policies related to overtime, longevity, and pay for work performed on legal holidays and city-observed holiday dates.

Motion by Adam Wachowski, supported by Bonnie Shimulunas, to recommend to Council for approval the Personnel Policy amendments related to overtime, longevity, and pay for work performed on legal holidays and city-observed holiday dates. The motion was approved by voice vote.

5. **REVIEW STATUS AND RECOMMENT POSSIBLE REVISIONS TO THE CITY'S GOALS**
City Manager Buckley then led a review of the City's most recent Goals, as adopted by City Council in June 2021 and last reviewed in December 2021. He noted that this review was in preparation for review and revision of the Goals by the full Council at the work session on January 30. He encouraged committee members to identify goals or objectives that could be dropped from the list, and to identify goals or objectives that might be added to the list.

In the approximately 2.5 hour discussion that followed, Committee members and the City Manager reviewed the City's progress on the various goals and objectives listed, which fall under five major goals:

I. Focus relentlessly on fiscal new revenue streams and operational sustainability

II. Deliver outstanding city services & innovations for both sustainability and to support future growth.

III. Drive strategic community development

IV. Continue to grow a vibrant, sustainable, safe & connected community while respecting our traditions & history to attract new residents, visitors & new businesses

V. Encourage employees' personal and professional development, invest in employees to deliver the highest quality services for our community today and tomorrow while being a preferred city for career opportunities

VI. Enhance and promote the City's identity and brand story throughout the region

Committee members identified several objectives that could be eliminated from the list, either because they have been accomplished or are no longer seen as priorities. By consensus, there was also agreement on several objectives that should be added to the list.

City Manager Buckley stated that he would provide both the document reviewed at this meeting and a revised list of goals and objectives, reflecting discussion at this meeting, as backup for the January 30 Council work session.

6. DISCUSS CITY MANAGER'S ANNUAL EVALUATION

Committee members next discussed the City Manager's annual evaluation and possible action on a three percent wage increase for the City Manager, as allowed for in the 2023 City Budget.

Following discussion, Adam Wachowski moved, supported by Bonnie Shimulunas, to recommend City Councjl approval of a 3 percent wage increase for the City Manager. They noted that this motion reflected their general satisfaction with the City's progress on identified goals over the past year. The motion was approved by voice vote, 2-1, with Jeff Dahlke voting no. Committee member Dahlke stated that his vote was consistent with his recent votes on other employee wage increases, whether in the recently-approved Police and Fire union contracts or as provided for non-union employees in the 2023 Budget.

It was the consensus of the committee that members would still like to conduct a "360 evaluation" of the City Manager, involving City department heads, likely in March.

7. DISCUSS DATE FOR NEXT MEETING.

Recommended: Wednesday, February 8, Thursday, February 9, or Wednesday, February 15 at 6:00 PM, for review of 2023 capital projects financing with Robert W. Baird representative

It was agreed to schedule the next meeting for 6:00 PM on Wednesday, February 8, 2023.

8. ADJOURNMENT

Motion by Adam Wachowski, supported by Bonnie Shimulunas, to adjourn the meeting at 9:37 PM. The motion was approved by voice vote.

ENVIRONMENTAL ADVISORY BOARD MEETING

Tuesday, November 15, 2022 at 5:30 PM

Council Chambers - City Hall, 3rd Floor
1717 E. Park Street, Two Rivers, WI 54241

MINUTES

1. CALL TO ORDER

Called to order at 5:33pm

2. ROLL CALL AND CHECK ON REMOTE PARTICIPANTS

Present: Darla LeClair, Tracey Koach, Ben Meinnert, Katherine Dahlke
Not present: Donald DeBruyn, Jay Orvis and Kate Gadd (Resigned)
Staff present: Matthew Heckenlaible, Scott Ahl, Jeff Dalke and Greg Buckley

3. REVIEW LAST MINUTES - APPROVE OR CORRECT

Katherine Dahlke made a motion to approve the Minutes from the November 15, 2022, Environmental Advisory Board Meeting. Seconded by Be Meinnert. Motion Passed

4. PUBLIC INPUT

Jeff Dahlke inquired if the City had the ability to test the water in the rivers, especially up-stream of the City. They created an irrigation system drawing water from the East Twin River to water their garden and their turned brown and died off. They are wondering if it was too much Nitrogen or pesticides in the water (July 2022). City does not have that type of testing capabilities. Staff would make inquiries to WDNR and possibly Woodland Dunes staff to see they heard of any other issues during that time frame.

5. GUEST SPEAKER

None

6. CURRENT ITEMS FOR DISCUSSION AND ACTION

A. FYVG presentation status: Darla LeClair provided a recap of the direction that the Plan Commission desired and lead a discussion to what still needed to be accomplished to create a pilot program for the spring of 2023.

- Utilizing Grow it Forward Guides and the garden guidelines. Possibly provide a link on the website for information to applicants.
- It was recommended by Grow It Forward (Amber Daugs) to strongly suggest that these gardens be raised beds or container gardens for ease of care and establishment.
- There may be grants available for applicants to pursue raised beds/materials – still being investigated.
- This would be a pilot program limited to 20 or so participants. This would allow EAB members to interact and monitor these sites to ensure compliance with established guidelines.
- Would like to bring this back to the February Plan Commission and ultimately Council for approval.
- Possible Ordinance concerns and revisions necessary. Would ordinances need to be modified for a pilot program to move forward when certain sections of 10-1-15.G specifically do not allow such activity to occur.

B. Winter Educational Series
- Julia Nordyk of Sea Grant, presented on January 12th, 2023, about Green Infrastructure. It had a slightly smaller turnout than the previous presentation but there was good participation and interaction between all that attended.
- Attempting to get a few last minute presenters lined up in the event that one of the scheduled presenters would need to cancel for some reason (weather, illness, other). Thoughts were Mike Mathis and Amber Daugs.
- Next presentation will be Titus Seilheimer, on February 7, 2023, 6:00 PM, at Lester Library and discussing the 'Status of our Waters'.

7. OTHER ITEMS FOR DISCUSSION AND ACTION

A. Discuss contacting local UW Extension Agent to schedule presentation about smaller family farms regarding runoff control and how it impacts the bottom line for them - ON HOLD - No discussion

B. Discuss status of creation of a pamphlet for realtors & general public (insert?) focused on the benefits of trees & associated incentives plus information on green infrastructure projects the buyer can do. ON HOLD – minor discussion pertaining to utilizing technology, such as QR codes to launch to a single location that would provide reference to other links and resources.

C. City match WPPI new tree grant council resolution to come to council soon. City Manager Greg Buckley stated that the City does have a program through the Electric Utility that will reimburse property owners for up to a 50% match up to $50 per tree for up to 3 trees. This program is significantly under promoted and underutilized. Greg Buckley suggested modifying the program to make it more attractive and would bring that proposal forward at the February Council Meeting. The City should try and publicize it and make it more known around Earth Day and Arbor Day events.
Kathrine Dalhke made a motion to support the proposed Tree Planting Grant Program for Private Residential Properties and to bring it forward to Council for further action. Ben Meinnert seconded the motion. Motion passed

D. Status of new DNR TMDL - Summer 2023? TBD - will keep on agenda as placeholder -
1. DNR still developing load allocations
2. NE Lakeshore TMDL – WDNR providing a webinar on January 31, 2022.
3. Have future discussions relative to having the Wastewater Treatment Plant work with farmers on Adaptive Management measures upstream of the treatment plant.

E. Green Infrastructure Utility Bill insert – Minimal discussion.
1. Provide examples & resources to residents.
2. Emphasize those that the City has already along with private examples
   a. 25th Street east of Lincoln Ave rain garden
   b. Vet's Park rain garden
   c. Nashotah Beach manmade wetland

F. Utility Bill Insert "What Can I Do" - ready for distribution in Spring of 2023 – Intent is to education property owners on what they can do to help reduce stormwater runoff contamination. Darla LeClair will resend this information out to the committee to aid in further discussion in the future.

G: Reinforcing that the Main goal of the Environmental Advisory Board is of stormwater quality and then along the way to promote other environmentally friendly initiatives.

8. NEW ITEMS

A. Katherine Dalhke suggested that we try and create a Sustainable Two Rivers Summit to determine what the citizens of Two Rivers want to see in the way of sustainable, green infrastructure, stormwater management type programs and projects. Further discussion pertaining to this idea occurred with additional suggestions that we try and reach out to other organizations and stakeholders to see what resources and programs that they have and desire to promote and expand so that there isn't duplication of effort. It was left th discussion would occur with select members of the EAB committee and City Staff.

9. SET DATE, TIME, AND AGENDA ITEMS FOR NEXT BOARD MEETING(S)
Proposed as Tuesday, February 21, 2023, at 5:30pm

10. ADJOURNMENT
Motion to adjourn by Ben Meinnert, seconded by Katherine Dahlke, motion carried (7:14pm)

CITY OF TWO RIVERS
COMMUNITY DEVELOPMENT AUTHORITY AND
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE PROCEEDINGS
November 17, 2022 at 5:15 PM, 3rd Floor City Hall

<u>1.Call to Order</u>
The meeting was called to order by BIDC Chair Gregory Coenen at 5:15 PM.

<u>2.Roll Call</u>
BIDC Members present: Gregory Coenen, Dick Klinkner, Betty Bittner, Keith Lyons, Dan Wettstein, Tracey Koach and Jason Ring.

CDA Members present: Betty Bittner, Gregory Coenen, Dick Klinkner, Tracey Koach, and Jason Ring

Absent: Tom Christensen and Don Karmen
Also present: Greg Buckley City Manager and Elizabeth Runge, Community Development Director.

3. Approve minutes from September 20, Meeting.
A motion was made by Betty Bittner and seconded by Tracey Koach to approve the minutes. The motion carried on a voice vote.

4. Review the status of Sandy Bay Highland lot sales with the status of building on these sold lots.

Staff presented the lots that are sold in Phase 1 and 2 of the subdivision. There are only 7 lots left for sale in Phase 2. There are two lots that have passed the 24-month timeline to start construction. A motion was made by Keith Lyons and seconded by Betty Bittner directing staff to send a letter reminding the lot owners of the timeline requirements and to request action by May 1, 2023.

5. Closed Session.
A motion was made by Keith Lyons and seconded by Betty Bittner to go into closed session. The motion carried on a roll call vote.

6. Reconvene into Open Session.
A motion was made by Dick Klinkner and seconded by Betty Bittner to go into open session. The motion carried on a voice vote.

a. **The sale of Block 4, Lot 8 in Sandy Bay Highlands.**
   A motion was made by Dick Klinkner and seconded by Tracey Koach to accept the offer to purchase Block 4, Lot 8, in the amount of $38,000 while acknowledging the lot is listed for sale in the amount of $45,000. The closing must occur within 30 days. The motion carried in a voice vote.

b. **Loan application submitted by TA Properties.**
A motion was made by Dick Klinkner and seconded by Tracey Koach to approve an economic development loan with the terms listed below. The motion carried on a voice vote.

The City loan will be in the amount of $100,000. The loan will be secured by:

1. A second mortgage on property owned by TA Properties at 1906 Franklin Street, Manitowoc;
2. A second mortgage on property owned by Anne and Tim Klein at 2917 Monroe Street, Two Rivers;
3. Personal Guarantee from both Tim and Ann Klein.

The loan terms are:
1. A 20-year loan amortization.
2. Interest Rate is 0% in Year 1, 1% Year 2, 1% below Prime (Prime at the time of Closing) and Fixed thereafter
3. Balloon payment due at the end of year 10

How the loan funds will be disbursed: (Definition of match money is applicant's money).

1. Match money for the loan is to be spent first. The total match money from TA properties is a total of $100,000. The expenses for the roof of $65,000 and for the insulation cost of $19,000 may be used as a match for the loan. These expenditures will require documentation. The documentation is the invoice showing the cost from the vendor and proof of payment made by TA Properties, such as a copy of the check. The remaining balance of $16,000 is to be spent on payments to vendors, or on materials, such payments made after November 17, 2022, to reach the necessary match to the loan amount of $100,000.

2. After the $100,000 match money has been expended, additional invoices for building improvements that need to be paid, are to be submitted for payment to the City to access loan dollars. The City will issue checks to the vendor. Building improvements, and the corresponding invoices, will be paid with City loan funds up to the loan amount of $100,000.

Adjournment: At 6:40 PM, a motion was made by Dick Klinkner, seconded by Betty Bitner to adjourn. Motion carried.

Application for Temporary Class "B" / "Class B" Retailer's License

See Additional Information on reverse side. Contact the municipal clerk if you have questions.

FEE $ 10.00 Application Date: 1-24-23

☐ Town ☐ Village ☒ City of Two Rivers County of Manitowoc

The named organization applies for: *(check appropriate box(es).)*

☒ A Temporary Class "B" license to sell fermented malt beverages at picnics or similar gatherings under s. 125.26(6), Wis. Stats.

☐ A Temporary "Class B" license to sell wine at picnics or similar gatherings under s. 125.51(10), Wis. Stats.

at the premises described below during a special event beginning Time 7:30am and ending Time 11:00pm and agrees to comply with all laws, resolutions, ordinances and regulations (state, federal or local) affecting the sale of fermented malt beverages and/or wine if the license is granted.

1. Organization *(check appropriate box)* →

☒ Bona fide Club ☒ Church ☐ Lodge/Society

☐ Veteran's Organization ☐ Fair Association or Agricultural Society

☐ Chamber of Commerce or similar Civic or Trade Organization organized under ch. 181, Wis. Stats.

(a) Name Roncalli Athletic Association

(b) Address 2000 Mirro Dr. Manitowoc Wi 54220
(Street) ☐ Town ☐ Village ☒ City

(c) Date organized 1969

(d) If corporation, give date of incorporation

(e) If the named organization is not required to hold a Wisconsin seller's permit pursuant to s. 77.54 (7m), Wis. Stats., check this box: ☒

(f) Names and addresses of all officers:

President

Vice President

Secretary

Treasurer

(g) Name and address of manager or person in charge of affair: David J. Anschutz
Phone Number: 920-905-2317, 3412 Garfield St, T.R., WI 54241

2. Location of Premises Where Beer and/or Wine Will Be Sold, Served, Consumed, or Stored, and Areas Where Alcohol Beverage Records Will be Stored:

(a) Street number ~~1717 E.~~ 1710 W. Park St., Two Rivers, WI 54241

(b) Lot Block

(c) Do premises occupy all or part of building? Lobby + Gym

(d) If part of building, describe fully all premises covered under this application, which floor or floors, or room or rooms, license is to cover: Community House, Lobby + Gym

3. Name of Event

(a) List name of the event TRCCS Volleyball Tournament

(b) Dates of event 3/4/2023 – 3/5/2023

DECLARATION

An officer of the organization, declares under penalties of law that the information provided in this application is true and correct to the best of his/her knowledge and belief. Any person who knowingly provides materially false information in an application for a license may be required to forfeit not more than $1,000.

Officer David J Anschutz 1/23/23 Roncalli Athletic Association
(Signature / Date) *(Name of Organization)*

Date Filed with Clerk 1/24/23 Date Reported to Council or Board 2/6/23

Date Granted by Council License No.

Council Manager Government Since 1924

CITY OF TWO RIVERS

Office of City Clerk
1717 East Park Street
Post Office Box 87
Two Rivers WI 54241-0087
Telephone 920/793-5526
FAX. 920/793-5512

NOTE:

THIS FORM TO BE COMPLETED AND ATTACHED TO ALL APPLICATIONS FOR SPECIAL CLASS B MALT LICENSES FOR PICNICS & GATHERINGS

* * * * *

The applicant hereby agrees to indemnify and hold the City of Two Rivers harmless from and against any and all claims, actions, causes of action, damages, expenses, and liabilities which may be imposed upon, incurred by or asserted against the City of Two Rivers by reason of any injury or claim of injury or damage to any person or property which is associated with or arises out of the applicant's use of the City property and the dispensing of fermented malt beverage to any person pursuant to any license issued upon this application.

Roncalli Athletic Association
Organization

David J. Anschutz
By

Date

CliftonLarsonAllen LLP
CLAconnect.com

To the City Council
City of Two Rivers
Two Rivers, Wisconsin

We have audited the financial statements of the City of Two Rivers Tax Incremental District Number 4 (TID No. 4) as of and for the period ended February 7, 2022 and from the date the District was created through February 7, 2022, and have issued our report thereon dated January 12, 2023. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America as well as certain information related to the planned scope and timing of our audit in our statement of work for audit services dated December 29, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by TID No. 4 are described in Note 1 to the financial statements.

No new accounting policies were adopted and the application of existing policies was not changed during 2021.

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

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There were no accounting estimates affecting the financial statements which were particularly sensitive or required substantial judgments by management.

Financial statement disclosures

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

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

Difficulties encountered in performing the audit

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

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

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

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated January 12, 2023.

Management consultations with other independent accountants

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

Significant issues discussed with management prior to engagement

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

Significant findings or issues that were discussed, or the subject of correspondence with management

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. The following summarizes the significant findings or issues arising during the audit that were discussed, or were the subject of correspondence, with management:

We identified a significant deficiency in internal control related to the City's reliance on CLA to prepare the District's financial statements.

Other audit findings or issues

We have provided a separate communication to you dated January 12, 2023, communicating compliance with requirements of tax incremental financing district laws and regulations.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of financial transactions (the supplementary information) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with financial reporting provisions of the Wisconsin Department of Revenue, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underl ying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated January 12, 2023.

* * *

This communication is intended solely for the information and use of the City Council and management of TID No. 4, overlapping tax districts, and the Wisconsin Department of Revenue and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
January 12, 2023

TWO RIVERS
WISCONSIN

CliftonLarsonAllen LLP
712 Riverfront Drive, Suite 301
Sheboygan, WI 53081

This representation letter is provided in connection with your audit of the financial statements of the City of Two Rivers (the City) Tax Incremental District Number 4 (the District), as of February 7, 2022 and from the date of creation through February 7, 2022, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements are presented fairly, in all material respects, in accordance with accounting practices prescribed by the Wisconsin Department of Revenue which is a comprehensive basis of accounting other than generally accepted accounting principles in the United States of America (U.S. GAAP).

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

We confirm, to the best of our knowledge and belief, as of January 12, 2023, the following representations made to you during your audit of the financial statements as of and for the period ended February 7, 2022, and from the date the District was created through February 7, 2022, and the related notes to the financial statements.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement agreement dated December 29, 2022, for the preparation and fair presentation of the financial statements in accordance with accounting practices prescribed by the Wisconsin Department of Revenue which is a comprehensive basis of accounting other than U.S. GAAP.

2. We acknowledge and have fulfilled our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates are reasonable.

5. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the accounting practices prescribed by the Wisconsin Department of Revenue which is a comprehensive basis of accounting other than U.S. GAAP.

6. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

7. We have not identified or been notified of any uncorrected financial statement misstatements.

8. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with the accounting practices prescribed by the Wisconsin Department of Revenue which is a comprehensive basis of accounting other than U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.

9. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.

Information Provided

1. We have provided you with:

    a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records (including information obtained from within and outside of the general and subsidiary ledgers), documentation, and other matters.

    b. Additional information that you have requested from us for the purpose of the audit.

    c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

    d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

2. All material transactions have been recorded in the accounting records and are reflected in the financial statements.

3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:

    a. Management;

    b. Employees who have significant roles in internal control; or

    c. Others when the fraud could have a material effect on the financial statements.

5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, regulators, or others.

6. We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations and provisions of contracts and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.

7. We are not aware of any pending or threatened litigation, claims, or assessments, or unasserted claims or assessments, that are required to be accrued or disclosed in the financial statements, and we have not consulted a lawyer concerning litigation, claims, or assessments.

8. There are no known related-party relationships or transactions which need to be accounted for or disclosed.

9. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the District, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.

10. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

11. The entity has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.

12. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.

13. Project costs and uses of funds have been appropriately classified in accordance with the requirements prescribed by Wisconsin State Statutes Section 66.1105 and the project plan.

14. Project revenues and sources of funds have been appropriately classified in accordance with the requirements prescribed by Wisconsin State Statutes Section 66.1105 and the project plan.

15. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.

16. We acknowledge our responsibility for presenting the schedule of financial transactions (the supplementary information) in accordance with the requirements of the Wisconsin Department of Revenue, and we believe the supplementary information, including its form and content, is fairly presented in accordance with the requirements of the Wisconsin Department of Revenue. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.

17. As part of your audit, you prepared the draft financial statements, related notes, and supplementary information. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgments and decisions; and have assumed all management responsibilities. We have evaluated the adequacy and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, and supplementary information. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.

Signature: ______________________ Title: CITY MANAGER

Signature: ______________________ Title: FINANCE DIRECTOR

CITY OF TWO RIVERS WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4

FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

PERIOD ENDED FEBRUARY 7, 2022 AND FROM DATE OF CREATION THROUGH FEBRUARY 7, 2022

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4

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PERIOD ENDED FEBRUARY 7, 2022 AND FROM DATE OF CREATION THROUGH FEBRUARY 7, 2022

CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

City Council
City of Two Rivers, Wisconsin
Two Rivers, Wisconsin

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the City of Two Rivers Tax Incremental District Number 4 (the District), which comprise the balance sheet as of as of February 7, 2022, and the related historical summary of project costs, project revenues and net cost to be recovered through tax increments and historical summary of sources, uses, and status of funds for the period ended February 7, 2022 and from the date the District was created through February 7, 2022, and the related notes to the financial statements, which collectively comprise the District's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position as of February 7, 2022, and 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 for the period ended February 7, 2022 and from the date the District was created through February 7, 2022 on the basis of the financial reporting provisions of the Wisconsin Department of Revenue as described in Note 1.

Basis for Opinion

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

Emphasis of Matters

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1 to the financial statements, the financial statements are prepared by the District on the basis of the financial reporting provisions of the Wisconsin Department of Revenue, which is a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP), to comply with the requirements of the Wisconsin Department of Revenue. Our opinion is not modified with respect to this matter.

City Council
City of Two Rivers, Wisconsin

As discussed in Note 1, the financial statements present only the City of Two Rivers Tax Incremental District Number 4 and do not purport to, and do not, present fairly the financial position of the City of Two Rivers, Wisconsin as of February 7, 2022, or the changes in its financial position from the date of creation through February 7, 2022, in accordance with U.S. GAAP. Our opinion is not modified with respect to this matter

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Wisconsin Department of Revenue, as described in Note 1. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

City Council
City of Two Rivers, Wisconsin

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The schedule of financial transactions is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with tax incremental district laws and regulations, we have also issued our report dated January 12, 2023 on our test of compliance with Wisconsin State Statutes 66.1105 and the project plan. The purpose of that report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. That report is an integral part of an audit performed in accordance with tax incremental district laws and regulations in considering the District's compliance.

Restriction on Use

This report is intended solely for the information and use of City of Two Rivers, Wisconsin, overlapping tax districts, and the Wisconsin Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
January 12, 2023

FINANCIAL STATEMENTS

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
BALANCE SHEET
FEBRUARY 7, 2022

ASSETS

Cash and Investments	$	27,807

LIABILITIES AND FUND BALANCE

LIABILITIES		
Accounts Payable	$	5,750
Due to Other Taxing Entities		22,057
Total Liabilities		27,807
FUND BALANCE		
Restricted		-
Total Liabilities and Fund Balance	$	27,807

See accompanying Notes to Financial Statements.

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
HISTORICAL SUMMARY OF PROJECT COSTS, PROJECT REVENUES, AND NET COST TO BE RECOVERED THROUGH TAX INCREMENTS
PERIOD ENDED FEBRUARY 7, 2022 AND FROM DATE OF CREATION THROUGH FEBRUARY 7, 2022

	2022	From Date of Creation Through February 7, 2022
PROJECT COSTS		
Capital Expenditures	$ -	$ 741,807
Administration	5,750	21,215
Principal on Long-Term Debt	-	101,000
Interest and Fiscal Charges	-	99,189
Refund to Overlying Districts	22,057	22,057
Transfer to Affordable Housing Fund	49,647	49,647
Total Project Costs	77,454	1,034,915
PROJECT REVENUES		
Tax Increments	49,647	807,797
Intergovernmental	1,444	7,524
Developer Contribution	-	118,594
Proceeds from Long-Term Debt	-	101,000
Total Project Revenues	51,091	1,034,915
PROJECT COSTS IN EXCESS OF PROJECT REVENUES	$ 26,363	$ -

See accompanying Notes to Financial Statements.

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS
PERIOD ENDED FEBRUARY 7, 2022 AND FROM DATE OF CREATION THROUGH FEBRUARY 7, 2022

	2022	From Date of Creation Through February 7, 2022
SOURCES OF FUNDS		
Tax Increments	$ 49,647	$ 807,797
Intergovernmental	1,444	7,524
Developer Contribution	-	118,594
Proceeds from Long-term Debt	-	101,000
Total Sources of Funds	51,091	1,034,915
USES OF FUNDS		
Capital Expenditures	-	741,807
Administration	5,750	21,215
Principal on Long-Term Debt	-	101,000
Interest and Fiscal Charges	-	99,189
Refund to Overlying Districts	22,057	22,057
Transfer to Affordable Housing Fund	49,647	49,647
Total Uses of Funds	77,454	1,034,915
NET CHANGE IN FUND BALANCE	(26,363)	-
Fund Balance - Beginning of Period	26,363	-
FUND BALANCE - END OF PERIOD	$ -	$ -

See accompanying Notes to Financial Statements.

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 7, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Two Rivers Tax Incremental District Number 4 (the District) conform to accounting principles as applicable to governmental units and as defined by Wisconsin Statutes Section 66.1105, which is a basis of accounting other than accounting principles generally accepted in the United States of America (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Wisconsin Statutes Section 66.1105 establishes reporting requirements for the District. The significant accounting principles and policies utilized by the City of Two Rivers in preparing the financial statements of the District are described below.

The District uses the criteria set forth by GASB to determine the scope of the reporting entity.

A. Reporting Entity

This report contains the financial statements of the City of Two Rivers Tax Incremental District Number 4. The accompanying financial statements do not include the full presentation of the financial statements of the City of Two Rivers, Wisconsin, and do not purport to represent the financial position or changes in financial position of the City of Two Rivers. The financial statements of the District were prepared from data recorded in the District's capital project fund of the City and are presented in a format prescribed by the Wisconsin Department of Revenue.

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

The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until the maximum life of the District, whichever occurs first. The statutes in effect at the time of creation of the District provided for a maximum life of 27 years. Project costs uncollected at the dissolution date were absorbed by the City. Project costs may be incurred up to five years before the unextended termination date of the District. Listed below are the significant dates applicable to the District:

Creation Date	5/26/1994
Latest Date to Incur Project Expenditures	5/26/2016
Latest Termination Date	2/15/2022
Actual Termination Date	2/7/2022

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 7, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus and Basis of Accounting

The District's financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Project plan expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

District increments are recorded as revenues in the year due. Revenues susceptible to accrual include intergovernmental grants, intergovernmental charges for services, public charges for services and interest. Other revenues are recognized when received in cash or when measurable and available.

C. Project Plan Budget

The estimated revenues and expenditures of the District are adopted in the original project plan and any subsequent amendments. Those estimates are for the entire life of the District.

	Creation/ Adoption Date	Approved Project Costs
Original Project Plan	5/26/1994	$ 1,070,787
Plan Amendment #1	9/17/2007	341,718
Plan Amendment #2	9/23/2014	360,000
Final Project Plan Costs		$ 1,772,505

D. Use of Estimates

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

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 7, 2022

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance

1. Cash and Investments

Cash and investments are combined in the financial statements. Cash deposits consist of demand and time deposits with financial institutions and are carried at cost. Investments are stated at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date.

2. Property Taxes

When the District was created, the value of all taxable property within the defined boundaries of the District was determined by the Wisconsin Department of Revenue. This value is known as the base value of the District, and remains unchanged through the life of the District unless the City amends District boundaries to add or remove properties. The Wisconsin Department of Revenue annually certifies the current value of all taxable property within the District.

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

Property taxes collected on the base value are shared with the overlying taxing jurisdictions while property taxes collected on the growth in value, also known as the increment value, are retained by the City as tax increment revenue. The City uses the tax increment revenue to pay for approved project plan expenditures. A summary of taxable value within the District as of December 31, 2021 follows:

Current Value	Base Value	Increment Value
$ 3,273,300	$ 1,146,900	$ 2,126,400

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Inflows of Resources, and Fund Balance (Continued)

3. Long-Term Obligations

The District recognized bond premiums and discounts, as well as bond issuance costs, during the period when received or paid. The face amount of debt issued was reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Premiums received, discounts on debt issuance, issuance costs and interest on long-term debt are considered financing costs recoverable from revenues of the District.

4. Fund Balance

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

- **Nonspendable fund balance.** Amounts that are not in spendable form (such as inventory, prepaid items, or long-term receivables) or are legally or contractually required to remain intact.
- **Restricted fund balance.** Amounts that are constrained for specific purposes by external parties (such as grantor or bondholders), through constitutional provisions, or by enabling legislation.
- **Unassigned fund balance.** Only deficit amounts are shown in this category.

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
NOTES TO FINANCIAL STATEMENTS
FEBRUARY 7, 2022

NOTE 2 CASH AND INVESTMENTS

The District invests in funds in accordance with the provisions of the Wisconsin Statutes 66.0603(lm) and 67.11(2).

Investments are stated at fair value, which is the price that would be received to sell an asset in an orderly transaction at the measurement date. Fair values are based on quoted market prices. No investments are reported at amortized cost. Adjustments necessary to record investments at fair value are recorded in the operating statement as increases or decreases in investment income.

The District, as a fund of the City, maintains common cash and investment accounts. Federal depository insurance and the State of Wisconsin Guarantee fund insurance apply to the City of Two Rivers as an individual municipality and, accordingly, the amount of insured funds is not determinable for the District.

NOTE 3 LONG-TERM OBLIGATIONS

During the life of the District, the City issued general obligation debt backed by the full faith and credit of the City to finance District project plan expenditures. The debt issued by the District was retired by future tax increments.

The following is a summary of changes in long-term obligations for the District form the date of creation through February 7, 2022:

	Date of Creation	Issued	Retired	Outstanding 2/7/22	Due Within One Year
General Obligation Debt:					
Direct Borrowing					
State Trust Fund Loans	$ -	$ 101,000	$ 101,000	$ -	$ -
Total General Obligation Debt	$ -	$ 101,000	$ 101,000	$ -	$ -

NOTE 4 REFUND TO OVERLYING DISTRICTS

The refund to overlying districts of $22,057 is calculated based on increments collected in excess of project costs using the ratio of taxes from the 2021 Tax Increment Worksheet. A summary of the total due, along with each overlying district's portion, are as follows:

	Percentage of Tax Base	Total Refund
Manitowoc County	20.505%	$ 4,523
School District of Two Rivers	36.113%	7,965
Lakeshore Technical College	3.117%	687
City of Two Rivers	40.265%	8,882
Grand Total	100.000%	$ 22,057

SUPPLEMENTARY INFORMATION

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
SCHEDULE OF FINANCIAL TRANSACTIONS
FOR THE PERIOD MAY 26, 1994 THROUGH FEBRUARY 7, 2022

	1994	1995	1996	1997	1998	1999	2000
REVENUES							
Tax Increments	$ -	$ -	$ 11,386	$ 20,552	$ 24,555	$ 29,457	$ 26,046
Intergovernmental	-	-	-	-	-	-	-
Developer Contribution	-	-	-	-	-	-	-
Proceeds from Long-term Debt	-	101,000	-	-	-	-	-
Total Revenues	-	101,000	11,386	20,552	24,555	29,457	26,046
EXPENDITURES							
Capital Outlay	202,634	31,920	22,784	-	-	-	1,049
Administration	-	-	-	-	-	-	-
Developer Incentive Payments	-	-	-	-	-	-	-
Transfer to Affordable Housing Fund	-	-	-	-	-	-	-
Principal on Long-Term Debt	-	-	-	2,691	9,138	9,648	10,174
Interest and Fiscal Charges	-	-	-	11,931	5,484	4,974	4,448
Refund to Overlying Districts	-	-	-	-	-	-	-
Total Expenditures	202,634	31,920	22,784	14,622	14,622	14,622	15,671
NET CHANGE IN FUND BALANCE	(202,634)	69,080	(11,398)	5,930	9,933	14,835	10,375
Fund Balance (Deficit) - Beginning of Period	-	(202,634)	(133,554)	(144,952)	(139,022)	(129,089)	(114,254)
FUND BALANCE (DEFICIT) - END OF PERIOD	$ (202,634)	$ (133,554)	$ (144,952)	$ (139,022)	$ (129,089)	$ (114,254)	$ (103,879)

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
SCHEDULE OF FINANCIAL TRANSACTIONS
FOR THE PERIOD MAY 26, 1994 THROUGH FEBRUARY 7, 2022

	2001	2002	2003	2004	2005	2006	2007
REVENUES							
Tax Increments	$ 29,921	$ 29,674	$ 29,547	$ 91,467	$ 38,528	$ 27,075	$ 26,902
Intergovernmental	-	-	-	-	-	2	2
Developer Contribution	-	-	-	-	-	10,742	11,041
Proceeds from Long-term Debt	-	-	-	-	-	-	-
Total Revenues	29,921	29,674	29,547	91,467	38,528	37,819	37,945
EXPENDITURES							
Capital Outlay	-	2,278	-	488	-	-	58,004
Administration	-	-	-	-	-	-	-
Developer Incentive Payments	-	-	-	-	-	-	-
Transfer to Affordable Housing Fund	-	-	-	-	-	-	-
Principal on Long-Term Debt	10,753	25,974	12,801	19,821	-	-	-
Interest and Fiscal Charges	3,869	3,270	1,821	42,259	505	-	-
Refund to Overlying Districts	-	-	-	-	-	-	-
Total Expenditures	14,622	31,522	14,622	62,568	505	-	58,004
NET CHANGE IN FUND BALANCE	15,299	(1,848)	14,925	28,899	38,023	37,819	(20,059)
Fund Balance (Deficit) - Beginning of Period	(103,879)	(88,580)	(90,428)	(75,503)	(46,604)	(8,581)	29,238
FUND BALANCE (DEFICIT) - END OF PERIOD	$ (88,580)	$ (90,428)	$ (75,503)	$ (46,604)	$ (8,581)	$ 29,238	$ 9,179

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
SCHEDULE OF FINANCIAL TRANSACTIONS
FOR THE PERIOD MAY 26, 1994 THROUGH FEBRUARY 7, 2022

	2008	2009	2010	2011	2012	2013	2014
REVENUES							
Tax Increments	$ 6,667	$ 17,580	$ 19,922	$ 13,870	$ 12,946	$ 12,325	$ 12,082
Intergovernmental	7	45	29	15	13	8	22
Developer Contribution	11,255	10,987	20,739	10,470	-	10,104	10,338
Proceeds from Long-term Debt	-	-	-	-	-	-	-
Total Revenues	17,929	28,612	40,690	24,355	12,959	22,437	22,442
EXPENDITURES							
Capital Outlay	64,350	12,089	-	-	5,300	-	121,597
Administration	-	-	150	150	150	150	7,589
Developer Incentive Payments	-	-	-	-	-	-	-
Transfer to Affordable Housing Fund	-	-	-	-	-	-	-
Principal on Long-Term Debt	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	744	-	-	-	-	1,010
Refund to Overlying Districts	-	-	-	-	-	-	-
Total Expenditures	64,350	12,833	150	150	5,450	150	130,196
NET CHANGE IN FUND BALANCE	(46,421)	15,779	40,540	24,205	7,509	22,287	(107,754)
Fund Balance (Deficit) - Beginning of Period	9,179	(37,242)	(21,463)	19,077	43,282	50,791	73,078
FUND BALANCE (DEFICIT) - END OF PERIOD	$ (37,242)	$ (21,463)	$ 19,077	$ 43,282	$ 50,791	$ 73,078	$ (34,676)

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
SCHEDULE OF FINANCIAL TRANSACTIONS
FOR THE PERIOD MAY 26, 1994 THROUGH FEBRUARY 7, 2022

	2015	2016	2017	2018	2019	2020	2021
REVENUES							
Tax Increments	$ 11,409	$ 36,088	$ 48,643	$ 46,854	$ 45,057	$ 45,692	$ 43,905
Intergovernmental	13	44	768	780	1,026	1,444	1,862
Developer Contribution	11,630	11,288	-	-	-	-	-
Proceeds from Long-term Debt	-	-	-	-	-	-	-
Total Revenues	23,052	47,420	49,411	47,634	46,083	47,136	45,767
EXPENDITURES							
Capital Outlay	136,297	55,016	14,332	13,669	-	-	-
Administration	6,376	150	150	150	150	150	150
Developer Incentive Payments	-	-	-	-	-	-	-
Transfer to Affordable Housing Fund	-	-	-	-	-	-	-
Principal on Long-Term Debt	-	-	-	-	-	-	-
Interest and Fiscal Charges	-	5,835	5,208	4,340	2,931	560	-
Refund to Overlying Districts	-	-	-	-	-	-	-
Total Expenditures	142,673	61,001	19,690	18,159	3,081	710	150
NET CHANGE IN FUND BALANCE	(119,621)	(13,581)	29,721	29,475	43,002	46,426	45,617
Fund Balance (Deficit) - Beginning of Period	(34,676)	(154,297)	(167,878)	(138,157)	(108,682)	(65,680)	(19,254)
FUND BALANCE (DEFICIT) - END OF PERIOD	$ (154,297)	$ (167,878)	$ (138,157)	$ (108,682)	$ (65,680)	$ (19,254)	$ 26,363

CITY OF TWO RIVERS, WISCONSIN
TAX INCREMENTAL DISTRICT NUMBER 4
SCHEDULE OF FINANCIAL TRANSACTIONS
FOR THE PERIOD MAY 26, 1994 THROUGH FEBRUARY 7, 2022

	2022	Total	Original Project Plan	Plan Amendment 1	Plan Amendment 2	Total Project Plan
REVENUES						
Tax Increments	$ 49,647	$ 807,797	$ 460,275	$ 75,867	$ 333,045	$ 869,187
Intergovernmental	1,444	7,524	-	16,597	-	16,597
Developer Contribution	-	118,594	-	13,086	-	13,086
Proceeds from Long-term Debt	-	101,000	407,100	-	-	407,100
Total Revenues	51,091	1,034,915	867,375	105,550	333,045	1,305,970
EXPENDITURES						
Capital Outlay	-	741,807	378,100	177,000	230,000	785,100
Administration	5,750	21,215	29,000	11,000	30,000	70,000
Developer Incentive Payments	-	-	-	120,000	100,000	220,000
Transfer to Affordable Housing Fund	49,647	49,647	-	-	-	-
Principal on Long-Term Debt	-	101,000	407,100	-	-	407,100
Interest and Fiscal Charges	-	99,189	256,587	33,718	-	290,305
Refund to Overlying Districts	22,057	22,057	-	-	-	-
Total Expenditures	77,454	1,034,915	1,070,787	341,718	360,000	1,772,505
NET CHANGE IN FUND BALANCE	(26,363)	-	$ (203,412)	$ (236,168)	$ (26,955)	$ (466,535)
Fund Balance (Deficit) - Beginning of Period	26,363	-				
FUND BALANCE (DEFICIT) - END OF PERIOD	$ -	$ -				

ADDITIONAL INDEPENDENT AUDITORS' REPORT FOR FINANCIAL STATEMENTS

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS OF TAX INCREMENTAL FINANCING DISTRICT LAWS AND REGULATIONS

City Council
City of Two Rivers
Two Rivers, Wisconsin

We have audited, in accordance with auditing standards generally accepted in the United States of America, the accompanying financial statements of the City of Two Rivers, Wisconsin's Tax Incremental District Number 4 (the District), which comprise the balance sheet as of February 7, 2022, and the historical summary of project costs, project revenues, and net cost to be recovered through tax increments and the historical summary of sources, uses, and status of funds for the period ended February 7, 2022, and from the date the District was created through February 7, 2022, and the related notes to the financial statements, and have issued our report thereon dated January 12, 2023.

Compliance with State Statutes Section 66.1105

Wisconsin State Statutes Section 66.1105 covers compliance to be tested related to tax increment financing districts.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Two Rivers, Wisconsin's Tax Incremental District Number 4 failed to comply with the provisions of Wisconsin State Statutes Section 66.1105 and the project plan, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the District's noncompliance with the above-referenced provisions, insofar as they relate to accounting matters.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the City Council, management, Wisconsin Department of Revenue, and overlapping taxing districts and is not intended to be, and should not be, used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sheboygan, Wisconsin
January 12, 2023

Global

INDEPENDENT NETWORK MEMBER

TWO RIVERS
WISCONSIN

Committee Volunteer Application

If you reside in the City of Two Rivers and wish to be appointed to a citizens Committee, Commission, or Board please complete the following application and return to the City Manager's Office, P.O. Box 87, Two Rivers, WI, 54241-0087 or email liskue@two-rivers.org

Name (Last, First, Middle): Brandt, Douglas, Robert

Home Address: 2602 Riverhills Road, Two Rivers, WI 54241

Phone: 920-905-4178 **Email:** veloracerm4@yahoo.com

Employer/Business: CTI and Associates, inc.

Employer Address: 34705 West 12 Mile Rd, Ste 230 Farmington Hills, MI 48331

Occupation: Designer

Which Committee, Commission, or Board do you wish to serve on?

Environmental Advisory

Do you have any special skills, knowledge, experience, or interest that relates to the above Committee, Commission, or Board?

I have worked in the environmental/civil engineering consulting field for over 30 years. Have a working knowledge of how groundwater and geology.

Been involved in the design of many surface water control systems.

Do you have any conflict of interest related to the Committee, Commission, or Board for which you are applying (such as employed relatives, business or financial conflicts, etc.)?

None

Digitally signed by Douglas Brandt
Reason: I attest to the accuracy and integrity of this document
Contact Info: 920-905-4178
Date: 2023.01.25 14:05:44-06'00'

Signature

January 25, 2023

Date

CITY OF TWO RIVERS

RESOLUTION AUTHORIZING ESTABLISHMENT OF A TREE PLANTING GRANT PILOT PROGRAM FOR 2023

WHEREAS trees, both on public and private property, have numerous benefits to our communities, including:

--Cleaning our air, taking in carbon dioxide and various pollutants and particulate matter, while producing life-giving oxygen;

--Deadening noise from traffic, construction, and other noise sources

--Absorbing excess water from storm events and Spring snowmelt, thereby reducing the volume of runoff and soil erosion and reducing sediments in our surface waterways;

--Helping cool the air in summer, when the "heat island effect" from concentrations of paved surfaces, buildings, vehicles, etc. raises the temperature of urban centers, large and small;

--Reducing home and business energy consumption; in our northern climate, deciduous trees planted on the south or west side of a building provide cooling shade in the summer, while letting the sun shine through for solar gain in the Winter;

--Benefitting our physical and mental health; studies have shown that living in a tree-filled urban environment can reduce stress and anxiety and also reduce the incidence of various illnesses;

--Providing habitat for songbirds, beneficial insects and other creatures that inhabit the urban tree canopy, contributing to the biodiversity of our cities

--Beautifying our neighborhoods and improving property values in the process; and

WHEREAS, the City of Two Rivers has recently recognized the need to step up its urban forestry activities on public properties, along streets and in parks, both as the result of years of minimal investment and the tree losses being incurred due to the advance of Emerald Ash Borer; and

WHEREAS, the City's Environmental Advisory Board has also recommended that the City more actively encourage the planting of trees on private properties throughout the city, expanding on an underutilized incentive program offered for several years through our municipal electric utility;

NOW, THEREFORE, BE IT RESOLVED THAT THE City Council of the City of Two River does hereby authorize the establishment of a **Tree Planting Grant Program**, on a **pilot basis** for 2023 and subject to review for continuing in future years, with key provisions as follows:

1. Funding Level: $10,000, with $5,000 from Electric Utility "Commitment to Community" funds and $5,000 from the City's Tree Planting Fund.
2. Eligible Applicants: Any property owner in the City of Two Rivers
3. Grant Amount: Two-thirds of the cost of an eligible tree, up to a maximum grant of $100 per tree and a maximum of three trees per property owner
4. Pre-Approval Process: Property owners must file an application with the City, identifying the property where the trees are to be planted, and acknowledging the terms that must be met in order to receive a grant payment reimbursing them for the cost of their qualifying trees. Such

application must be received and approved by the City in advance of the purchase of any tree for which grant assistance is requested.

5. First Come, First Served. Once the City has received and approved applications totaling $10,000 for 2023, no additional applications will be pre-approved. Such applications will, however, be placed on a waiting list, in the event that not all authorized funds are spent by the deadline date in 6. below.
6. Tree Purchases Eligible for Reimbursement: Must meet all requirements of the current Electric Utility Tree Grant Program, including:

   --Must be a deciduous tree

   --Must be a variety that has a height of at least 25 feet at maturity

   --Must be planted on the south or west side of the primary structure on the property, or in a location that provides significant shade for an air conditioner

   --Must be nursery grade stock

   --Must be at least 1.25 inches caliper (trunk diameter as measured 6-12 inches above the soil surface

   --Planting must have been preceded by a call to Diggers hotline

   --Receipt(s) for the tree purchase, clearly showing the name of the seller, must be provided

7. Deadline for Reimbursement: Trees must be purchased, planted and all necessary documentation provided to the City not later than 4:30 PM on Friday, June 16, 2023; after that, the City reserves the right to revoke the applicant's pre-approval; remaining available funds may then be offered to persons on the waiting list, if any, and/or be used for additional public property tree plantings; and
8. Other provisions as may be deemed appropriate by City staff.

BE IT FURTHER RESOLVED that the City Manager is hereby directed to provide the Environmental Advisory Board and the City Council with a final report on this pilot program not later than September 30, 2023, to allow time for consideration of whether to continue this pilot program in 2024.

Adopted this 6th day of February, 2023.

____

Council Member

____

Gregory E. Buckley
City Manager